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INTRODUCTION

Changes to Portfolio Statement content

Significant changes have been made to the 2003-04 Portfolio Statements. These changes result from directions established by the incoming Government in 2002, but were not able to be effected in time for the 2002-03 Portfolio Statements.

The major change to the 2003-04 Portfolio Statements is the replacement of the former structure of output classes and outputs with programs and sub-programs. In addition, individual agency information is now consistently provided within the portfolio structures. Program/sub-program information is presented within the agency structure.

While portfolio structures have been maintained, their main purpose in the document is to provide summary information for administrative groupings of agencies. In some cases a single agency represents the entire portfolio. Appropriations are made at the agency level.

Both financial and performance information is presented on a program basis. Financial information is included at program level in the form of a summarised operating statement that shows the "net cost of program". Performance information is provided by way of performance commentary and performance indicators at the sub-program level. There is no longer a requirement that the performance of a program be measured in terms of output quantity, quality, timeliness and cost. However, where such measures are useful in reflecting the performance of programs they are still used. Where possible. actuals data for 2001-02 has also been included for programs/sub-programs.

Appropriations are identified at an agency level and all agencies provide a suite of financial statements including appropriation revenue.

Outputs/Programs and performance measures

The Government has decided to replace the previous output based performance structure with a program based performance structure. As such, the 2003-04 Budget is the first phase of a change that will take some time to fully implement. There are inevitable "not available" notations in some areas. These have been avoided where possible. As agencies become more familiar with the revised structure, their programs and performance information collection processes will become better designed to meet the new reporting objectives.

Actuals

Where possible, actual financial and performance data for 2001-02 is provided. This is the first time actuals data has been included in the Portfolio Statements.

Actuals information for 2001-02 has not been provided where not available or not directly comparable due to significant changes in agency structure.

Financial statements

The financial statements outlined in the 2003-04 Portfolio Statements are based upon Australian Accounting Standards (AAS) as they have been in previous budgets.

Financial statements are provided for each agency covering financial performance, financial position and cash flows for controlled and administered items (where applicable) with a consolidation of controlled items provided at the portfolio level. Where a portfolio contains a single agency, consolidated statements are redundant, and only agency statements are provided.

DEFINITIONS

Portfolio

A portfolio is an entity that provides management and administrative support for a defined group of agencies. A portfolio may comprise a single agency.

Agency

An agency is an administrative unit created under the Public Sector Management Act 1975 (PSM) or a statutory authority that is accountable for the delivery of a number of programs on behalf of the Government.

Programs and sub-programs

A program is a grouping of related sub–programs that contribute to the achievement of agency and, in turn, government objectives. A sub–program is a grouping of activities that contribute to a more specific objective.

PORTFOLIO STATEMENT OVERVIEW

The Portfolio Statements outline details of projected portfolio performance for 2003-04. Each Portfolio Statement conforms to the following standard presentation structure:

Portfolio summary

- Ministerial Responsibilities
  - details Minister, Agency, Program and Administrative Items relationships and responsibilities
- Portfolio Net Expenditure Summary ***(where the portfolio consists of more than one agency)***
  - a summary of total agency net expenditure
- Investing Payments Summary **(*where the portfolio consists of more than one agency)***
  - total agency investing payments
- Portfolio Financial Statements ***(where the portfolio consists of more than one agency)***
  - budgeted financial statements for controlled items
- Workforce Summary
  - total agency workforce details
- Ministerial Office(s) resources
  - details of resources provided to Ministerial office(s)

Agency summary

- Objective
  - details of the agency objectives

- Targets / Highlights
  - a listing of targets for the budget year and highlights for the current year
- Program Cost Summary
  - a summary of the net cost of agency programs
- Investing Payments Summary
  - the investing payments for the agency
- Program Information
  - a description / objective along with summary form operating statement
  - commentary and performance measures for individual agency sub-programs
- Agency Financial Statements
  - budgeted financial statements for controlled and administered item
- Agency Financial Commentary
  - commentary on applicable variances, trends, etc relevant to the preceding financial statements

Portfolio — Environment and Conservation and the River Murray

Minister for Environment and Conservation

Minister for the River Murray

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PORTFOLIO: ENVIRONMENT AND CONSERVATION AND THE RIVER MURRAY

MINISTERIAL RESPONSIBILITIES

Minister	Agency	Programs
The Hon. John Hill Minister for Environment and Conservation Minister for the River Murray	Department for Environment and Heritage (DEH)	1. Public Land Management 2. Nature Conservation 3. Coast and Marine Conservation 4. Animal Welfare 5. Heritage Conservation 6. Sustainability
	Department of Water, Land and Biodiversity Conservation (DWLBC)	1. Policy, Planning and Coordination 2. Natural Resource Management 3. Natural Resource Science and Information
	Environment Protection Authority (EPA)	1. Environment and Radiation Protection

Administered items

In addition to the above responsibilities the Portfolio administers the following items on behalf of Minister(s).

Administered items

- Adelaide Coastal Waters Study
- Arid Areas Catchment Water Management Board
- Bookmark Biosphere Trust
- Botanic Gardens and State Herbarium Board Trust
- Coast Protection Fund
- Crown Lands Suspense Account
- Environment Protection Fund
- Excess Water (Fines and Penalties)
- General Reserves Trust
- Land administration transactions on behalf of DAIS
- Lower Murray Reclaimed Irrigation Areas Operating Account
- Martindale Hall

- Ministerial Other Items allocations
- Murray Mallee Partnership
- National Action Plan for Salinity and Water Quality
- Native Vegetation Fund
- Natural Heritage Trust
- Pastoral Board
- Qualco Sunlands Ground Water Control Trust
- River Murray Improvement Program
- South Eastern Water Conservation and Drainage Board
- State Heritage Fund
- Surplus Land and Property Sales
- War Services Land Settlement Scheme
- Water Resources Levy Fund
- Wildlife Conservation Fund
- Zero Waste SA

Statutes

The Department of the Premier and Cabinet maintains a list of statutes applicable to Ministers.

PORTFOLIO NET EXPENDITURE SUMMARY

Agency	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
Department for Environment and Heritage	92 789	86 023	84 355	88 448
Department of Water, Land and Biodiversity Conservation	44 044	49 176	55 504	45 820
Environment Protection Authority	8 718	10 304	10 728	10 345
Total	**145 551**	**145 503**	**150 587**	**144 612**

INVESTING PAYMENTS SUMMARY

Agency	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
Department for Environment and Heritage	11 784	11 048	10 609	18 193
Department of Water, Land and Biodiversity Conservation	12 261	10 667	18 075	3 738
Environment Protection Authority	965	320	515	911
Total Investing Payments	**25 010**	**22 035**	**29 199**	**22 842**

WORKFORCE SUMMARY

Agency	FTEs as at 30 June		
	2003-04 Budget Estimate	**2002-03 Estimated Result**	**2001-02 Actual**
Department for Environment and Heritage	960	955	900
Department of Water, Land and Biodiversity Conservation	448	447	406
Environment Protection Authority	230	212	174
Total	**1 638**	**1 614**	**1 480**

MINISTERIAL OFFICE RESOURCES

Minister	2003-04 Budget	
	Cost of provision $000	**FTEs**
The Hon. John Hill	925	10

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Portfolio: Environment and Conservation and the River Murray

Agency: Department for Environment and Heritage

Objective

The Department for Environment and Heritage is the Government's principal environment agency with key roles to:

- provide policy advice and leadership on the environmental sustainability of human activities, and on the conservation, use and enjoyment of natural and cultural heritage, and of the public land estate

- manage and conserve our public land, special places and wildlife, on behalf of Government, for the use, benefit and enjoyment of all South Australians.

The Department for Environment and Heritage has a key advocacy and engagement role across Government and with business and communities throughout South Australia to achieve:

- wise resource allocation and use

- clean and healthy environments

- conserved and functioning ecosystems

- conserved and celebrated heritage

- improved condition of our air, land, water and biodiversity and

- a society actively engaged in the environment.

2003-04 Targets / 2002-03 Highlights

Targets 2003-04	Highlights 2002-03
• Introduce legislation to establish the Adelaide Dolphin Sanctuary • Increase protection for Coongie Lakes wetlands • Amend the *Dog and Cat Management Act 1995* to implement the Responsible Dog Ownership Strategy • Establish Zero Waste SA • Establish a Sustainability Round Table • Complete the Parklands Action Plan to resolve future management of the parklands • Hold the inaugural 'Celebrating our Heritage Awards' • Introduce new legislation for Crown lands • Develop fire management, response and community protection plans for priority reserves • Develop a Living Coast Strategy • Develop new legislation for Coast and Marine • Progress the wilderness assessment of the Yellabinna region • Assist the Environment Protection Authority to complete the 2003 State of the Environment Report • Amend the *Environment Protection Act 1993* to incorporate the results of a general review of the Act undertaken 1999–2001 • Complete the site master plan and conservation study for Adelaide Botanic Gardens and Mount Lofty Botanic Gardens • Review the existing statutory and policy framework for biodiversity conservation • Continue the Biological Survey of South Australia focusing on the impacts of salinity on biodiversity in the Murray River Corridor, Yorke Peninsula and Mid North regions • Progress the 'No Species Loss' strategy • Establish a pilot Encounter Marine Protected Area • Release the pilot Marine Plan for the Upper Spencer Gulf for public consultation • Commence the Review of Reserve Classification Categories through the development of a discussion paper and framework for relating reserve classifications to the International Union for the Conservation of Nature Categories • Complete an integrated database for the State's vegetation as part of the National Vegetation Information System • Complete the Semaphore Park Trial Breakwater • Continue to develop 'The Living End' precinct in conjunction with the Adelaide Zoo, National Wine Centre, Adelaide Tourism Marketing and East End Precinct Management • Establish partnerships with Aboriginal communities, land-holding authorities and Aboriginal agencies to develop ongoing cooperative programs for specific parks (Unnamed, Gammons, Tallaringa and Coorong initially), including Aboriginal heritage and biodiversity management programs • Finalise a report on 'Heritage Directions for SA' • Complete crop surveys and water use efficiency assessments for River Murray irrigators	• Finalised proclamation of the Gammon Ranges as a single use national park • Finalised the first stage of the Parklands Action Plan • Established the Ministerial Heritage Advisory Committee • Introduced a program to accelerate freeholding of perpetual leases • Introduced the *NatureLinks* initiative and launched the 'East meets West' program on Eyre Peninsula • Announced the first mainland Wilderness Protection Area (Memory Cove) • Announced the proposal to transfer the Unnamed Conservation Park to Maralinga Tjarutja • Established the Office of Sustainability • Established an independent Environment Protection Authority and supported the passage of *Statutes Amendment (Environment Protection) Act 2002* • Produced the first edition of Green Print SA • Completed a $1.8 million upgrade of facilities at the Morialta Conservation Park • Continued to develop the parks system with additions to Cleland, Seal Bay, Pinkawillinie and Gum Lagoon Conservation Parks, and constitution of Nicolas Baudin Island, Lake Frome, and Poonthie Ruwi – Riverdale Conservation Parks • Initiated a Green City Program • Supported the passage of *Nuclear Waste Storage Facility (Prohibition) Act 2003* • Completed a review of waste management arrangements and secured an agreement to the establishment of Zero Waste SA • Launched the State Wetlands Strategy • Continued the development of a Gardens site master plan for Adelaide Botanic Gardens and Mount Lofty Botanic Gardens • Initiated the development of a conservation study for Adelaide Botanic Gardens and Mount Lofty Botanic Gardens • Published Biodiversity Plans for all Natural Resource Management regions within the agriculture zone (except Mount Lofty) • Launched a Heritage Cemeteries Fund • Developed a fire history atlas and database for parks • Completed a Kangaroo Island map book for the Country Fire Services • Introduced a voluntary Code of Practice for Firewood Merchants • Published a Birdsville/Strzelecki Track Heritage Survey • Developed a framework for reform of licensing fees and arrangements under the *Environment Protection Act 1993* • Developed new salinity assessment models for assessing River Murray irrigation impacts • Launched the Coast and Marine Education Framework

Program net expenditure summary

Program	Net Expenditure			
	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
1. Public Land Management	**50 272**	45 557	41 092	44 446
2. Nature Conservation	**21 605**	22 221	21 936	21 810
3. Coast and Marine Conservation	**8 499**	5 314	6 697	6 235
4. Animal Welfare	**812**	808	804	794
5. Heritage Conservation	**2 018**	2 054	2 055	2 133
6. Sustainability	**9 583**	10 069	11 771	13 030
Total	**92 789**	86 023	84 355	88 448

Investing payments summary

Investments	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
New Works				
Wyndgate Land Purchase	—	—	—	3 266
Total New Works	**—**	**—**	**—**	**3 266**
Works in Progress				
Rocky River Precinct Development	—	149	500	5 364
Property Cadastre	—	—	—	215
Gawler Ranges — Park Establishment	—	—	—	112
Total Works in Progress	**—**	**149**	**500**	**5 691**
Minor Works	11 784	10 899	10 109	9 236
Total Investing Payments	**11 784**	**11 048**	**10 609**	**18 193**

Agency: Department for Environment and Heritage

Program Information

Program 1: Public Land Management

Description/Objective: The conservation, maintenance and stewardship of the State's public lands.

Operating Statement

Program 1: ***Public Land Management***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	28 730	25 863	23 537	24 560
Supplies & Services	17 359	15 842	15 779	17 713
Depreciation	18 518	18 518	16 245	17 237
Other	1 660	2 615	2 110	2 429
Total Operating Expenses	**66 267**	62 838	57 671	61 939
Operating Revenue				
Sale of Goods	336	336	336	336
Regulatory Fees	1 363	1 498	678	678
Other	14 296	15 447	15 565	16 479
Total Operating Revenues	**15 995**	17 281	16 579	17 493
Net Cost of Program	**50 272**	45 557	41 092	44 446

Program 1: Performance Criteria:

Sub-program: 1.1	**Visitor Management Services** Development of policy frameworks, planning and provision of amenities and services to facilitate public use and enjoyment of lands managed by the department, including parks and reserves, botanic gardens and other Crown lands. This includes visitor infrastructure, information and interpretation to encourage and guide visitor use, and commercial tour operator licensing and management.
Performance Commentary	In 2002-03, a Bushwalking Management Strategy was completed. In addition, the $7.6 million Rocky River Development on Kangaroo Island and a $1.8 million upgrade of facilities at the Morialta Conservation Park were opened. High profile nature-based tourism information was provided for the SATC *Secrets* guides. In 2003-04 the quality and sustainability of park facilities and visitor management services in targeted areas will be further improved, including the Yurrebilla Trail in the Mount Lofty Ranges and the Heysen Trail. DEH will continue to provide quality information and interpretation services that promote parks, conservation and heritage. (1) Reduced result for 2002-03 based on extreme weather conditions in summer and international political instability leading to a general downturn in visitors.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of visits to Icon Parks	1 250 000	1 203 000	1 212 925	1 195 000
No. of visits to Key Parks	845 000	815 000 (1)	888 531	875 400
Satisfaction of park visitors with facilities and services	95%	95%	95%	95%
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$27 009 000**	**$25 941 000**	**$24 419 000**	**$26 667 000**

Sub-program: 1.2	**Public Land Property Services** Development of policy and planning frameworks for the acquisition, allocation and disposal of public land (including parks, reserves, gardens and Crown land). The administration and management of leases and licences to occupy lands (egg shack leases, grazing licences)
Performance Commentary	In 2002-03 the shacks freeholding process was reviewed. A draft of legislation to replace the *Crown Lands Act 1929* was prepared, and an Accelerated Freeholding Project for Crown perpetual leases commenced. Some significant areas were purchased for addition to the reserve system, including wetlands on the Fleurieu Peninsula and habitat for threatened species on Eyre Peninsula, and an assessment of wilderness areas was also undertaken. In 2003-04 further work will be undertaken to improve the administration of the State's Crown lands, including the development of new legislation and an inventory and review of the State's Crown lands and freeholding of perpetual leases. There will be further additions to the reserve system, including additional areas proclaimed under the *Wilderness Protection Act 1992*. (1) Variance relates to offers to freehold perpetual leases through a Perpetual Leases Accelerated Freeholding process. Offers were made in March 2003. The number of leases in existence will rapidly decline as this process continues. (2) Number to increase due to the Perpetual Leases Accelerated Freeholding Project. (3) Reduction in conservation reserves under Crown Lands Act not achieved as a review of conservation reserves for appropriate dedications under National Parks and Wildlife Act was not progressed in 2002-03.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of and revenue from Crown leases managed	13 900 ($1 700 000)	17 900 ($1 800 000)	18 038 ($3 200 000) (1)	18 420 ($1 700 000)
No. of leases freeholded	4 000 (2)	450	382	349
No. of parcels of Crown land and reserves managed	30 000	30 000	30 000	30 000
No. of government properties sold	20	20	19	33
Area (hectares) and % of the State in the formal reserve system				
• *National Parks and Wildlife Act 1972*	20 920 270 (21.2%)	21 028 595 (21.4%)	21 250 000 (21.5%)	21 020 755 (21.3%)
• *Wilderness Protection Act 1992*	183 818 (0.18%)	70 069 (0.07%)	150 000 (0.15%)	70 069 (0.7%)
• *Crown Lands Act 1929*	254 000 (0.26%)	253 945 (0.26%)	157 600 (0.16%) (3)	243 454 (0.25%)
• Total	21 358 088 (21.7%)	21 352 608 (21.7%)	21 557 600 (21.8%)	21 334 277 (21.6%)
% of State within Protected Area Systems	26.0%	26.0%	25.7%	new measure
% of properties freeholded meeting budget target	100%	100%	100%	new measure
No. and % of environmental associations represented in the national parks and wildlife reserve system	212 (55.5%)	209 (54.7%)	212 (55.5%)	204 (53.4%)
Timeliness				
% of lease rent reviews advised within the statutory timeframe	100%	100%	100%	95%
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$3 033 000**	**$1 142 000**	**-$275 000**	**-$650 000**

Sub-program: 1.3	Botanic Gardens Management Services Sustainable management focussed on prioritising and securing gardens and collections
Performance Commentary	In 2002-03 significant work was completed to support the commencement of the conservation study and master plans for both Adelaide and Mount Lofty Botanic Gardens. A review of current horticultural policies and practices with a commitment to establishing sustainable horticultural policy and procedures along with key garden and collection benchmarks was undertaken. A review of water requirements and application technology at Adelaide and Mount Lofty Botanic Gardens resulted in more efficient and sustainable water use as well as improved operation and management of the irrigation infrastructure as an asset. Emergency response plans were developed for all sites with review and staff training completed. Improvements in OHS&W indicators demonstrate an increased commitment to the safety and well-being of staff and visitors to the Botanic Gardens. In 2003-04 there will be a continuation of effective gardens and collection planning and sustainable horticulture practices. Stage One is the completion of the conservation study and site master plans.

Performance Indicators	2003-04 Target	2002-03 Estimated Result	2002-03 Target	2001-02 Actual
Quantity				
Area of Adelaide Botanic Gardens	51.3 ha	51.3 ha	51.3 ha	51.3 ha
No. of named areas in Adelaide Botanic Gardens	37	37	37	37
Area of Mt. Lofty Botanic Gardens	97.0 ha	97.0 ha	97.0 ha	97.0 ha
No. of named areas in Mt. Lofty Botanic Gardens	22	22	22	22
Area of Wittunga Botanic Gardens	15.4 ha	15.4 ha	15.4 ha	15.4 ha
No. of named areas in Wittunga Botanic Gardens	9	9	9	9
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$5 236 000**	**$5 436 000**	**$5 152 000**	**$5 212 000**

Sub-program: 1.4	Land Management Services Development of statutory planning and policy frameworks for the protection and management of lands under the control of the department, including parks, reserves and other Crown lands. Includes land management activities relating to weed and pest animal control, soil and water management, erosion prevention, management of cultural resources, community partnerships and involvement, and rehabilitation works not undertaken as part of a specific nature conservation or heritage conservation project.
Performance Commentary	In 2002-03 several reserve management plans were completed and the WildCountry philosophy was implemented through the NatureLinks initiative. The number of Friends Groups increased and the number of volunteer hours worked in parks was maintained at a very high level. In 2003-04 there will be a continuation of the accelerated program for development of reserve management plans and a review of the parks system will be commenced.

Performance Indicators	2003-04 Target	2002-03 Estimated Result	2002-03 Target	2001-02 Actual
Quantity				
No. and % of parks for which Park Management Plans have been adopted	156 (55.3%)	140 (50%)	151 (54%)	122 (43%)
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$9 596 000**	**$9 802 000**	**$9 176 000**	**$9 927 000**

Sub-program: 1.5	**Fire Management** Fire management policy and programs for protecting life and property and conservation of our natural and cultural heritage on lands managed by DEH.
Performance Commentary	In 2002-03 a substantial fire management program was implemented to employ summer fire crews, seasonal preparation and equipment. In 2003-04 it is envisaged that the following activities will be achieved: • development of strategic fire planning and management frameworks • research into ecological use of fire • engagement of Country Fire Service (CFS) and other strategic partners • an extensive fire hazard reduction and suppression program • management of fire for nature conservation purposes • educating the community about the role of fire in protected area management • preparation of seasonal fire and on groundworks, in readiness for the fire season • reviewing policy following outcomes of the Premier's bushfire summit.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
Review of existing and development of new Standard Operating Procedures	4	New initiative during 2002-03		
Development of plans for priority reserves — fire management plans, fire management statements, response plans and community protection plans	5 plans 24 statements	New initiative during 2002-03	n.a.	n.a.
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$5 398 000**	**$3 236 000**	**$2 620 000**	**$3 290 000**

Agency: Department for Environment and Heritage

Program Information

Program 2: Nature Conservation

Description/Objective: The management, science and education contributing to conserving the State's biodiversity.

Operating Statement

Program 2: ***Nature Conservation***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	10 538	13 562	11 714	12 078
Supplies & Services	12 251	10 972	12 757	12 046
Depreciation	2 094	2 094	1 837	1 948
Other	1 250	1 097	892	980
Total Operating Expenses	**26 133**	27 725	27 200	27 052
Operating Revenue				
Regulatory Fees	98	98	99	99
Commonwealth Revenue	1 000	2 733	860	860
Other	3 430	2 673	4 305	4 283
Total Operating Revenues	**4 528**	5 504	5 264	5 242
Net Cost of Program	**21 605**	22 221	21 936	21 810

Program 2: Performance Criteria:

Sub-program: 2.1	**Scientific Services** Improving knowledge and understanding of Australia's ecosystems, habitats, species and populations including maintenance of key biological collections and databases to underpin effective conservation management.			
Performance Commentary	In 2002-03 reviews regarding the State Action Plan, National Framework for Management & Monitoring of Australia's Native Vegetation, and the need for a State Biodiversity Act were undertaken. DEH participated in the National Action Plan Review Committee & Environfund State Assessment Panel, and also provided scientific expertise and support to the preparation and review of Integrated Natural Resource Management Regional Investment Plans. In 2003-04, the existing statutory and policy framework for biodiversity conservation will continue to be reviewed to ensure that it is contemporary and comprehensive, with DEH making strong representations that biodiversity conservation priorities be incorporated into integrated natural resource management.			
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$6 371 000**	**$5 775 000**	**$6 036 000**	**$5 945 000**

Sub-program: 2.2	**Education and Engagement Services** Enhance understanding and appreciation of, and access to, South Australia's living natural heritage.			
Performance Commentary	In 2002-03 the number of volunteer groups increased, and the number of volunteer hours worked on nature conservation programs were maintained at a very high level. In addition, a number of Community Grants were approved for nature conservation projects. In 2003-04, DEH will increase volunteer activities, media exposure and the number of education programs. (1) From NP&WSA Community Perception Monitor, June 2002 – 69% of respondents were not aware of any NP&WSA information or public programs			
Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quality % of South Australians surveyed who are aware of NP&WSA biodiversity conservation information and who have used NP&WSA public programs	35%	35%	35%	31% (1)
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$3 059 000**	**$2 796 000**	**$2 968 000**	**$3 058 000**

Sub-program: 2.3	**Biodiversity Conservation Services** Biodiversity conservation services encompasses conservation management programs aimed at protecting and restoring ecosystems, habitats, species and populations as well as engaging industries, communities and people in conservation and ecological sustainability.
Performance Commentary	In 2002-03 biodiversity plans were published for all Natural Resource Management regions within the agriculture zone (except Mount Lofty). Threatened species recovery plans were developed for 10% of fauna and 45% of flora on national lists and 10% of fauna and 6% of flora on State lists. Focus areas were also established for investment in the protection and recovery of habitats across landscapes. This occurred in: • North West Eyre Peninsula (East meets West) • Flinders Ranges (Operation Bounceback) • Mt Lofty Ranges (Yurrabilla/ Bush for Birds). In addition, private protected areas consisting of 1315 Heritage Agreement Areas and 80 Sanctuaries were established. The following programs were also coordinated: • Kangaroo Management and Commercial Harvest • Waterfowl and Quail Hunting Seasons • Wildlife Farming • Regulated non-commercial use of fauna • Native Plant and Seed Collection • Abundant Native Bird Management • Take from the Wild programs. In 2003-04 DEH will continue to develop biodiversity conservation initiatives that are effective and scientifically credible, and that involve the community. It is envisaged that this will include progression of biodiversity planning in the State's Rangelands, NatureLinks and No Species Loss projects.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. and % of listed threatened and endangered species for which management plans have been developed	50 of 137 (36%)	45 of 137 (33%)	45 of 137 (33%)	44 of 137 (32%)
No. of Regional Biodiversity Plans published	6	4	2	2
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$10 937 000**	**$12 398 000**	**$11 741 000**	**$11 576 000**

Sub-program: 2.4	**Regulatory Services** Ensure effective compliance and investigation services to support administration of nature conservation and land management legislation through community education, voluntary compliance and proactive enforcement.
Performance Commentary	During 2002-03 a task force was established to utilise satellite imagery and aerial photography to detect significant changes in vegetation cover and undertake investigations regarding illegal clearances. This pro-active task force approach maximised the detection of recidivist offenders, increased media exposure and acted as a significant deterrent for opportunistic and would-be offenders. Goals for 2003-04 include: • developing strategies to ensure a consistent portfolio delivery of enforcement services • reviewing the enforcement structure to improve the provision of DEH enforcement support services • upgrading law enforcement training for authorised officers.

	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$1 238 000**	**$1 252 000**	**$1 191 000**	**$1 231 000**

Agency: Department for Environment and Heritage

Program Information

Program 3: Coast and Marine Conservation

Description/Objective: The conservation, management and protection of the State's coast and marine environments.

Operating Statement

Program 3: ***Coast and Marine Conservation***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	3 376	3 406	3 253	3 190
Supplies & Services	4 847	1 521	3 198	2 742
Depreciation	327	327	287	315
Other	235	251	204	195
Total Operating Expenses	**8 785**	5 505	6 942	6 442
Operating Revenue				
Other	**286**	191	245	207
Total Operating Revenues	**286**	191	245	207
Net Cost of Program	**8 499**	5 314	6 697	6 235

Program 3: Performance Criteria:

Sub-program: 3.1	**Coast And Marine Conservation Services** Development and implementation of an ecosystem based planning framework that provides for the integration of ecologically sustainable use and development of coastal lands with estuarine and marine environments. Establishment of South Australia's representative system of Marine Protected Areas.
Performance Commentary	In 2002-03 the Government adopted the policy framework for a representative system of Marine Protected Areas and the framework for marine planning in State waters. In 2003-04 DEH will develop the Living Coast Strategy and new legislation for Coast and Marine to better integrate and manage the State's coastal and marine environment. The pilot Encounter Marine Protected Area will be proclaimed, legislation will be introduced for the Adelaide Dolphin Sanctuary, and the pilot Marine Plan for the Upper Spencer Gulf will be released for public consultation.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of Marine Protected Areas proclaimed under the *National Parks and Wildlife Act 1972*	2	1	1	1
No. and % of the State's waters covered by Marine Plans	1 (13%)	—	1 (13%)	—
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$2 769 000**	**$2 568 000**	**$2 420 000**	**$2 420 000**

Sub-program: 3.2	**Coastal Protection Services** Implementation of ecologically and economically sustainable strategies for the maintenance and protection of the quality and value of the State's coastline. Management of the metropolitan coastline.
Performance Commentary	In 2002-03 advice was provided to the Minister, local government, the Development Assessment Commission, developers and the community on various coast issues including boat ramps, shack sites, marine, sand replenishment and coastal vegetation. In 2003-04 the Options Paper for the Adelaide Beach Coast Protection Strategy will be developed for the Government's consideration, and construction of the Semaphore Trial Breakwater will be completed.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Timeliness				
% of Development Applications processed within statutory timeframes	100%	95%	99%	90%
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$5 730 000**	**$2 746 000**	**$4 277 000**	**$3 815 000**

Agency: Department for Environment and Heritage

Program Information

Program 4: Animal Welfare

Description/Objective: The promotion and regulation of the humane treatment of animals.

Operating Statement

Program 4: ***Animal Welfare***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	229	227	205	200
Supplies & Services	102	101	119	113
Other	509	509	509	509
Total Operating Expenses	**840**	837	833	822
Operating Revenue				
Other	**28**	29	29	28
Total Operating Revenues	**28**	29	29	28
Net Cost of Program	**812**	808	804	794

Program 4: Performance Criteria:

Program: 4	**Animal Welfare Services** Public awareness and information services relating to animal welfare and the provision of external advisory services. Administration and enforcement of the *Prevention of Cruelty to Animals Act 1985*.
Performance Commentary	In 2002-03 DEH continued to support the RSPCA to enforce the *Prevention of Cruelty to Animals Act 1985*. The Government released the Responsible Dog Ownership discussion paper for consultation. In 2003-04 the *Dog and Cat Management Act 1995* will be amended to provide greater protection from dangerous dogs. The provisions of the Act relating to the management of cats will be reviewed.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of community awareness and information programs conducted by RSPCA (SA)	8	8	8	8
No. of written reports/advice provided to the public by RSPCA (SA) on animal welfare related matters	2 100	2 100	2 100	2 100
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of program	**$812 000**	**$808 000**	**$804 000**	**$794 000**

Agency: Department for Environment and Heritage

Program Information

Program 5: Heritage Conservation

Description/Objective: The understanding, conservation and protection of the State's rich heritage.

Operating Statement

Program 5: ***Heritage Conservation***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	1 180	1 207	1 178	1 238
Supplies & Services	706	690	752	760
Depreciation	168	168	148	164
Other	34	63	52	50
Total Operating Expenses	**2 088**	2 128	2 130	2 212
Operating Revenue				
Other	**70**	74	75	79
Total Operating Revenues	**70**	74	75	79
Net Cost of Program	**2 018**	2 054	2 055	2 133

Program 5: Performance Criteria:

Program: 5	**Heritage Conservation Services** Development of policy and planning frameworks for heritage places in South Australia. Listing and protection services. Advice on use, modification, conservation and care of heritage listed places. Promotion of awareness and understanding by the community of heritage places.
Performance Commentary	In 2002-03 a Ministerial Heritage Advisory Committee was established, a Heritage Cemetery Grants Program was launched and the Birdsville/Strezelecki Track Heritage Survey was published. In 2003-04 targets include: • development of a 'Heritage Directions Statement for South Australia' • implementation of a 'Celebrating our Heritage Awards' Scheme • commencement of a second round of Heritage Cemetery Fund Grants • development and facilitation of an Urban Heritage Symposium, in conjunction with Planning SA.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
Value of grants administered	$310 000	$310 000	$310 000	$570 000
No. of grant applications processed	200	200	200	220
No. of councils supported by Heritage Advisors	22	22	22	21
No. of development applications responded to	600	700	700	650
No. of heritage sites added to State Register	20	20	25	27
Quality				
% of councils with access to Heritage Advisors	33%	33%	33%	31%
No.and % of development applications referred to Development Assessment Commission by councils.	5 (1%)	5 (1%)	5 (1.0%)	2 (0.3%)
Timeliness				
% of grant applications process by 30 June	100%	100%	100%	100%
% of grant spent/completed within 12 months	90%	90%	90%	90%
Provision of advice following request — % within agreed timeframes	95%	95%	95%	95%
% of development applications processed within timeframes	90%	95%	99%	99%
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of program	**$2 018 000**	**$2 054 000**	**$2 055 000**	**$2 133 000**

Agency: Department for Environment and Heritage

Program Information

Program 6: Sustainability

Description/Objective: The promotion of sustainable and eco-efficient human endeavour with minimal impact on essential life systems.

Operating Statement

Program 6: Sustainability	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
Operating Expenses				
Employee entitlements	10 311	11 298	10 510	11 332
Supplies & Services	9 622	9 818	9 696	9 987
Depreciation	3 047	3 047	2 674	2 840
Other	665	1 237	1 005	1 005
Total Operating Expenses	**23 645**	25 400	23 885	25 164
Operating Revenue				
Sale of Goods	13 036	13 676	9 905	10 905
Other	1 026	1 655	2 209	1 229
Total Operating Revenues	**14 062**	15 331	12 114	12 134
Net Cost of Program	**9 583**	10 069	11 771	13 030

Program 6: Performance Criteria:

Sub-program: 6.1	**Strategic Planning And Accountability Frameworks** Striving for improved planning and accountability frameworks in the department, the portfolio and across Government.
Performance Commentary	In 2002-03 the first edition of Green Print SA, a comprehensive statement of policies and targets, was produced. Substantial progress was made in the preparation of the 2003 State of the Environment Report. Agreement was secured for the establishment of a Sustainability Round Table and work commenced in selecting members. A cooperative arrangement with the Cabinet Office ensured that the Office of Sustainability had the opportunity to provide comment on relevant Cabinet Submissions. In 2003-04, the 2003 State of the Environment Report will be completed and preparation of a government response will be coordinated. A further edition of Green Print SA will be produced reporting on progress against targets set out in the first edition. The Sustainability Round Table will be established. Processes for assessing Cabinet Submissions will be refined further.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
Environmental assessment of Cabinet Submissions	180	160	n.a.	n.a.
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$1 019 000**	**$1 226 000**	**$1 107 000**	**$1 191 000**

Sub-program: 6.2	**Sustainability Strategies** Development of policy advice and programs that enhance the capacity of the State to embrace a more sustainable future.
Performance Commentary	In 2002-03,a new framework for integrated waste management was developed. The development of innovative green business was promoted through the establishment of a Green Business Unit. Considerable work was undertaken to develop the Green City and Sustainable Adelaide concepts. Significant community engagement on sustainability issues was achieved through international visits from Amory Lovins and Mathis Wackernagel. The Office of Sustainability partnered with the Capital City Program in sponsoring Herbert Girardet as a Thinker-in-Residence. Provided input to the Metropolitan and Regional Planning Strategy for South Australia, including a new draft Environment Chapter for the next version of the Metropolitan Planning Strategy. A Greening of Government Operations program was developed for Cabinet consideration. The Portfolio represented the State at the World Summit on Sustainable Development (Johannesburg) and coordinated the State response to outcomes of the summit. In 2003-04 it is anticipated that Zero Waste SA will be established. Sustainable Adelaide, Greening of Government Operations and Local Sustainability and Sustainable Communities programs will be initiated building on successful partnerships with local government and other agencies developed through Local Agenda and Water Conservation Partnership programs. Continuing input into major planning documents and initiatives will be provided. The Green Business Unit will work with other agencies on a sustainable industries program. A State Greenhouse Plan will be developed consistent with the national direction for greenhouse issues. The Sustainability Round Table will be supported in its task of developing a vision for sustainability in South Australia.

	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$2 145 000**	**$2 166 000**	**$2 096 000**	**$2 227 000**

Sub-program: 6.3	**Legislation And Environment Policy** Development of policy frameworks for the department and portfolio and implementation of supporting legislative and related arrangements as required.
Performance Commentary	In 2002-03 supported passage of the *Statutes Amendment (Environment Protection) Act 2002* and of the Nuclear Waste Storage Facility (Prohibition) Bill 2003. Consulted on the Environment Protection (Miscellaneous) Amendment Bill 2002 and provided support for the Nuclear Waste Storage Facility (Prohibition) (Referendum) (No 2) Amendment Bill 2003 and the principal Act. Developed frameworks for the incorporation of ecologically sustainable development (ESD) into legislation and for reform of licensing fees and arrangements under the *Environment Protection Act 1993*. Developed materials for *Environment Protection (Fees and Levy) Regulations 1994* and program for EPA load based licensing. Prepared Review of the *Heritage Act 1993* – South Australia: Preliminary Scoping Paper for consideration within DEH. Participated in review of the National Greenhouse Strategy 1998 and commencement of replacement framework. Commissioned CSIRO to identify climate change impacts on SA. Coordinated whole of government actions arising in respect of the Environment Protection and Biodiversity Conservation Act 1999 (Comm.) (EPBC Act). Coordinated submissions on an estimated 100 planning documents. In 2003-04 it is anticipated that support will be provided for the passage of the Nuclear Waste Storage Facility (Prohibition) (Referendum) (No 2) Amendment Bill 2003 and the Environment Protection (Miscellaneous) Amendment Bill 2002. Consultation will take place on an Access to Biological Resources Bill and input provided to a range of legislative initiatives. Input will be provided to work at the national level on the development of the replacement framework for the National Greenhouse Strategy 1998. Whole of government coordination of business arising under the EPBC Act will continue.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
EPBC Act referrals	25	25	20	n.a.
Review of amendments to development plans and other planning policies	100	100	100	n.a.
Timeliness				
EPBC Act referrals responded to within statutory timeframe	100%	96%	100%	n.a.
Reviews of amendments to development plans and other planning policies responded to within statutory timeframe	100%	95%	100%	n.a.
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$726 000**	**$734 000**	**$688 000**	**$712 000**

Sub-program: 6.4	**Environmental Information, Education And Coordination Services** Ensuring that DEH and its partners are able to access relevant information. Assist in the development and delivery of environmental education initiatives in South Australia.
Performance Commentary	In 2002-03 increased effort was devoted to environmental education and reporting. Strategic uptake of internet distribution was progressed by development of an environmental reporting website. Further achievements throughout the 2002-03 financial year included: • coordination, integration and professional development of South Australian environmental educators through a Statewide Environmental Education Network • research projects investigating effective environmental education and student learning needs • facilitation of a range of cross-agency and community seminars and workshops • the Youth Environment Council of SA (YEC) conducted Youth for Environmental Action workshops resulting in 30 successful on-ground environmental action projects. It also conducted three Youth Action for Sustainability workshops for teachers and youth workers. The YEC also delivered a keynote presentation to the Australian Association for Environmental Education Biennial Conference and was represented at the United Nations' United World Colleges Youth Action Summit in The Netherlands. Analytical support was given to coast and marine, vegetation and biodiversity projects, as well as to fire management programs and River Murray water use projects. In 2003-04 it is envisaged that work will be undertaken to ensure that environmental data sets can be integrated to assist in decision making. A strategic approach to environmental education will continue with improvements in school curriculum and projects expected.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of environmental analysis projects	100	94	50	new
No. of Youth Sustainable Development workshops	11	7	7	n.a.
No. of environmental projects from Youth for Environmental Action workshops	40	30	30	n.a.
Timeliness				
% of environmental analysis projects completed within client timeframes	95%	85%	95%	new
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$4 329 000**	**$4 286 000**	**$4 246 000**	**$4 750 000**

Sub-program: 6.5	**Geographical And Property Information Services** Managing geographic information infrastructure and facilitating access to information and its application to management of the environment, resources and emergencies.
Performance Commentary	In 2002-03 support was provided for major State development projects such as the SEAGAS pipeline and the Adelaide–Darwin rail link. There was significant increase in user demands during 2002-03, specifically with regard to digital data that had previously only been available in hard copy format. The data capture and system development for the Property Cadastre project was also completed. In 2003-04 it is envisaged that some of the functions associated with land administration will transfer to DAIS (Section 7 Statements, Property Assist, LOTS enquiries). A review will also be conducted of the collection methodology for the Topographic Database and the Digital Cadastral Database with a view to improving the quality and effectiveness of information provided.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of Section 7 Statements issued	53 500	56 100	50 900	56 295
No. of parcels of land maintained within Digital Cadastral Database	909 000	901 000	901 000	892 976
Quality				
Currency of Digital Cadastral Database	99.95%	99.97%	99.95%	99.98%
Timeliness				
% of Digital Cadastral Database updates processed within client-critical timeframe (2 weeks)	95%	98%	95%	93.21%
% time LOTS/Property Assist database accessible by industry	98%	97%	98%	100%
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$1 364 000**	**$1 657 000**	**$3 634 000**	**$4 150 000**

DEPARTMENT FOR ENVIRONMENT AND HERITAGE

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Grant revenue	**13 437**	15 878	15 481	n.a.
Sales of goods and services	**13 372**	14 012	10 241	n.a.
Regulatory fees	**1 461**	1 596	777	n.a.
Investment revenue	**3 157**	3 089	3 089	n.a.
Other revenue	**3 542**	3 835	4 718	n.a.
Total operating revenue	**34 969**	38 410	34 306	n.a.
Revenue from Government				
State Government — Appropriation	**92 651**	82 688	79 769	n.a.
Other Government revenue	**—**	128	—	n.a.
Total revenue from Government	**92 651**	82 816	79 769	n.a.
Total revenue from ordinary activities	**127 620**	121 226	114 075	n.a.
Expenses				
Employee entitlements —				
Salaries, wages, annual and sick leave	**50 685**	51 930	46 764	n.a.
Long service leave	**1 114**	1 118	1 118	n.a.
Payroll tax	**2 565**	2 515	2 515	n.a.
Supplies and services —				
Other Supplies and Services	**44 887**	38 944	42 301	n.a.
Depreciation and amortisation	**24 154**	24 154	21 191	n.a.
Interest and other finance expenses	**2 838**	2 840	2 840	n.a.
Grants and subsidies	**1 515**	2 932	1 932	n.a.
Total expenses from ordinary activities	**127 758**	124 433	118 661	n.a.
Operating result after income tax	**-138**	-3 207	-4 586	n.a.
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	n.a.
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	n.a.
Total amounts recognised directly in equity	**—**	—	—	n.a.
Total non-owner changes in equity	**-138**	-3 207	-4 586	n.a.

DEPARTMENT FOR ENVIRONMENT AND HERITAGE

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**69 918**	56 768	67 067	n.a.
Investments	**11**	11	12	n.a.
Receivables	**7 383**	7 383	6 706	n.a.
Inventories	**1 117**	1 117	1 427	n.a.
Other current assets	**618**	618	394	n.a.
Total current assets	**79 047**	65 897	75 606	n.a.
Non current assets				
Receivables	**333**	333	94	n.a.
Inventories	**4 237**	4 237	4 694	n.a.
Land and improvements	**128 993**	129 579	92 101	n.a.
Plant and equipment	**61 009**	73 043	108 904	n.a.
Other non current assets	**17**	25	17	n.a.
Total non current assets	**194 589**	207 217	205 810	n.a.
Total assets	**273 636**	273 114	281 416	n.a.
Liabilities				
Current liabilities				
Employee entitlements —				
Annual leave	**2 136**	3 057	3 043	n.a.
Long service leave	**3 151**	3 151	932	n.a.
Workers compensation	**229**	229	174	n.a.
Payables	**10 576**	9 476	12 419	n.a.
Borrowings	**—**	—	35	n.a.
Other current liabilities	**254**	254	203	n.a.
Total current liabilities	**16 346**	16 167	16 806	n.a.
Non current liabilities				
Employee entitlements —				
Long service leave	**7 644**	7 062	10 534	n.a.
Workers compensation	**283**	367	556	n.a.
Payables	**1 455**	1 455	2 321	n.a.
Borrowings	**38 054**	38 054	38 002	n.a.
Other non current liabilities	**74**	74	103	n.a.
Total non current liabilities	**47 510**	47 012	51 516	n.a.
Total liabilities	**63 856**	63 179	68 322	n.a.
Net assets	**209 780**	209 935	213 094	n.a.

DEPARTMENT FOR ENVIRONMENT AND HERITAGE

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Equity				
Contributed capital	**—**	—	45	n.a.
Accumulated surplus	**195 242**	195 397	198 511	n.a.
Asset revaluation reserves	**14 538**	14 538	14 538	n.a.
Total equity	**209 780**	209 935	213 094	n.a.

DEPARTMENT FOR ENVIRONMENT AND HERITAGE

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Commonwealth grants and payments	**1 000**	2 733	860	n.a.
Grants and subsidies	**12 437**	13 145	14 621	n.a.
Sales of goods and services	**13 372**	14 012	10 241	n.a.
Interest	**3 157**	3 089	3 089	n.a.
Regulatory fees	**1 461**	1 596	777	n.a.
State Government — Appropriation	**92 651**	82 688	79 769	n.a.
Other Government revenue	**—**	128	—	n.a.
Other receipts	**3 542**	3 835	4 718	n.a.
Total operating receipts	**127 620**	121 226	114 075	n.a.
Payments				
Employee entitlements	**54 786**	54 929	49 763	n.a.
Supplies and services	**43 809**	38 886	42 243	n.a.
Interest and other financial payments	**2 838**	2 840	2 840	n.a.
Grants and subsidies	**1 515**	3 000	2 000	n.a.
Total operating payments	**102 948**	99 655	96 846	n.a.
Net cash provided by operating activities	**24 672**	21 571	17 229	n.a.
Investing activities				
Receipts				
Sale of property, plant and equipment	**250**	250	250	n.a.
Repayment of advances	**12**	11	11	n.a.
Total investing receipts	**262**	261	261	n.a.
Payments				
Purchase of property, plant and equipment	**11 784**	11 048	10 609	n.a.
Net cash provided by investing activities	**-11 522**	-10 787	-10 348	n.a.

DEPARTMENT FOR ENVIRONMENT AND HERITAGE

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Financing activities				
Receipts				
SA Government contributed capital	**—**	—	45	n.a.
Payments				
Repayment of borrowings	**—**	—	25	n.a.
Net cash provided by financing activities	**—**	—	20	n.a.
Net increase (+) / decrease (-) in cash held	**13 150**	10 784	6 901	n.a.
Opening cash balance as at 1 July	**56 768**	45 984	60 166	n.a.
Closing cash balance as at 30 June	**69 918**	56 768	67 067	n.a.

ADMINISTERED ITEMS FOR THE DEPARTMENT FOR ENVIRONMENT AND HERITAGE

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Grant revenue	**480**	500	1 211	n.a.
Sales of goods and services	**7 673**	7 000	9 380	n.a.
Regulatory fees	**8 851**	4 800	3 510	n.a.
Investment revenue	**200**	325	200	n.a.
Other revenue	**13 358**	6 756	4 289	n.a.
Total operating revenue	**30 562**	19 381	18 590	n.a.
Revenue from Government				
State Government — Appropriation	**4 034**	4 244	4 107	n.a.
Total revenue from ordinary activities	**34 596**	23 625	22 697	n.a.
Expenses				
Employee entitlements —				
Salaries, wages, annual and sick leave	**196**	191	185	n.a.
Supplies and services —				
Other supplies and services	**9 097**	2 520	1 269	n.a.
Depreciation and amortisation	**1 358**	1 358	1 358	n.a.
Grants and subsidies	**17 590**	18 076	17 179	n.a.
Other expenses	**7 188**	51 082	4 058	n.a.
Total expenses from ordinary activities	**35 429**	73 227	24 049	n.a.
Operating result after income tax	**-833**	-49 602	-1 352	n.a.
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	n.a.
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	n.a.
Total amounts recognised directly in equity	**—**	—	—	n.a.
Total non-owner changes in equity	**-833**	-49 602	-1 352	n.a.

ADMINISTERED ITEMS FOR THE DEPARTMENT FOR ENVIRONMENT AND HERITAGE

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**9 166**	8 641	4 485	n.a.
Receivables	**1 002**	1 002	1 603	n.a.
Inventories	**116**	116	114	n.a.
Total current assets	**10 284**	9 759	6 202	n.a.
Non current assets				
Receivables	**720**	720	305	n.a.
Land and improvements	**56 830**	58 188	54 344	n.a.
Plant and equipment	**5 207**	5 207	56 571	n.a.
Total non current assets	**62 757**	64 115	111 220	n.a.
Total assets	**73 041**	73 874	117 422	n.a.
Liabilities				
Current liabilities				
Employee entitlements —				
Annual leave	**—**	—	2	n.a.
Payables	**802**	802	2 496	n.a.
Borrowings	**112**	112	—	n.a.
Other current liabilities	**4 893**	4 893	2 400	n.a.
Total current liabilities	**5 807**	5 807	4 898	n.a.
Non current liabilities				
Borrowings	**363**	363	—	n.a.
Other non current liabilities	**50**	50	—	n.a.
Total liabilities	**6 220**	6 220	4 898	n.a.
Net assets	**66 821**	67 654	112 524	n.a.
Equity				
Contributed capital	**—**	—	21	n.a.
Accumulated surplus	**64 387**	65 220	110 427	n.a.
Asset revaluation reserves	**2 434**	2 434	2 076	n.a.
Total equity	**66 821**	67 654	112 524	n.a.

ADMINISTERED ITEMS FOR THE DEPARTMENT FOR ENVIRONMENT AND HERITAGE

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Grants and subsidies	**480**	500	1 211	n.a.
Sales of goods and services	**7 673**	7 000	9 380	n.a.
Interest	**200**	325	200	n.a.
Regulatory fees	**8 851**	4 800	3 510	n.a.
State Government — Appropriation	**4 034**	4 244	4 107	n.a.
Other receipts	**13 358**	6 756	4 289	n.a.
Total operating receipts	**34 596**	23 625	22 697	n.a.
Payments				
Employee entitlements	**196**	191	185	n.a.
Supplies and services	**9 097**	2 520	1 269	n.a.
Grants and subsidies	**17 590**	18 076	17 179	n.a.
Other payments	**7 188**	5 142	4 058	n.a.
Total operating payments	**34 071**	25 929	22 691	n.a.
Net cash provided by operating activities	**525**	-2 304	6	n.a.
Net increase (+) / decrease (-) in cash held	**525**	-2 304	6	n.a.
Opening cash balance as at 1 July	**8 641**	10 945	4 479	n.a.
Closing cash balance as at 30 June	**9 166**	8 641	4 485	n.a.

Further details on receipts and payments relating to Administered items can be found in the Notes to the Portfolio Statement.

Agency: Department for Environment and Heritage

Program notes

The Department for Environment and Heritage has restructured its program structure during 2002-03 to improve its ability to deliver its programs and address key priority areas. The restructure reflects portfolio changes that occurred following the 2002 election and the priorities of the new government.

Basis of accounting

The portfolio's estimates are prepared in accordance with generally accepted accounting principles, which are noted at the end of the Portfolio Statements. The department has carried out a revised costing process in relation to program reporting for presentation purposes for the 2003-04 Budget.

The Department for Environment and Heritage is currently reassessing its cost allocation methodology for program reporting and expects to implement a number of improvements during the 2003-04 financial year which will materially alter the cost distribution between programs. An ongoing program reporting and costing process will be implemented in the department's general ledger for 2003-04.

Historical 2001-02 data has been recast applying the department's new 2003-04 program structure. Consequently, actual 2001-02 revenues and expenditures are indicative only.

Financial commentary — Major resource variations

The following commentary relates to the Financial Statements presented in the previous sections. The discussion relates to variations between the 2002-03 Budget and 2002-03 estimated result, and between the 2002-03 estimated result and the 2003-04 Budget.

In addition to the variations listed, the Treasurer is holding a contingency amount for projects where delays have occurred during 2002-03.

Statement of Financial Performance — Controlled

The increase in expenditure of $3.3 million between 2002-03 estimated result and 2003-04 Budget is primarily as a result of the following initiatives:

- the Metro Coast Strategy (Sand Replenishment), a sustainable coastal protection strategy to maintain the amenity of the metropolitan coastline ($2.6 million)
- expenditure committed to the establishment of the Adelaide Dolphin Sanctuary in the Port River and Barker Inlet ($250 000)
- the One Million Trees/Urban Forest program, which aims to protect our natural environment and improve the urban environment ($1.6 million)
- expenditure committed to undertake essential ongoing fire management works throughout the State ($1.7 million). This is in addition to the increased expenditure of $800 000 during 2002-03 and brings the total increase since the 2002-03 Budget to $2.5 million
- an increase in expenditure associated with the Perpetual Leases Accelerated Freeholding Project ($2.6 million)
- expenditure committed to facilitate the transfer of the Unnamed Conservation Park to its traditional owners ($200 000).

This is offset by savings to be implemented by the department from 2003-04 and onwards. The most significant of which are rationalisation of business services, rationalisation of corporate information services, closure and withdrawal of support for a number of sites, and reduced aerial photography and mapping services. Savings to be achieved in 2003-04 total $5.1 million.

The increase in revenue of $6.4 million between 2002-03 estimated result and 2003-04 Budget is primarily a result of:

- an increase in appropriation in 2003-04 for the Metro Coast Strategy (sand replenishment) ($2.6 million)
- an increase in appropriation in 2003-04 for asset replacement and maintenance ($2.0 million)
- an increase in funding in 2003-04 relating to the One Million Trees/Urban Forest program, comprising increased contributions from other government programs, local government and community groups ($800 000), and appropriation ($750 000)
- an increase in annual appropriation relating to fire management ($1.9 million), in addition to the $800 000 increase in expenditure that occurred during 2002-03
- an increase in appropriation in 2003-04 relating to the transfer of the Unnamed Conservation Park to its traditional owners ($200 000)
- an increase in accrual appropriation in 2003-04 for future asset replacement ($1.1 million)
- increased appropriation ($1.5 million) for the next enterprise bargaining increase in October 2003.

This is offset by:

- once-off grant revenues received in 2002-03, primarily comprising Commonwealth grant revenue ($1.8 million) and carryover of General Reserves Trust revenue from 2001-02 ($1.1 million)
- a decrease in appropriation of $5.1 million as a result of savings to be implemented by the department during 2003-04.

The Statement of Financial Performance shows an increase in expenditure of approximately $5.8 million in the 2002-03 estimated result from the 2002-03 Budget. This is primarily the result of:

- increases in expenditure relating to externally funded project commitments ($4.7 million)
- an increase in depreciation expenditure ($3.0 million)
- additional expenditure relating to the Perpetual Lease Accelerated Freehold Project ($560 000)
- additional expenditure approved by Cabinet relating to fire preparation ($551 000) in 2002-03
- additional expenditure relating to the Government Radio Network ($250 000)
- additional expenditure relating to the One Million Trees/Urban Forest program ($250 000)
- a decrease in expenditure in relation to the National Action Plan for Salinity and Water Quality ($2.6 million).

The Statement of Financial Performance shows an increase in revenue of approximately $7.2 million in the 2002-03 estimated result from the 2002-03 Budget. This is primarily the result of:

- increases in contributions received from external sources to undertake specific projects ($4.7 million)
- increases in funding relating to the Perpetual Lease Accelerated Freeholding Project ($2.1 million), fire management ($551 000), the Government Radio Network ($250 000), and the One Million Trees/Urban Forest program ($250 000).

Statement of Financial Position — Controlled

The Statement of Financial Position shows a net decline in non current assets. This is predominately the result of the differential between the capital investment program of the department and the annual depreciation of assets. Current and non-current liabilities remain broadly consistent between the 2002-03 estimated result and the 2003-04 Budget.

Major variances between the 2002-03 Budget and the estimated result can be attributed to correction to the accounts to align with the opening balances reflected in the 2001-02 audited financial statements.

Statement of Cash Flows — Controlled

The major variations described in the Statement of Financial Performance also influence the Statement of Cash Flows.

An increase in the Department for Environment and Heritage's 2002-03 Investing Payments estimated result from the 2002-03 Budget ($0.4 million) is primarily due to investment expenditure associated with establishing the accelerated freeholding project for Crown Perpetual Leases.

The increase in expenditure between 2002-03 estimated result and 2003-04 Budget ($0.7 million) is primarily as a result of an increase in the Asset Replacement and Maintenance Program, which provides for a viable level of expenditure on capital replacement and maintenance on assets essential to the efficient provision of the department's services ($2.0 million). This was partially offset by some one-off expenditures in 2002-03.

Administered Items

The decrease in operating expenditure of $37.8 million between the 2002-03 estimated result and 2003-04 Budget is a result of:

- an accounting write-down of the State Herbarium collection in 2002-03 to improve consistency of accounting with other states ($45.9 million)
- carryover impacts from 2001-02 that increased the 2002-03 estimated result by $5.6 million
- offsetting increases in 2003-04 expenditure of $2.6 million associated with payments to the consolidated account for crown lands freeholding receipts and establishment of zero waste as a new entity ($5.5 million).

The Statement of Financial Position has a major equity reduction of $44.9 million between the 2002-03 Budget and 2002-03 estimated result. This also primarily results from the accounting write-down of the State Herbarium collection ($45.9 million).

Additional Information for Administered Items

The following table summarises receipts and payments by entity.

Additional Administered Items Information for the Department of Environment and Heritage
Statement of Cash Flows

	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000
CASH FLOWS FROM:			
Operating Activities			
Receipts			
State Government Appropriation			
Coast Protection Fund	**459**	750	709
Intra-sector Grants Received	**196**	191	185
Royal Zoological Society of SA Inc	**3 126**	3 050	3 050
State Heritage Fund	**250**	250	160
War Concessions	**3**	3	3
Other Receipts			
Bookmark Biosphere Trust	**—**	30	31
Botanic Gardens and State Herbarium Board Trust	**903**	882	708
Coast Protection Fund	**51**	10	48
General Reserves Trust	**7 200**	7 000	7 149
Land Administration transactions	**4 700**	4 600	4 600
Martindale Hall Trust	**—**	34	34
Murray Mallee Partnership	**6**	6	15
Sale of Land and Buildings	**10 860**	5 510	4 400
State Heritage Fund	**509**	495	510
War Services Land Settlement Scheme	**390**	390	400
Wildlife Conservation Fund	**443**	425	425
Zero Waste SA	**5 500**	—	—
Other Receipts	**—**	—	270
Total Receipts	**34 596**	23 625	22 697
Payments			
Employee Entitlements			
Salaries, Wages Annual and Sick leave — Parliamentary Salaries and Electorate and Expense Allowances	**196**	191	185
Other Payments			
Bookmark Biosphere Trust	**—**	144	31
Botanic Gardens and State Herbarium Board Trust	**897**	926	708
Coastal Protection Fund	**510**	487	757
General Reserves Trust	**7 200**	8 485	7 149
Land Administration transactions	**4 700**	4 600	4 600
Land and Buildings transfer to Consolidated Account	**8 060**	5 510	4 053
Martindale Hall Trust	**—**	34	34
Murray Mallee Partnership	**6**	15	15
Thornden Park Reservoir Redevelopment	**2 290**	510	—
Royal Zoological Society of SA Inc	**3 126**	3 050	3 050
State Heritage Fund	**759**	958	670
War Concessions	**3**	3	3
War Services Land Settlement Scheme	**390**	481	400
Wildlife Conservation Fund	**434**	535	425
Zero Waste SA	**5 500**	—	—
Other Payments	**—**	—	611
Total Payments	**34 071**	25 929	22 691

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Portfolio: Environment and Conservation and the River Murray

Agency: Department of Water, Land and Biodiversity Conservation

Objective

Ensure South Australia's natural resources are managed in ecologically sustainable ways that support the well-being of present and future generations.

2003-04 Targets / 2002-03 Highlights

Targets 2003-04	Highlights 2002-03
• Implementation of the River Murray Bill will be commenced subject to the completion of the legislative process • Under the River Murray Improvement Program, further support will be given to the Murray–Darling Basin Commission; the River Murray Water Allocation Plan will be implemented; a baseline survey of environmental flows will be undertaken to assist the management of priority wetlands along the River Murray in South Australia; new systems will be introduced to establish irrigator accountability for salinity impacts in the South Australian Murray–Darling region and for development zoning against salinity criteria; construction of the Bookpurnong and Loxton Salt Interception Schemes is scheduled to commence to deliver a significant contribution towards meeting South Australia's salinity obligations; and groundwater technical investigations and planning will be achieved for River Murray salt interception schemes at Loxton, Bookpurnong, Chowilla, Murtho and Pike • Restructure the Lower Murray Reclaimed Irrigation Areas and negotiate formal agreements on rehabilitation, area-by-area • Complete the Loxton irrigation area upgrade from open channels to a high-pressure piped system • Following public consultation, introduce legislation to implement new arrangements for Natural Resource Management (NRM). The legislation proposes the establishment of new institutional arrangements including an NRM Council, regional NRM Boards and local NRM groups • Present NRM Plans for the South East and Kangaroo Island NRM regions to the Commonwealth Government and State Government for accreditation. Release NRM Plans for the Aboriginal Lands, Eyre Peninsula and Rangelands NRM regions for public consultation • NRM Investment Strategies for Mount Lofty Ranges and Greater Adelaide, Kangaroo Island, South East, Murray–Darling Basin and Northern and Yorke Agricultural District are scheduled to be presented to the Commonwealth Government and State Government for accreditation by the end of 2003 • Continue assessment of the groundwater and surface water resources of the Mount Lofty Ranges in order to establish a basis for water entitlements. The Government will consider options for improved management of water resources in the region • An integrated water licensing system is well advanced and will be completed during the year • Further implement the State Water Metering Policy, with the objective that all licensed water use will be metered • Progress the Water Proofing Adelaide Project, which aims to improve the efficiency of water use within metropolitan Adelaide, with the release of a discussion paper for consultation and a report on urban policy issues	• The River Murray Bill was tabled in Parliament on 5 December 2002. The Government convened a Forum on the River Murray in February 2003 that negotiated a bipartisan State position on increased flows down the River Murray • As part of the South Australian Environmental Flows Strategy, developed initiatives for a coordinated regional approach to River Murray wetland management (eg policies included in the River Murray Water Allocation Plan and guidelines on the development of wetland management plans) • South Australia's salinity obligations for the River Murray were determined at the Murray–Darling Basin Ministerial Council meeting in November 2002. New salt interception schemes are being designed to help address South Australia's obligations • Completed planning for irrigation and drainage infrastructure in the Lower Murray Reclaimed Irrigation Areas, along with trials of new inlets, water meters and irrigation run-off reuse. NAP funding was approved to provide grants to irrigators for 12 months to encourage restructuring prior to rehabilitation • The Loxton irrigation area upgrade is in its final stages with completion of piping to each area, connection to properties and removal of open channels • Continued participation in and contribution to the Council of Australian Governments' (COAG) Water Reform Agenda has led to the definition of water access entitlements to provide increased certainty to irrigators and ensure appropriate management response can be made to emerging problems • Carried out extensive public consultation on the Government's reform of Natural Resource Management (NRM) that will ensure better NRM outcomes by drawing together decisions that affect the whole landscape within the one institutional framework. An Interim NRM Council has been actively overviewing the reform • The Mount Lofty Ranges and Greater Adelaide NRM Plan, the Northern and Yorke Agricultural Districts NRM Plan and the Murray–Darling Basin NRM Plan were presented to the Commonwealth Government and the State Government for accreditation • The Mount Lofty Ranges Assessment Program has generated scientific evidence that confirms the need for action to manage water resources in this area • The *Native Vegetation (Miscellaneous) Amendment Act 2002* has been passed by Parliament providing tougher protection for native vegetation • Research into eradication of branched broomrape using modified farming systems is providing solutions 12 months earlier than anticipated

Targets 2003-04	Highlights 2002-03
• The branched broomrape eradication program will deliver continued direct support to landowners in the quarantine area and a major program of fumigation • Work is planned to proceed on the construction of drains and the protection of remnant native vegetation as the Upper South East Dryland Salinity and Flood Management Program enters the next stage • Completion of the South East Confined Aquifer Rehabilitation Program will result in 75% of the wells being replaced or capped • Accelerate the program associated with stormwater and flood mitigation schemes to redress the backlog of works	• Progressively implemented the Great Artesian Basin Sustainability Initiative resulting in the conversion of 30% of open bore drains to piped systems and the rehabilitation of 26 free-flowing artesian bores • Completed a draft South Australian Flood and Floodplain Management Strategy for public consultation • The Biodiversity Partnerships Initiative obtained for South Australia a national forum on conservation on private land with international representation and over 300 delegates • A review of funding for the Catchment Management Subsidy Scheme was completed and subsequently referred to the Minister's Local Government Forum • The *Upper South East Dryland Salinity and Flood Management Act 2002* was passed by Parliament

Program net expenditure summary

Program	Net Expenditure			
	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
1. Policy, Planning and Coordination	7 049	7 188	7 188	4 337
2. Natural Resource Management	27 879	31 833	38 911	38 254
3. Natural Resource Science and Information	9 116	10 155	9 405	3 229
Total	**44 044**	**49 176**	**55 504**	**45 820**

Investing payments summary

Investments	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
New Works				
Other Projects	—	293	293	293
Total New Works				
Works in Progress				
National Action Plan for Salinity and Water Quality	8 419	8 000	12 750	271
Water Information and Licensing Management Application System	1 220	858	2 078	1 184
Other Projects	2 007	1 003	2 441	882
Total Works in Progress				
Minor Works	615	513	513	1 108
Total Investing Payments	**12 261**	**10 667**	**18 075**	**3 738**

Agency: Department of Water, Land and Biodiversity Conservation

Program Information

Program 1: Policy, Planning and Coordination

Description/Objective: Natural resource planning: coordination of whole of government initiatives or services as well as policy advice and development for and on behalf of the Minister.

Operating Statement

Program 1: ***Policy, Planning and Coordination***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	4 074	3 998	3 998	4 363
Supplies & Services	4 464	5 280	5 280	4 919
Depreciation	—	—	—	—
Other	1 418	1 394	1 394	2 879
Total Operating Expenses	**9 956**	10 672	10 672	12 161
Operating Revenue				
Sale of Goods	—	—	—	54
Regulatory Fees	564	1464	1464	866
Commonwealth Revenue	1 215	1 215	1 215	1 389
Other	1 128	805	805	5 516
Total Operating Revenues	**2 907**	3 484	3 484	7 824
Net Cost of Program	**7 049**	7 188	7 188	4 337

Program 1: Performance Criteria:

Sub-program: 1.1	**Policy Advice** Policy advice and development for and on behalf of the Minister for Environment and Conservation and the Minister for the River Murray on the management of natural resources; responses to government questions, briefings, speech notes, decision support and other support; representation of the Government on State and national groups; development, monitoring and review of legislation, and legal advice.
Performance Commentary	Extensive public consultation was carried out on the South Australian Government's proposed reform of Natural Resource Management (NRM). The reforms will provide an integrated approach to the use and management of natural resources and ensure better NRM outcomes by drawing together decisions that affect the whole landscape within the one institutional framework. The proposal for new institutional arrangements includes an NRM Council, regional NRM Boards and local NRM groups. The Government has established an Interim NRM Council. In 2003-04, following the completion of public consultation, legislation will be introduced to implement the new arrangements. Continued participation in and contribution to the Council of Australian Governments' (COAG) Water Reform Agenda has led to the definition of water access entitlements to provide increased certainty to irrigators and ensure appropriate management response can be made to emerging problems. The annual report on the South Australian Government's obligations to meet the COAG water reforms was completed and tranche payments were received in 2002-03. A Wetlands Strategy for South Australia was released that will support local action to care for and restore wetlands. The *Native Vegetation (Miscellaneous) Amendment Act 2002* was passed by Parliament. Parts of the Act were proclaimed in December 2002 and the remaining parts are scheduled for proclamation in May 2003. In 2003-04 the Water Proofing Adelaide Project, which aims to improve the efficiency of water use within metropolitan Adelaide, will progress with the release of a discussion paper for consultation and a report on urban policy issues. A new Metering Policy addressing licensed water use in South Australia was adopted in February 2003. The development of this policy ensures that all licensed water use will be metered and details how this will be implemented across the State. The second stage of a study of recharge and groundwater use in the South East blue gum plantations was completed and negotiations with the forestry industry have led to agreement on an approach to the impact of land use on groundwater. A technical investigation partnership with the CSIRO and South East Catchment Water Management Board to quantify the impacts of forestry on groundwater in the South East will be completed in 2003-04 and legislative proposals to implement the agreed approach will be developed. A draft South Australian Flood and Floodplain Management Strategy was completed. In 2003-04 public consultation will occur followed by development of a final strategy for implementation.

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
Net cost of sub-program	**$3 015 000**	**$3 042 000**	**$3 042 000**	**$2 392 000**

Sub-program: 1.2	**Natural Resource Planning** Input to statutory natural resource management plans, planning assistance and advice, development of strategic resource plans, industry development and development of long-term strategies including planning for infrastructure, regional strategies and local action plans.
Performance Commentary	The Mt Lofty Ranges and Greater Adelaide Natural Resource Management (NRM) Plan, the Northern and Yorke Agricultural Districts NRM Plan and the Murray–Darling Basin NRM Plan were presented to the Commonwealth Government and State Government for accreditation. Plans for the South East and Kangaroo Island NRM regions are almost complete and will be presented to the Commonwealth Government and State Government for accreditation early in 2003-04. Regional NRM Plans for the Aboriginal Lands, Eyre Peninsula and Rangelands NRM regions have commenced and will be released for public consultation early in 2003-04. The plans will be presented to the Commonwealth Government and State Government for accreditation before the end of 2003-04. In 2003-04, NRM Investment Strategies for the above regions will be developed. Mount Lofty Ranges and Greater Adelaide region is scheduled to submit its investment strategy to the Commonwealth Government and State Government early in 2003-04. Kangaroo Island, South East, Murray–Darling Basin and Northern and Yorke Agricultural District are scheduled to submit their investment strategies by December 2003. The other regions will follow later in 2004. Technical contributions were provided for the Metropolitan Regional Planning Strategy and local government development plans and development applications. Water Allocation Plans were completed and adopted for the River Murray and Tintinara Coonalpyn Water Resources Areas. Catchment Water Management Plans were completed for the River Murray and the South East Catchment Water Management Boards.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of water allocation plans prepared for relevant authorities	1	2	3	5
No. of major reports on resource management prepared for government or relevant authorities	18	20	18	18
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$3 651 000**	**$3 763 000**	**$3 763 000**	**$1 688 000**

Sub-program: 1.3	**State–Commonwealth Joint Programs** Management of the State's input to a range of State–Commonwealth joint natural resource management programs: including relationship management, negotiation and administration of projects, eg the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality.
Performance Commentary	In 2002-03 the State's obligations under the Natural Heritage Trust Partnership Agreement (NHT1) were met, including a 2001-02 annual report and financial reporting, payments to proponents, final reporting on projects, and the processing of extension and variation requests. Bilateral negotiations were completed for the administrative and financial arrangements to deliver the Extension of Natural Heritage Trust (NHT2), and the bilateral agreement has been signed. The first round of funding under this bilateral agreement is scheduled to be approved before the end of 2002-03. In 2003-04 NHT1 will be completed and there will be a shift from regional priority rounds considering local projects to regional investment based on regional NRM plans and investment strategies under NHT2 and under the National Action Plan for Salinity and Water Quality (NAP).

	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$383 000**	**$383 000**	**$383 000**	**$256 000**

Agency: Department of Water, Land and Biodiversity Conservation

Program Information

Program 2: Natural Resource Management

Description/Objective: Natural resource management services including the administration of natural resources legislation, restoration and maintenance of ecosystems and resource licensing.

Operating Statement

Program 2: ***Natural Resources Management***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	11 122	10 907	10 152	10 831
Supplies & Services	35 508	21 938	32 084	25 219
Depreciation	1 348	1 348	668	1 108
Other	30 635	33 663	35 668	18 651
Total Operating Expenses	**78 613**	67 856	78 572	55 809
Operating Revenue				
Sale of Goods	1 784	1 942	2 017	1 683
Regulatory Fees	—	—	—	73
Commonwealth Revenue	1 624	6 996	5 850	10 739
Other	47 326	27 085	31 794	5 060
Total Operating Revenues	**50 734**	36 023	39 661	17 555
Net Cost of Program	**27 879**	31 833	38 911	38 254

Program 2: Performance Criteria:

Sub-program: 2.1	**Murray–Darling** Departmental services targeted for the River Murray environment, including support for the Murray–Darling Basin Commission, improving the environmental health of the River Murray system, securing water volume and managing salinity for irrigation in South Australia and securing urban water supplies.
Performance Commentary	South Australia's salinity obligations for the River Murray were determined at the Murray–Darling Basin Ministerial Council meeting of November 2002. South Australia will now put in place a program of works to address its River Murray salinity impacts. Under the Government's new River Murray Improvement Program, further initiatives will be supported in 2003-04 to implement the River Murray Water Allocation Plan, invest in environmental flows and in wetland management and provide additional support to the Murray–Darling Basin Commission. Planning and design for new salt interception schemes progressed well. In 2003-04 construction of the Bookpurnong and Loxton Salt Interception Schemes is planned to commence and new systems are scheduled for implementation to establish irrigator accountability for salinity impacts and for development zoning against salinity criteria. A draft Memorandum of Understanding has been negotiated between the Murray Lower Darling Rivers Indigenous Nations (MLDRIN) and the governments of the Murray–Darling Basin. A program of education and engagement for agency staff on their statutory obligations under Indigenous heritage and native title legislation has been developed and will be implemented in 2003-04. It is anticipated that Ministers will sign the Memorandum of Understanding with MLDRIN early in 2003-04. As part of the South Australian Environmental Flows Strategy, initiatives have been developed to ensure a coordinated regional approach to River Murray wetland management. Policies have been included in the River Murray Water Allocation Plan that require wetland managers to hold a licence. Guidelines on the development of wetland management plans have also been developed. In 2003-04 a comprehensive baseline survey will be undertaken to assist the management of priority wetlands along the River Murray in South Australia. This will include identification of potential water savings from managed wetlands. In addition, opportunities to manipulate weir pools for environmental outcomes are being investigated to provide information for future management actions. A monitoring project is underway in the Lower Lakes to determine the ecological response to lowered lake levels. The River Murray mouth sand-pumping project, funded through the Murray–Darling Basin Commission, was designed to protect the health of the Coorong over the 2002-03 summer and has succeeded in that objective. Continuing dry conditions have meant that the likelihood of any flow over the barrages in the winter/spring of 2003 is extremely low. Planning is therefore underway to continue the dredging program to the end of 2003. If conditions remain dry in 2003, it is likely that dredging may need to continue until the winter/spring of 2004. Surveys of the River Murray to determine where salt is coming into the river have continued. An additional 10 salinity stations have been installed on anabranches (streams that leave a river and re-enter it further downstream). The recommendations of the South Australian Parliamentary Select Committee on the River Murray either have been or are in the process of being implemented. For example, DWLBC and the Murray–Darling Basin Commission are developing a regional saline water disposal strategy. This investigation indicates that the existing off-river basins at Noora and Stockyard Plains can be upgraded and utilised for most drainage water disposal, although a limited number of floodplain storages may need to be retained for short-term storage of drainage waters.

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
Net cost of sub-program	**$19 252 000**	**$17 463 000**	**$18 845 000**	**$20 052 000**

Sub-program: 2.2	**Building Community Capacity** Working with the natural resource management boards, Native Vegetation Council, local authorities, community groups and other stakeholders including the provision of education and awareness, technical assistance, partnership arrangements; raising community awareness of the management of natural resources; promoting legislative compliance.
Performance Commentary	Mount Lofty Ranges Catchment Program, involving the 10 councils in the program area and more than 4000 property holders, has resulted in the protection of 1364 hectares of remnant native vegetation and habitat from threats such as weeds and livestock grazing and 1344 hectares of revegetation using local native species, as well as other outcomes beneficial to the biodiversity of the State. In 2003-04 the Mount Lofty Ranges Interim Natural Resources Group will continue to provide guidance through their Plan and Investment Strategy. Regional communities were provided with technical support and advice in the areas of soil conservation, land management, revegetation and dryland salinity. Annual groundwater monitoring reports identifying trends and resource conditions were presented to catchment water management boards and communities. In 2003-04 technical advice will continue to be provided through the preparation of regional plans and investment strategies. The Outback SA office opened in Port Augusta, representing State Government agencies with responsibilities in the rangelands. Outback SA is a joint community and government initiative developed to improve services to meet the special needs of those within the arid zone. Technical information has been provided to the community concerning groundwater capacity of Eyre Peninsula together with input into the development of the Eyre Peninsula Water Supply Master Plan developed by SA Water. DWLBC maintains a presence at major field days to provide information on well maintenance and rehabilitation schemes, volumetric conversion, groundwater access, water allocation and licensing, broomrape identification and eradication, dryland salinity and salt management, bore monitoring and data access, revegetation and other issues. Field days held at Mungerannie included the demonstration of special piping distribution materials suitable for artesian bores and remote control technology for the Great Artesian Basin Sustainability Initiative.

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
Net cost of sub-program	**$1 697 000**	**$2 652 000**	**$2 652 000**	**$979 000**

Sub-program: 2.3	**Resource Management Operations, Licensing And Compliance** Administration of natural resources and biodiversity legislation, including specification and issue of licences, permits and authorisations; review of community awareness of and compliance with the provisions of legislation and, where necessary, enforcement of legislative requirements; water allocation and on-ground activities for salinity management; agency regional operations; detection and response to adverse events and emergencies (eg branched broomrape, floods, and other animal and plant pest incursions).
Performance Commentary	Research into eradication of branched broomrape using modified farming systems is providing solutions 12 months earlier than anticipated. In 2003-04 the program will continue, with significant additional State commitment, enabling the continued delivery of direct support for landowners in the quarantine area and a major fumigation program. A quality assurance program for 1080 poison was implemented with the Animal and Plant Control Boards. In 2003-04 the program will continue with the delivery of training programs. The DWLBC water trading website was completed. Work on the development of an integrated water licensing system is well advanced and is expected to be completed in 2003-04. An initial grant of licences has been made under the Tintinara Coonalpyn Water Allocation Plan to approximately 100 existing water users. The Far North Wells and the Marne and Saunders water resources areas were prescribed. In 2003-04 there will be further implementation of the River Murray and Tintinara Coonalpyn Water Allocation Plans, including the introduction of metering for licensees. The South East Confined Aquifer Rehabilitation Program, with support from NHT and landowner funding, has rehabilitated or replaced 26 confined aquifer artesian bores to reduce groundwater wastage, bringing the total number of bores rehabilitated to 56. Completion of the Program in 2003-04 will result in 75% of the wells having been replaced or capped. The Volumetric Conversion Project established 130 monitored field sites, reviewed existing data, and carried out an intensive community consultation program. In 2003-04, intensive data collection, analysis, policy development and further community consultation will occur. The Great Artesian Basin Sustainability Initiative has been progressively implemented, resulting in the conversion of 30% of the open bore drains to piped systems and the rehabilitation of four free-flowing artesian bores to significantly reduce water wastage and recover artesian pressures. In addition to the native vegetation clearance applications shown below, heritage agreement applications covering 2125 hectares were considered, and 32 biodiversity assessments were made on Crown land identified for disposal. Seven biodiversity monitoring programs were established and scientific support was provided for investigations into 140 incident reports relating to breaches of the *Native Vegetation Act 1991*.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. processed:				
• water licences	3 500	3 100	3 000	2 600
• water permits	3 200	3 500	3 000	2 900
• water authorisations	100	160	150	30
• native vegetation clearance applications	150	100	150	120
Quality				
% of clearance applications processed within agreed timeframes (4 months of application being lodged)	50%	35%	85%	49%
Ratio of area protected from native vegetation clearance or planted: area approved for clearance	6:1	5.6:1	6:1	5.9:1
Ratio of number of trees planted: number of trees approved for clearance	14:1	13.9:1	7:1	6.98:1
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$7 912 000**	**$12 561 000**	**$12 542 000**	**$14 551 000**

Sub-program: 2.4	**Management Of Infrastructure Assets** Planning, funding, procurement and maintenance of the State's investment in resource management infrastructure assets, including project management of natural resource based infrastructure and remediation projects, eg Upper South East Dryland Salinity and Flood Management Plan, Loxton Irrigation District Rehabilitation Scheme and Lower Murray Reclaimed Irrigation Areas.
Performance Commentary	The *Upper South East Dryland Salinity and Flood Management Act 2002* was passed by Parliament in December 2002. The Act provides certainty of access to land for drain construction and allows for landholder levies that can be offset by environmental initiatives contained in management agreements. In 2002-03 a National Action Plan for Salinity and Water Quality (NAP) funded package for an integrated program of engineering and environmental initiatives was prepared and approved by the regional NRM group. The program will enter an implementation phase including the construction of drains and the protection of remnant native vegetation. Further drainage and wetland management works are planned to proceed in 2003-04. These works will be funded from the NAP and are subject to approval through NAP processes. The Loxton irrigation area upgrade is in its final stages with completion of piping to each area, connection to properties and removal of open channels. Planning for irrigation and drainage infrastructure in the 24 Lower Murray Reclaimed Irrigation Areas was completed along with trials of new inlets, water meters and irrigation run-off reuse. Responsibility for operation and maintenance of existing government infrastructure was transferred to an irrigator-controlled entity in January 2003. An information package on restructuring and rehabilitation was released to irrigators in February 2003. NAP funding has been approved to provide grants to irrigators for 12 months to encourage restructuring prior to rehabilitation. During 2003-04 irrigation areas will be restructured and formal agreements on rehabilitation will be negotiated, area-by-area.

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
Net cost of sub-program	**-$982 000**	**-$843 000**	**$4 872 000**	**$2 672 000**

Agency: Department of Water, Land and Biodiversity Conservation

Program Information

Program 3: Natural Resource Science and Information

Description/Objective: Natural resource science and information services including monitoring the condition of natural resources and the provision of technical advice and information.

Operating Statement

Program 3: ***Natural Resources Science and Information***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	3 581	5 352	5 352	5 849
Supplies & Services	7 498	6 819	6 819	5 075
Depreciation	—	—	—	—
Other	174	170	170	272
Total Operating Expenses	**11 253**	12 341	12 341	11 196
Operating Revenue				
Sale of Goods	719	780	1 530	3 185
Regulatory Fees	328	316	316	84
Commonwealth Revenue	206	206	206	1 792
Other	884	884	884	2 906
Total Operating Revenues	**2 137**	2 186	2 936	7 967
Net Cost of Program	**9 116**	10 155	9 405	3 229

Program 3: Performance Criteria:

Sub-program: 3.1	**Resource Monitoring And Assessment** Oversight, monitoring and analysis of the state and condition of South Australia's natural resources and sustainable levels of use; technical advice and data for the Natural Resource Management Council, Native Vegetation Council, Boards and resources planning committees, government agencies, the resource management and development sectors, and research and academic institutions; the provision of information services incorporating publications and electronic information products, training and associated services.
Performance Commentary	An assessment and evaluation methodology was developed to identify water resources under stress or at risk of stress. Fifteen environmental flow stations have been added to the surface water-monitoring network of the Mount Lofty Ranges, Kangaroo Island and the Northern and Yorke Agricultural Districts. Surface water information and data is now available on the internet. The Mount Lofty Ranges Assessment Program has generated scientific evidence that supports the need to better manage water resources in this region. Technical advice was provided to PIRSA for compliance monitoring of the Beverley in-situ leach uranium mining operations and the Olympic Dam borefields in the Great Artesian Basin in accordance with the Special Water Licences issued under the Roxby Downs Indenture. A comprehensive assessment of development of the surface water resources of the Onkaparinga catchment was completed and forwarded for publication. Reports on the condition of soil and agricultural land were produced to allow the DWLBC to direct remediation programs and resources. A report on the level of wind erosion was completed in December 2002. Reports on the state of agricultural land resources were produced for the State of the Environment Report. A spatial mapping tool that will assist in monitoring of revegetation across the State was completed and promoted to community groups. In 2003-04 assessment of the groundwater and surface water resources of the Mount Lofty Ranges will continue to help determine a basis for water entitlements. A report on the hydrostratigraphy of the lower South East including the Blue Lake capture zone will be completed to better understand the quality and quantity of the groundwater resources of this area. A three-year salinity accession investigation will commence in Padthaway to provide sound technical information for the development of management strategies to address the increasing groundwater salinity levels. The Eyre Peninsula southern groundwater basin monitoring network will be upgraded to manage the risk of coastal salt intrusion.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity No. of reports on the status and condition of water resources prepared for relevant authorities	9	13	8	11
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$8 281 000**	**$9 428 000**	**$8 678 000**	**$2 302 000**

Sub-program: 3.2	**Resource Management Technology And Innovations** Research and development of new technologies and innovations, methodologies and practices for wise natural resource management.
Performance Commentary	Baseline information on the condition of water dependent ecosystems in Mount Lofty Ranges streams is being collected by helicopter using aerial videography. The Aridflo project has investigated and described connections between hydrology and biological responses in the rivers and streams of the Lake Eyre Basin. Contributions to the development of the Lake Eyre Basin Rivers Assessment methodology are near completion and the final report on the Aridflo project is due in 2003-04. New technology for identifying high-risk areas of land affected by dryland salinity was successfully trialled in an airborne dryland salinity mapping survey program. Lower cost and more flexible surface water monitoring instruments have been applied to stream and wetland monitoring, increasing the capacity to collect scientific data where it had not been possible or affordable in the past. An estimated 50 000 hectares in the Riverland in South Australia and Sunraysia in Victoria is being surveyed in 2002-03 using a GIS-based tool for recording irrigation and crop inventories developed under the Water Use Efficiency Project funded through the Murray–Darling Basin Commission. The Bolivar reclaimed water Aquifier Storage and Recovery (ASR) field trials will be completed and a final report and concept design is scheduled for mid 2003.

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
Net cost of sub-program	**$835 000**	**$727 000**	**$727 000**	**$927 000**

DEPARTMENT OF WATER, LAND AND BIODIVERSITY CONSERVATION

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Grant revenue	**49 212**	33 645	37 159	n.a.
Sales of goods and services	**2 503**	2 722	3 547	n.a.
Regulatory fees	**893**	1 780	1 780	n.a.
Investment revenue	**—**	60	60	n.a.
Other revenue	**3 171**	3 486	3 535	n.a.
Total operating revenue	**55 779**	41 693	46 081	n.a.
Revenue from Government				
State Government — Appropriation	**44 044**	54 826	53 826	n.a.
Other Government revenue	**—**	12	—	n.a.
Total revenue from Government	**44 044**	54 838	53 826	n.a.
Total revenue from ordinary activities	**99 823**	96 531	99 907	n.a.
Expenses				
Employee entitlements —				
Salaries, wages, annual and sick leave	**16 134**	17 708	16 953	n.a.
Long service leave	**265**	236	236	n.a.
Payroll tax	**825**	803	803	n.a.
Superannuation	**1 553**	1 510	1 510	n.a.
Supplies and services —				
Other supplies and services	**47 471**	34 037	44 183	n.a.
Depreciation and amortisation	**1 348**	1 348	668	n.a.
Grants and subsidies	**31 227**	34 227	36 232	n.a.
Other expenses	**1 000**	1 000	1 000	n.a.
Total expenses from ordinary activities	**99 823**	90 869	101 585	n.a.
Operating result after income tax	**—**	5 662	-1 678	n.a.
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	n.a.
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	n.a.
Total amounts recognised directly in equity	**—**	—	—	n.a.
Total non-owner changes in equity	**—**	5 662	-1 678	n.a.

DEPARTMENT OF WATER, LAND AND BIODIVERSITY CONSERVATION

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**8 354**	11 926	2 978	n.a.
Receivables	**3 770**	4 101	1 812	n.a.
Inventories	**475**	475	743	n.a.
Other current assets	**45**	45	79	n.a.
Total current assets	**12 644**	16 547	5 612	n.a.
Non current assets				
Land and improvements	**3 099**	2 709	2 290	n.a.
Plant and equipment	**44 777**	34 254	29 882	n.a.
Total non current assets	**47 876**	36 963	32 172	n.a.
Total assets	**60 520**	53 510	37 784	n.a.
Liabilities				
Current liabilities				
Employee entitlements —				
Salaries and wages	**63**	2	4	n.a.
Annual leave	**1 069**	1 069	838	n.a.
Long service leave	**330**	328	301	n.a.
Workers compensation	**28**	28	—	n.a.
Payables	**3 281**	3 286	2 155	n.a.
Total current liabilities	**4 771**	4 713	3 298	n.a.
Non current liabilities				
Employee entitlements —				
Long service leave	**4 420**	4 576	4 130	n.a.
Workers compensation	**92**	92	—	n.a.
Payables	**624**	624	600	n.a.
Other non current liabilities	**—**	—	260	n.a.
Total non current liabilities	**5 136**	5 292	4 990	n.a.
Total liabilities	**9 907**	10 005	8 288	n.a.
Net assets	**50 613**	43 505	29 496	n.a.
Equity				
Contributed capital	**8 166**	1 059	—	n.a.
Accumulated surplus	**42 447**	42 446	29 496	n.a.
Total equity	**50 613**	43 505	29 496	n.a.

DEPARTMENT OF WATER, LAND AND BIODIVERSITY CONSERVATION

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Commonwealth grants and payments	**3 045**	8 401	7 255	n.a.
Grants and subsidies	**46 167**	25 244	29 904	n.a.
Sales of goods and services	**2 484**	2 722	3 547	n.a.
Interest	**—**	60	60	n.a.
Regulatory fees	**893**	1 780	1 780	n.a.
Royalties	**635**	635	635	n.a.
Fees and commissions	**2 447**	1 405	1 405	n.a.
State Government — Appropriation	**44 044**	54 826	53 826	n.a.
Other Government revenue	**—**	12	—	n.a.
Other receipts	**90**	1 447	1 496	n.a.
Total operating receipts	**99 805**	96 532	99 908	n.a.
Payments				
Employee entitlements	**18 870**	20 201	19 446	n.a.
Supplies and services	**47 126**	34 045	44 191	n.a.
Grants and subsidies	**31 227**	34 227	36 232	n.a.
Other payments	**1 000**	1 000	1 000	n.a.
Total operating payments	**98 223**	89 473	100 869	n.a.
Net cash provided by operating activities	**1 582**	7 059	-961	n.a.
Investing activities				
Payments				
Purchase of property, plant and equipment	**12 261**	10 667	18 075	n.a.
Net cash provided by investing activities	**-12 261**	-10 667	-18 075	n.a.
Financing activities				
Receipts				
SA Government contributed capital	**7 107**	—	—	n.a.
Total financing receipts	**7 107**	—	—	n.a.
Net cash provided by financing activities	**7 107**	—	—	n.a.
Net increase (+) / decrease (-) in cash held	**-3 572**	-3 608	-19 036	n.a.
Opening cash balance as at 1 July	**11 927**	15 535	22 015	n.a.
Closing cash balance as at 30 June	**8 355**	11 927	2 979	n.a.

ADMINISTERED ITEMS FOR THE DEPARTMENT OF WATER, LAND AND BIODIVERSITY CONSERVATION

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Taxation	**5 000**	5 000	5 000	n.a.
Grant revenue	**29 750**	16 950	15 800	n.a.
Sales of goods and services	**168**	110	164	n.a.
Regulatory fees	**250**	1 017	1 017	n.a.
Other revenue	**1 000**	1 000	1 000	n.a.
Total operating revenue	**36 168**	24 077	22 981	n.a.
Revenue from Government				
State Government — Appropriation	**38 878**	12 053	17 493	n.a.
Total revenue from ordinary activities	**75 046**	36 130	40 474	n.a.
Expenses				
Employee entitlements —				
Salaries, wages, annual and sick leave	**897**	884	1 068	n.a.
Supplies and services —				
Consultancy expenses	**228**	228	228	n.a.
Other supplies and services	**5 755**	5 653	5 208	n.a.
Depreciation and amortisation	**1 360**	1 360	1 360	n.a.
Grants and subsidies	**59 629**	25 449	32 609	n.a.
Other expenses	**1 000**	1 000	1 000	n.a.
Total expenses from ordinary activities	**68 869**	34 574	41 473	n.a.
Operating result after income tax	**6 177**	1 556	-999	n.a.
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	n.a.
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	n.a.
Total amounts recognised directly in equity	**—**	—	—	n.a.
Total non-owner changes in equity	**6 177**	1 556	-999	n.a.

ADMINISTERED ITEMS FOR THE DEPARTMENT OF WATER, LAND AND BIODIVERSITY CONSERVATION

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**14 775**	7 599	6 725	n.a.
Receivables	**3 397**	3 397	1 195	n.a.
Inventories	**23**	23	—	n.a.
Other current assets	**—**	—	16	n.a.
Total current assets	**18 195**	11 019	7 936	n.a.
Non current assets				
Land and improvements	**24 002**	24 002	24 231	n.a.
Plant and equipment	**34 432**	35 431	35 102	n.a.
Total non current assets	**58 434**	59 433	59 333	n.a.
Total assets	**76 629**	70 452	67 269	n.a.
Liabilities				
Current liabilities				
Employee entitlements —				
Annual leave	**132**	132	—	n.a.
Long service leave	**26**	26	—	n.a.
Other employee entitlements	**—**	—	54	n.a.
Payables	**2 817**	2 817	1 833	n.a.
Total current liabilities	**2 975**	2 975	1 887	n.a.
Non current liabilities				
Employee entitlements —				
Long service leave	**337**	337	—	n.a.
Other employee entitlements	**—**	—	155	n.a.
Payables	**22**	22	18	n.a.
Total non current liabilities	**359**	359	173	n.a.
Total liabilities	**3 334**	3 334	2 060	n.a.
Net assets	**73 295**	67 118	65 209	n.a.
Equity				
Accumulated surplus	**71 979**	65 802	63 893	n.a.
Asset revaluation reserves	**1 316**	1 316	1 316	n.a.
Total equity	**73 295**	67 118	65 209	n.a.

ADMINISTERED ITEMS FOR THE DEPARTMENT OF WATER, LAND AND BIODIVERSITY CONSERVATION

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Taxation	**5 000**	5 000	5 000	n.a.
Commonwealth grants and payments	**29 750**	16 950	15 800	n.a.
Sales of goods and services	**168**	110	164	n.a.
Fines and penalties	**800**	800	800	n.a.
Regulatory fees	**250**	1 017	1 017	n.a.
State Government — Appropriation	**38 878**	12 053	17 493	n.a.
Other receipts	**200**	200	200	n.a.
Total operating receipts	**75 046**	36 130	40 474	n.a.
Payments				
Employee entitlements	**897**	884	1 068	n.a.
Supplies and services	**5 983**	5 881	5 436	n.a.
Grants and subsidies	**59 629**	25 449	32 609	n.a.
Other payments	**1 000**	1 000	1 000	n.a.
Total operating payments	**67 509**	33 214	40 113	n.a.
Net cash provided by operating activities	**7 537**	2 916	361	n.a.
Investing activities				
Payments				
Purchase of property, plant and equipment	**361**	361	361	n.a.
Net cash provided by investing activities	**-361**	-361	-361	n.a.
Net increase (+) / decrease (-) in cash held	**7 176**	2 555	—	n.a.
Opening cash balance as at 1 July	**7 599**	5 044	6 725	n.a.
Closing cash balance as at 30 June	**14 775**	7 599	6 725	n.a.

Further details on receipts and payments relating to Administered items can be found in the Notes to the Portfolio Statement.

Agency: Department of Water, Land and Biodiversity Conservation

Program Notes

The Department of Water, Land and Biodiversity Conservation (DWLBC) restructured its programs during 2002-03 to reflect portfolio changes that occurred following the 2002 election. The revised program structure provides a focus on key issues and aligns activities with the policy objective of integrating the management of natural resources.

Basis of Accounting

The Department's estimates are prepared in accordance with generally accepted accounting principles. Historical 2001-02 data has been recast applying the Department's new 2003-04 program structure. Consequently, actual 2001-02 revenues and expenditures are indicative only.

The following commentary relates to the Financial Statements presented in the previous sections. The discussion relates to variations between the 2002-03 Budget and 2002-03 estimated result, and 2003-04 Budget.

Financial commentary — Major resource variations

Portfolio Net Expenditure Summary

The net cost of the Policy Planning and Coordination Program and the Natural Resources Science and Information Program is lower in the 2003-04 Budget due to savings initiatives, mainly through reductions in corporate services, information services and sponsorships.

The net cost of the Natural Resources Management Program is lower in the 2003-04 Budget as expenditure reduces in 2003-04 due to two major projects. The approved works for the Upper South East Drainage were completed in 2002-03 and approved expenditure for the Loxton Irrigation District Rehabilitation decreases significantly in 2003-04. The 2003-04 Budget is also lower as a result of a number of savings initiatives approved. Offsetting these reductions is an increase to the 2003-04 Budget that increases funding for the Catchment Management Subsidy Scheme by $2 million. The 2002-03 estimated result is lower than the 2002-03 Budget due delays on a number of approved projects.

Statement of Financial Performance — Controlled

Total expenses is about $9 million higher in 2003-04 due mainly to:

- increased funding for the River Murray Improvement Program ($14.3 million)
- increased funding for the Catchment Management Subsidy Scheme ($2 million, Natural Resource Management Reform Program ($1.5 million) and increased funding for projects under the National Action Plan for Salinity and Water Quality ($6 million).

Offset in part by:

- expenditure savings ($3.7 million)
- lower expenditure on the Loxton Irrigation District Rehabilitation and Upper South East Drainage projects ($11.1 million).

Total revenue is budgeted to increase by $3.3 million reflecting increased grant revenue from the introduction of the River Murray Levy and offset in part by a reduction in appropriation.

Statement of Cash Flows — Controlled

The 2002-03 estimated result for total investing payments is less than budget due to lower expenditure on National Action Plan funded projects ($4.8 million) and systems development ($1.2 million).

The other comments above on the Statement of Financial performance provide an explanation of the major variations in revenue and operating payments.

Statement of Financial Position — Controlled

The Statement of Financial Position shows an increase in the net assets position mainly due to increased investment in plant and equipment.

Administered Items

The 2003-04 Budget includes revenue and expenditure for the commencement of the River Murray Improvement Program of $15 million. Other major variations within the administered items Statement of Cash Flows relates to delays in the National Action Plan (NAP) for Salinity and Water Quality approval process. This has affected the 2002-03 estimated result for both revenue and expenditure. These expenditure delays have subsequently impacted on DWLBC's controlled Intra Government Receipts grant revenue.

The build up of cash in 2003-04 is a result of NAP receipts being $7.2 million greater than NAP outlays due to rescheduling of major works.

2003-04 Regulatory Fees used to fund South Eastern Water Conservation and Drainage Board activities have reduced with the final collection of levies from the Upper South East Drainage project.

The increase in the 2003-04 Budget for Natural Heritage Trust (NHT) reflects the NHT Extension Agreement between the Commonwealth Government and the State Government.

Additional Information for Administered Items

The following table summarises receipts and payments by entity.

Additional Administered Items Information for the Department of Water, Land and Biodiversity Conservation
Statement of Cash Flows

	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000
CASH FLOWS FROM:			
Operating Activities			
Receipts			
Taxation —			
Water Resources Levy Fund	**5 000**	5 000	5 000
Grants and Subsidies —			
NAP for Salinity & Water Quality	**17 450**	13 950	15 800
Natural Heritage Trust	**12 300**	3 000	—
Fines and Penalties	**800**	800	800
Sale of Goods and Services	**168**	158	158
Regulatory Fees	**250**	1 017	1 017
State Government —			
Arid Areas Catchment Water Management Board	**400**	400	400
Qualco Sunlands	**250**	250	250
Minister's salary	**—**	—	184
South Eastern Water Conservation and Drainage Board	**1 619**	1 586	1 586
Native Vegetation Fund	**790**	777	777
NAP for Salinity & Water Quality	**19 910**	8 983	14 293
River Murray Improvement Program	**15 000**	—	—
SA Housing Trust Subsidy	**900**	—	—
Pastoral Board	**9**	9	9
Other Receipts	**200**	200	200
Total Receipts	**75 046**	36 130	40 474
Payments			
Employee Entitlements —			
Minister's salary	**—**	—	184
Arid Areas Catchment Water Management Board	**150**	150	150
Qualco Sunlands	**150**	150	150
South Eastern Water Conservation and Drainage Board	**584**	584	584
Supplies and Services —			
Arid Areas Catchment Water Management Board	**250**	250	250
Qualco Sunlands	**100**	100	100
Native Vegetation Fund	**958**	1 386	941
South Eastern Water Conservation and Drainage Board	**688**	641	641
Water Resources Levy Fund	**5 000**	5 000	5 000
Grants and Subsidies —			
South Eastern Water Conservation and Drainage Board	**220**	1 000	1 000
Natural Heritage Trust	**12 300**	—	—
NAP for Salinity & Water Quality	**30 200**	22 950	30 110
River Murray Improvement Program	**15 000**	—	—
SA Housing Trust Subsidy	**900**	—	—
Pastoral Board	**9**	9	9
Other Payments —			
Excess Water	**1 000**	994	994
Total Payments	**67 509**	33 214	40 113
Net Cash Provided by Operating Payments	**7 537**	2 916	361

	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000
Investing Activities			
Payments			
Purchase of Property, Plant and Equipment			
South Eastern Water Conservation and Drainage Board	**361**	361	361
Total Payments	**361**	361	361
Net Cash Provided by Investing Activities	**-361**	-361	-361
Net Increase/(Decrease) in Cash Held	**7 176**	2 555	—
Opening Cash Balance as at 1 July	**7 599**	5 044	6 725
Closing Cash Balance as at 30 June	**14 775**	7 599	6 725

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Portfolio: Environment and Conservation

Agency: Environment Protection Authority

Objective:

To achieve a healthy and valued environment for the people of South Australia, by working with community, industry and governments.

2003-04 Targets / 2002-03 Highlights

Targets 2003-04	Highlights 2002-03
• Prepare proposals for amendments to the *Radiation Protection and Control Act 1982* • Make recommendations to the Government for management of South Australia's radioactive waste following completion of the audit of current storage arrangements • Undertake a review of Schedule 1 to the *Environment Protection Act 1993* to determine those activities that are most appropriately managed through licensing • Organise, analyse and assess emission data from Environment Protection Authority licensees to monitor pollution trends, inform licensees and support the introduction of load based licensing • Develop an incentives package for licensees who demonstrate excellent environmental management practice • Prepare a new Compliance and Enforcement Policy • Provide to Government a draft Environment Protection Policy for environmental noise • Implement the new Environment Protection Policies on water quality and noise • Provide support to local government in undertaking environment protection responsibility for non-scheduled activities • Assess and report on industry monitoring programs and provide advice to industry to ensure that monitoring is undertaken in an appropriate way • Prepare draft Site Contamination Bill for public consultation • Amend Environment Protection Act to strengthen provisions for the container deposit industry • Undertake public consultation on draft Environment Protection (Air Quality) Policy • Introduce an extended range of offences and penalties, including civil penalties and the use of community service orders, for polluting, and penalties for an illegally obtained competitive or economic advantage • Publish the State of the Environment 2003 report	• Established a revamped Environment Protection Authority, independent of the Department for Environment and Heritage • Increased the capacity of the Environment Protection Authority by transferring the Radiation Section from the Department of Human Services to the authority • Conducted an audit of radioactive material to determine the nature and quantity, and whether it is safely and securely stored • Commenced an inquiry into the environmental impact of the in-situ acid leach mining process • Implemented the expanded container deposit legislation provisions • Expanded the water quality monitoring program to include the southern beaches, additional rivers and streams, aquifers and important estuaries • Contributed to the sustainable development of the aquaculture industry through the application of the *Aquaculture Act 2001* • Consolidated partnerships with local government for the delivery of environmental protection services • Completed public consultation on a draft framework for the introduction of load based licensing • Released the Environment Protection (Water) Policy • Made a significant contribution to the establishment of Zero Waste SA • Developed and initiated a strategic marketing plan for the EPA • Released for public consultation the Draft Environment Protection Policy on noise

Program net expenditure summary

Program	Net Expenditure			
	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Environment and Radiation Protection	8 718	10 304	10 728	10 345
Total	**8 718**	**10 304**	**10 728**	**10 345**

Investing payments summary

Investments	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
New Works	—	—	—	—
Total New Works	**—**	**—**	**—**	**—**
Works in Progress	—	—	—	—
Total Works in Progress	**—**	**—**	**—**	**—**
Minor Works	965	320	515	911
Total Investing Payments	**965**	**320**	**515**	**911**

Agency: Environment Protection Authority

Program Information

Program 1: Environment and Radiation Protection

Description/Objective: To achieve a healthy and valued environment for the people of South Australia, by working with community, industry and governments.

Operating Statement

Program 1: ***Environment and Radiation Protection***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	13 727	12 176	13 754	11 420
Supplies and Services	6 262	7 194	5 857	9 301
Depreciation	846	846	846	853
Other	915	1 055	—	3
Total Operating Expenses	**21 750**	21 271	20 457	21 577
Operating Revenue				
Sale of Goods	245	178	30	10
Regulatory Fees	10 417	8 869	9 081	8 708
Commonwealth Revenue	1 000	941	172	1 168
Other	1 370	979	446	1 346
Total Operating Revenues	**13 032**	10 967	9 729	11 232
Net Cost of Program	**8 718**	10 304	10 728	10 345

Program 1: Performance Criteria:

Sub-program: 1.1	**Environment Protection** The EPA exercises the powers, functions and duties of the *Environment Protection Act 1993* to minimise, monitor and evaluate human impacts on the environment by: • administering and enforcing of the Act • licensing, inspecting and auditing activities that have an impact on the environment • undertaking environmental assessment of new developments • delivering avoidance and reduction programs for water, catchments, air, noise and waste • promoting industry eco-efficiency training programs • providing support to local government • monitoring and reporting on air and water quality • coordinating the delivery of the State's community environmental monitoring programs • assessing and reporting on industry monitoring programs • delivery of a program of works to improve water quality in the Mt Lofty Ranges watershed • development of statutory and non-statutory environmental policies • undertaking State of the Environment Reporting.
Performance Commentary	In 2002 the Environment Protection Authority (EPA) was given greater independence and powers through the establishment of a new administrative agency that reports to an independent governing Board; and through legislative changes proclaimed in early 2003. Increased powers for environment protection include doubling penalties for major pollution offences under the Environment Protection Act and the proclamation of a new Statewide Environment Protection Policy on Water Quality. Further regulatory reform is planned for 2003-04, including policies on environmental noise, the establishment of Zero Waste SA, and further amendments to the Environment Protection Act to consider container deposit legislation, site contamination and other miscellaneous amendments. The 2003 State of the Environment Report will be published.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
Reduction of pollutant load entering the Port River from licensed premises	80% reduction by 2009			
Reduce the number of exceedences of the Air Quality NEPM, excluding natural events (eg bushfires and dust storms) by 2008, specifically: • maintain and improve air quality in Adelaide • meet NEPM requirements in Pt Pirie and Whyalla				
Ensure activities of licensees comply with the Act, through inspections of licensed premises, audits and other environmental management measures	1 500 licensees, covering at least 30% of all licenses, inspected			
Percentage of breaches of the license conditions identified and rectified through enforcement action	80% of breaches acted upon			
Solid Waste to landfill (tonnes) normalised to State gross Product (will be transferred to Zero Waste SA)	5% reduction/annum			
Percentage of development applications responses and approvals made within statutory timeframe	100%			
Support to local government to deliver local environment protection services	10 councils supported by EPA			
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$8 404 000**	**$10 010 000**	**$10 434 000**	**$9 848 000**

Sub-program: 1.2	**Radiation Protection** The EPA exercises the powers, functions and duties of the *Radiation Protection and Control Act 1982* to minimise adverse impacts of radiation on human health and the environment by: • administration and enforcement of the Act • assessment of applications for new radiation sources, premises and users • monitoring and surveillance of radiation management at operating uranium mines and former mining and milling sites • development of options and assessment of proposals for radioactive waste management • assessment of proposals for new projects involving radiation or radioactive materials • development and review of statutory and non-statutory radiation protection policies • provision of advice on ionizing and non-ionizing radiation protection to government departments, workers, industry and the public.
Performance Commentary	In 2002-03 the Government transferred the Radiation Protection Section from the Department of Human Services to the Environment Protection Authority. To further enhance protection of the environment from the impacts of radiation, the Government instituted an audit of the storage of radioactive material including waste. An inquiry into the environmental impact of the in-situ acid leach mining process has commenced. Amendments to the *Environment Protection Act 1993* and the *Radiation Protection and Control Act 1982* have provided greater transparency and openness in the management of radioactive material. In 2003-04 a review of the *Radiation Protection and Control Act 1982* will be initiated and recommendations to the Government for management of South Australia's radioactive waste following completion of the audit of current storage arrangements will be finalised.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
Ensure radioactive sources, premises and users of radiation comply with the Radiation Protection and Control Act through assessments, inspections and audits	100% of new source, premises and user applications are assessed	Registrations: Sources 17 Premises 12 User licences 330 (100%)	100% of applications	Registrations: Sources 23 Premises 15 User licences 230 (100%)
Ensure licensed uranium mines and proposals for new projects comply with the Radiation Protection and Control Act	100% of radiation reports from uranium mines and all new projects are assessed	100%	100%	100%
Ensure X-ray machines comply with regulations, and train operators for remote areas	100% new machines checked and 100% new remote area operators trained	New machines registered 113 Operators trained 58	100% of applications 100% of new operators	New machines registered 88 Operators trained 51
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$314 000**	**$294 000**	**$294 000**	**$497 000**

ENVIRONMENT PROTECTION AUTHORITY

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Grant revenue	**2 185**	1 622	172	n.a.
Sales of goods and services	**245**	178	30	n.a.
Regulatory fees	**10 417**	8 869	9 081	n.a.
Investment revenue	**145**	214	214	n.a.
Other revenue	**40**	84	232	n.a.
Total operating revenue	**13 032**	10 967	9 729	n.a.
Revenue from Government				
State Government — Appropriation	**8 718**	10 501	10 289	n.a.
Other Government revenue	**—**	3	—	n.a.
Total revenue from Government	**8 718**	10 504	10 289	n.a.
Total revenue from ordinary activities	**21 750**	21 471	20 018	n.a.
Expenses				
Employee entitlements —				
Salaries, wages, annual and sick leave	**13 547**	12 002	13 580	n.a.
Long service leave	**21**	21	21	n.a.
Payroll tax	**46**	45	45	n.a.
Superannuation	**106**	101	101	n.a.
Other employee entitlements	**7**	7	7	n.a.
Supplies and services —				
Other supplies and services	**6 262**	7 194	5 857	n.a.
Depreciation and amortisation	**846**	846	846	n.a.
Grants and subsidies	**915**	1 055	—	n.a.
Total expenses from ordinary activities	**21 750**	21 271	20 457	n.a.
Operating result after income tax	**—**	200	-439	n.a.
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	n.a.
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	n.a.
Total amounts recognised directly in equity	**—**	—	—	n.a.
Total non-owner changes in equity	**—**	200	-439	n.a.

ENVIRONMENT PROTECTION AUTHORITY

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**4 692**	4 419	3 585	n.a.
Receivables	**969**	969	969	n.a.
Inventories	**13**	13	13	n.a.
Other current assets	**161**	161	161	n.a.
Total current assets	**5 835**	5 562	4 728	n.a.
Non current assets				
Receivables	**208**	208	208	n.a.
Plant and equipment	**2 969**	2 850	3 045	n.a.
Other non current assets	**5**	5	5	n.a.
Total non current assets	**3 182**	3 063	3 258	n.a.
Total assets	**9 017**	8 625	7 986	n.a.
Liabilities				
Current liabilities				
Employee entitlements —				
Annual leave	**56**	56	56	n.a.
Long service leave	**1 265**	1 265	1 265	n.a.
Workers compensation	**40**	40	40	n.a.
Other employee entitlements	**19**	19	19	n.a.
Payables	**722**	722	722	n.a.
Total current liabilities	**2 102**	2 102	2 102	n.a.
Non current liabilities				
Employee entitlements —				
Long service leave	**2 111**	1 860	1 860	n.a.
Workers compensation	**295**	211	211	n.a.
Payables	**204**	204	204	n.a.
Total non current liabilities	**2 610**	2 275	2 275	n.a.
Total liabilities	**4 712**	4 377	4 377	n.a.
Net assets	**4 305**	4 248	3 609	n.a.
Equity				
Contributed capital	**57**	—	—	n.a.
Accumulated surplus	**4 248**	4 248	3 609	n.a.
Total equity	**4 305**	4 248	3 609	n.a.

ENVIRONMENT PROTECTION AUTHORITY

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Commonwealth grants and payments	**1 000**	945	—	n.a.
Grants and subsidies	**1 185**	677	172	n.a.
Sales of goods and services	**245**	178	30	n.a.
Interest	**145**	214	214	n.a.
Regulatory fees	**10 417**	8 869	9 081	n.a.
State Government — Appropriation	**8 718**	10 501	10 289	n.a.
Other Government revenue	**—**	3	—	n.a.
Other receipts	**40**	84	232	n.a.
Total operating receipts	**21 750**	21 471	20 018	n.a.
Payments				
Employee entitlements	**13 392**	11 854	13 432	n.a.
Supplies and services	**6 262**	7 194	5 857	n.a.
Grants and subsidies	**915**	1 055	—	n.a.
Total operating payments	**20 569**	20 103	19 289	n.a.
Net cash provided by operating activities	**1 181**	1 368	729	n.a.
Investing activities				
Payments				
Purchase of property, plant and equipment	**965**	320	515	n.a.
Net cash provided by investing activities	**-965**	-320	-515	n.a.
Financing activities				
Receipts				
SA Government contributed capital	**57**	—	—	n.a.
Net cash provided by financing activities	**57**	—	—	n.a.
Net increase (+) / decrease (-) in cash held	**273**	1 048	214	n.a.
Opening cash balance as at 1 July	**4 419**	3 371	3 371	n.a.
Closing cash balance as at 30 June	**4 692**	4 419	3 585	n.a.

ADMINISTERED ITEMS FOR THE ENVIRONMENT PROTECTION AUTHORITY

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Sales of goods and services	**580**	892	892	n.a.
Regulatory fees	**1 745**	1 772	1 772	n.a.
Investment revenue	**160**	215	215	n.a.
Other revenue	**—**	1	1	n.a.
Total operating revenue	**2 485**	2 880	2 880	n.a.
Total revenue from ordinary activities	**2 485**	2 880	2 880	n.a.
Expenses				
Supplies and services — Other supplies and services	**1 520**	3 065	2 430	n.a.
Grants and subsidies	**1 000**	900	450	n.a.
Total expenses from ordinary activities	**2 520**	3 965	2 880	n.a.
Operating result after income tax	**-35**	-1 085	—	n.a.
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	n.a.
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	n.a.
Total amounts recognised directly in equity	**—**	—	—	n.a.
Total non-owner changes in equity	**-35**	-1 085	—	n.a.

ADMINISTERED ITEMS FOR THE ENVIRONMENT PROTECTION AUTHORITY

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**3 332**	3 367	4 452	n.a.
Receivables	**432**	432	432	n.a.
Total current assets	**3 764**	3 799	4 884	n.a.
Total assets	**3 764**	3 799	4 884	n.a.
Liabilities				
Current liabilities				
Payables	**63**	63	63	n.a.
Total current liabilities	**63**	63	63	n.a.
Total liabilities	**63**	63	63	n.a.
Net assets	**3 701**	3 736	4 821	n.a.
Equity				
Accumulated surplus	**3 701**	3 736	4 821	n.a.
Total equity	**3 701**	3 736	4 821	n.a.

ADMINISTERED ITEMS FOR THE ENVIRONMENT PROTECTION AUTHORITY

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Sales of goods and services	**580**	892	892	n.a.
Interest	**160**	215	215	n.a.
Regulatory fees	**1 745**	1 772	1 772	n.a.
Other receipts	**—**	1	1	n.a.
Total operating receipts	**2 485**	2 880	2 880	n.a.
Payments				
Supplies and services	**1 520**	3 065	2 430	n.a.
Grants and subsidies	**1 000**	900	450	n.a.
Total operating payments	**2 520**	3 965	2 880	n.a.
Net cash provided by operating activities	**-35**	-1 085	—	n.a.
Net increase (+) / decrease (-) in cash held	**-35**	-1 085	—	n.a.
Opening cash balance as at 1 July	**3 367**	4 452	4 452	n.a.
Closing cash balance as at 30 June	**3 332**	3 367	4 452	n.a.

Further details on receipts and payments relating to Administered items can be found in the Notes to the Portfolio Statement.

Agency: Environment Protection Authority

Financial commentary — Major resource variations

The net cost of the Environment and Radiation Protection program for 2003-04 is lower than 2002-03 due mainly to increased revenue expectations. Primarily this increase is due to Commonwealth funding ($1 million), and additional Environment Protection license fees ($0.8 million) leading up to the introduction of Load Based Licensing in 2005-06 offset in part by reduced other receipts. Development assessment fees are budgeted to increase by $0.2 million, however this is still subject to review by Planning SA

Budget initiatives resulting in $1.25 million in savings have been offset by additional funding of $2 million.

The investing budget shows a minor increase over 2002-03 Budget, which is primarily due to carryovers and transfer of funding from the Department for Environment and Heritage for personal computer replacements.

Portfolio — Transport and Urban Planning

Minister for Southern Suburbs

Minister for Transport

Minister for Urban Development and Planning

Minister for Local Government

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PORTFOLIO: TRANSPORT AND URBAN PLANNING

MINISTERIAL RESPONSIBILITIES

Minister	Agency	Programs
The Hon. John Hill Minister for Southern Suburbs	Offices for Sustainable Social, Environmental & Economic Development	1. Office for the Southern Suburbs
The Hon. Michael Wright Minister for Transport	Transport Services (trading as Transport SA)	1. Policy Coordination, Development and Investment Strategy 2. Regulatory Services 3. Operations 4. Information Services
	Transport Planning	1. Policy Coordination, Development and Investment Strategy
	Passenger Transport Board	1. Policy Coordination, Development and Investment Strategy 2. Regulatory Services 3. Operations 4. Information Services
	TransAdelaide	1. Metropolitan Public Passenger Services
The Hon. Jay Weatherill Minister for Urban Development and Planning	Offices for Sustainable Social, Environmental & Economic Development	2. Office of the North 3. Regional Ministerial Offices
	Planning SA	1. Policy Coordination, Development and Investment Strategy 2. Development Assessment 3. Information Services
The Hon. Rory McEwen Minister for Local Government	Office of Local Government	1. Local Government System and Local Government Relations

Statutory Authorities

The Hon. Michael Wright, Minister for Transport, is responsible for the following Statutory Authorities:

- Passenger Transport Board
- TransAdelaide

The Hon. Jay Weatherill, Minister for Urban Development and Planning, is responsible for the following Statutory Authorities:

- Adelaide Cemeteries Authority
- West Beach Trust (trading as Adelaide Shores)

The Hon. Rory McEwen, Minister for Local Government, is responsible for the following Statutory Authorities:

- Outback Areas Community Development Trust
- South Australian Local Government Grants Commission

Administered items

In addition to the above responsibilities the Portfolio administers the following items on behalf of Minister(s).

- Catchment Management Subsidy Scheme
- Community Road Safety Fund
- Development Application Fees
- Emergency Services Levy Receipts
- Expiation Receipts including the Victims of Crime Levy
- Firearm Receipts
- Flood Mitigation
- Hospital Fund — Contribution
- Lincoln Cove Marina
- Local Government Taxation Equivalent Fund (TER)
- Metropolitan (Woodville, Henley and Grange) Drainage Scheme
- Minister’s Salary
- Motor Accident Commission Receipts
- Outback Areas Community Development Trust
- Power Lines Environment Committee
- Research and Development Fund
- Registration and Licensing Collections and Disbursements
- South Australian Local Government Grants Commission
- South Western Suburbs Drainage Scheme
- Stamp Duties Receipts
- West Beach Trust (trading as Adelaide Shores) — Taxation Equivalent Regime (TER)

Statutes

The Department of the Premier and Cabinet maintain a list of statutes applicable to Ministers.

PORTFOLIO NET EXPENDITURE SUMMARY

Agency	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
Offices for Sustainable Social, Environmental & Economic Development	869	260	440	—
Transport Services (trading as Transport SA)	-42 195	-224	-11 320	4 952
Transport Planning	2 304	2 284	2 284	2 314
Passenger Transport Board	167 864	169 463	166 483	170 546
TransAdelaide	2 353	6 112	6 269	18 927
Planning SA	18 401	16 195	18 882	15 565
Office of Local Government	2 670	2 776	2 646	2 480
Total	**152 266**	**196 866**	**185 684**	**214 784**

INVESTING PAYMENTS SUMMARY

Agency	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
Offices for Sustainable Social, Environmental & Economic Development	—	—	—	—
Transport Services (trading as Transport SA)	185 264	125 962	134 216	135 483
Transport Planning	—	—	—	—
Passenger Transport Board	500	8 770	7 500	6 110
TransAdelaide	10 920	8 090	8 260	18 990
Planning SA	555	524	1 324	996
Office of Local Government	—	—	—	—
Total Investing Payments	**197 239**	**143 346**	**151 300**	**161 579**

TRANSPORT AND URBAN PLANNING

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Taxation	**208 222**	199 586	194 583	n.a.
Grant revenue	**114 972**	62 861	62 248	n.a.
Sales of goods and services	**113 745**	99 594	99 256	n.a.
Regulatory fees	**23 621**	21 861	20 372	n.a.
Investment revenue	**5 747**	5 485	5 412	n.a.
Other revenue	**49 999**	64 041	67 527	n.a.
Total operating revenue	**516 306**	453 428	449 398	n.a.
Revenue from Government				
State Government — Appropriation	**205 358**	214 647	204 859	n.a.
Other Government revenue	**—**	480	—	n.a.
Total revenue from Government	**205 358**	215 127	204 859	n.a.
Total revenue from ordinary activities	**721 664**	668 555	654 257	n.a.
Expenses				
Employee entitlements —				
Salaries, wages, annual and sick leave	**110 622**	112 972	107 618	n.a.
Long service leave	**3 461**	3 439	3 439	n.a.
Payroll tax	**5 444**	5 416	5 416	n.a.
Superannuation	**9 147**	9 107	9 084	n.a.
Supplies and services —				
Rental expenses	**8 836**	8 797	8 843	n.a.
Consultancy expenses	**109**	540	594	n.a.
Other supplies and services	**285 368**	281 861	272 922	n.a.
Depreciation and amortisation	**166 852**	164 998	160 652	n.a.
Interest and other finance expenses	**17 625**	17 379	19 056	n.a.
Grants and subsidies	**55 012**	39 062	41 098	n.a.
Other expenses	**6 096**	6 723	6 360	n.a.
Total expenses from ordinary activities	**668 572**	650 294	635 082	n.a.
Operating result before tax	**53 092**	18 261	19 175	n.a.
Net revenue from asset disposal	**—**	146	146	n.a.
Operating result after restructuring and asset disposal	**53 092**	18 407	19 321	n.a.
Expense in lieu of income tax	**2 332**	3 814	3 814	n.a.
Operating result after income tax	**50 760**	14 593	15 507	n.a.
Increase (+) / decrease (-) in asset revaluation reserve	**1 804**	48 000	48 000	n.a.
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	n.a.
Total amounts recognised directly in equity	**1 804**	48 000	48 000	n.a.
Total non-owner changes in equity	**52 564**	62 593	63 507	n.a.

TRANSPORT AND URBAN PLANNING

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**203 558**	185 592	185 429	n.a.
Receivables	**21 288**	21 788	29 690	n.a.
Inventories	**8 331**	8 331	7 634	n.a.
Other current assets	**526**	526	1 652	n.a.
Total current assets	**233 703**	216 237	224 405	n.a.
Non current assets				
Investments	**3 779**	3 779	3 662	n.a.
Receivables	**40**	40	40	n.a.
Inventories	**3 974**	3 974	15 377	n.a.
Land and improvements	**453 227**	458 260	365 889	n.a.
Plant and equipment	**5 230 182**	5 205 618	5 347 869	n.a.
Other non current assets	**17 572**	17 572	15 216	n.a.
Total non current assets	**5 708 774**	5 689 243	5 748 053	n.a.
Total assets	**5 942 477**	5 905 480	5 972 458	n.a.
Liabilities				
Current liabilities				
Employee entitlements —				
Salaries and wages	**9 480**	9 435	9 463	n.a.
Annual leave	**6 063**	6 063	5 549	n.a.
Long service leave	**5 232**	5 277	4 660	n.a.
Superannuation	**—**	—	1 845	n.a.
Workers compensation	**1 967**	1 967	—	n.a.
Payables	**72 655**	72 655	79 012	n.a.
Borrowings	**6 130**	6 481	6 688	n.a.
Other current liabilities	**2 048**	2 048	1 569	n.a.
Total current liabilities	**103 575**	103 926	108 786	n.a.

TRANSPORT AND URBAN PLANNING

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Non current liabilities				
Employee entitlements —				
Long service leave	**38 857**	38 701	38 762	n.a.
Workers compensation	**6 148**	6 148	5 957	n.a.
Payables	**2 393**	4 259	5 229	n.a.
Borrowings	**130 450**	136 580	144 599	n.a.
Other non current liabilities	**9 297**	9 294	10 528	n.a.
Total non current liabilities	**187 145**	194 982	205 075	n.a.
Total liabilities	**290 720**	298 908	313 861	n.a.
Net assets	**5 651 757**	5 606 572	5 658 597	n.a.
Equity				
Contributed capital	**135 493**	135 238	133 043	n.a.
Accumulated surplus	**3 887 073**	3 843 947	3 872 951	n.a.
Asset revaluation reserves	**1 629 191**	1 627 387	1 652 603	n.a.
Total equity	**5 651 757**	5 606 572	5 658 597	n.a.

TRANSPORT AND URBAN PLANNING

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Taxation	**208 222**	199 586	194 583	n.a.
Commonwealth grants and payments	**60 894**	62 204	61 279	n.a.
Grants and subsidies	**54 078**	657	969	n.a.
Sales of goods and services	**113 745**	99 390	99 256	n.a.
Interest	**1 766**	1 867	1 509	n.a.
Regulatory fees	**23 621**	21 861	20 347	n.a.
Royalties	**2 138**	3 400	2 284	n.a.
Fees and commissions	**—**	—	873	n.a.
State Government — Appropriation	**205 358**	216 943	204 859	n.a.
Other Government revenue	**—**	480	—	n.a.
Other receipts	**51 812**	64 229	68 243	n.a.
Total operating receipts	**721 634**	670 617	654 202	n.a.
Payments				
Employee entitlements	**128 504**	130 753	125 377	n.a.
Supplies and services	**294 134**	291 020	282 235	n.a.
Interest and other financial payments	**17 559**	17 181	18 858	n.a.
Grants and subsidies	**55 202**	39 062	41 248	n.a.
Tax equivalent payments	**2 332**	3 814	3 814	n.a.
Other payments	**6 096**	6 723	6 360	n.a.
Total operating payments	**503 827**	488 553	477 892	n.a.
Net cash provided by operating activities	**217 807**	182 064	176 310	n.a.
Investing activities				
Receipts				
Sale of property, plant and equipment	**12 690**	11 350	15 682	n.a.
Repayment of advances	**500**	—	—	n.a.
Total investing receipts	**13 190**	11 350	15 682	n.a.
Payments				
Purchase of property, plant and equipment	**197 239**	142 846	151 300	n.a.
Advances granted	**—**	500	—	n.a.
Total investing payments	**197 239**	143 346	151 300	n.a.
Net cash provided by investing activities	**-184 049**	-131 996	-135 618	n.a.

TRANSPORT AND URBAN PLANNING

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Financing activities				
Receipts				
SA Government contributed capital	**255**	46 624	46 624	n.a.
Payments				
Repayment of borrowings	**6 481**	14 281	6 281	n.a.
Dividends and distributions	**7 634**	15 891	4 699	n.a.
Finance lease payments	**1 932**	—	—	n.a.
Total financing payments	**16 047**	30 172	10 980	n.a.
Net cash provided by financing activities	**-15 792**	16 452	35 644	n.a.
Net increase (+) / decrease (-) in cash held	**17 966**	66 520	76 336	n.a.
Opening cash balance as at 1 July	**185 592**	119 072	109 091	n.a.
Closing cash balance as at 30 June	**203 558**	185 592	185 427	n.a.

WORKFORCE SUMMARY

Agency	FTEs as at 30 June		
	2003-04 Budget Estimate	**2002-03 Estimated Result**	**2001-02 Actual**
Offices for Sustainable Social, Environmental & Economic Development	11.00	11.00	—
Transport Services (trading as Transport SA)	1 313.78	1 483.28	1 457.46
Transport Planning	102.90	105.90	102.40
Passenger Transport Board	140.30	146.30	135.50
TransAdelaide	562.00	594.00	622.90
Planning SA	152.25	152.25	155.60
Office of Local Government	25.90	26.10	21.40
Total	**2 308.13**	**2 518.83**	**2 495.26**

MINISTERIAL OFFICES RESOURCES

Minister	2003-04 Budget	
	Cost of provision $000	**FTEs**
The Hon. Michael Wright	891	8.0
The Hon. Jay Weatherill (Regional Offices)	469	4.0

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Portfolio: Transport and Urban Planning

Agency: Offices for Sustainable Social, Environmental & Economic Development

Objective

To facilitate a whole of government approach to the following regions identified as being of high need:

- the metropolitan north
- the southern suburbs
- the Upper Spencer Gulf, Flinders Ranges and Outback
- the River Murray communities.

The offices will assist in the realisation of the Government's policy commitments to improve economic development, social and environmental outcomes for the communities in these areas.

2003-04 Targets / 2002-03 Highlights

Targets 2003-04	Highlights 2002-03
Office for the Southern Suburbs • Complete Food and Wine Industry Park Feasibility study • Develop optional models for Clever Communities program with view to implementation during the period • Complete feasibility study for the Green Incubator project • Consolidate partnership with Flinders University regarding proposals being developed which target potential students in the southern suburbs, and finalise bursary arrangements and launch of program • Enhance involvement with the southern suburbs schools Career Expo • Work with Business Manufacturing and Trade to add value to the existing council's exporting and mentoring programs • Consolidate links with the two Business Enterprise Centres in the region	***Office for the Southern Suburbs*** • Office for the Southern Suburbs opened by Premier Mike Rann 31 May 2003 • Developed links with Business Enterprise Centres and business organisations to enhance economic growth in the region • Facilitated working relationships with education providers, health forums, cross-agency forums and local community groups • Established familiarisation program with local government – Cities of Marion and Onkaparinga • Developed working partnerships with numerous agencies and other organisations including Flinders University
Office of the North • Establish Employment Pathways program to facilitate an effective transition for young people in the north from school to training, higher education and employment in key industry clusters • Form a regional economic development, training and employment entity to coordinate business development, identification of skills requirements and training and labour market programs • Develop a program to acknowledge and support local industry to employ local residents, in conjunction with Salisbury and Playford Councils • Develop a support program for young people in the transition from adolescence to adulthood, in conjunction with schools, TAFE and the University of SA and youth agencies • Implement a training and recruitment strategy for the employment of local northern residents at the Frozen Herbs Ltd food processing facility	***Office of the North*** • Office of the North at Edinburgh opened in November 2002 following formal approval to establish the office in August 2002 • Established the Northern Partnership with the Playford, Salisbury and Gawler Councils and engaged key State Government agencies through the Chief Executives group • Established Employment Pathway for Holden third shift to train unemployed northern residents in preparation for selection, in cooperation with Holden, Manpower and the Office of Employment • Held Northern Connexions conference in April 2003 to workshop joined up support for northern young people • Conducted joint investigation with the City of Playford of whole of government strategy and business case for the regeneration of Playford North
Regional Ministerial Offices • Establish network to promote community views and ideas to improve the lifestyle in, and sustainability of, River Murray communities • Facilitate partnerships to develop strategy for Northern Flinders Ranges development • Support process to improve and streamline planning processes for outback communities • Initiate leadership development projects to complement capacity building programs in identified regions • Develop strategy for coordinated whole of government activities and provide administrative support for such projects • Establish a resource collection for use by outback communities, including government and non-government publications	***Regional Ministerial Offices*** • Established Office of the Upper Spencer Gulf, Flinders Ranges & Outback in Port Augusta to provide a link with the State Government for local leaders and members of the public • Established Office of the Murray in Murray Bridge to provide a link for the community with the State Government and to promote issues of importance to River Murray communities • Developed working relationships with local State Government agencies, community groups and regional authorities from both offices

Program net expenditure summary

Program	Net Expenditure			
	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
1. Office for Southern Suburbs	400	260	440	—
2. Office of the North	—	—	—	—
3. Regional Ministerial Offices	469	—	—	—
Total	**869**	**260**	**440**	**—**

Agency: Offices for Sustainable Social, Environmental & Economic Development

Program Information

Program 1: Office for the Southern Suburbs

Description/Objective: To facilitate a whole of government approach to the Southern Suburbs and assist in the realisation of the Government's specific policy commitment to improve economic development, social and environmental outcomes.

Operating Statement

Program 1: ***Office for the Southern Suburbs***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	210	210	210	—
Supplies & Services	190	50	230	—
Depreciation	—	—	—	—
Other	—	—	—	—
Total Operating Expenses	**400**	**260**	**440**	**—**
Operating Revenue				
Sale of Goods	—	—	—	—
Regulatory Fees	—	—	—	—
Commonwealth Revenue	—	—	—	—
Other	—	—	—	—
Total Operating Revenues	—	—	—	—
Net Cost of Program	**400**	**260**	**440**	**—**

Program 1: Performance Criteria:

Program 1	**Office for the Southern Suburbs**			
Performance Commentary	The opening of the Office for the Southern Suburbs occurred later than anticipated.			
Performance indicators	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of program	**$400 000**	**$260 000**	**$440 000**	**—**

Agency: Offices for Sustainable Social, Environmental & Economic Development

Program Information

Program 2: Office of the North

Description/Objective: To facilitate a whole of government approach to the North and assist in the realisation of the Government's specific policy commitment to improve economic development, social and environmental outcomes.

Operating Statement

Program 1: ***Office of the North***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	334	220	—	—
Supplies & Services	20	220	—	—
Depreciation	—	—	—	—
Other	46	—	—	—
Total Operating Expenses	**400**	**440**	**—**	**—**
Operating Revenue				
Sale of Goods	—	—	—	—
Regulatory Fees	—	—	—	—
Commonwealth Revenue	—	—	—	—
Other	400	440	—	—
Total Operating Revenues	**400**	**440**	**—**	**—**
Net Cost of Program	**—**	**—**	**—**	**—**

Program 2: Performance Criteria:

Program 2	**Office of the North**			
Performance Commentary	**The Office opened in November 2002.**			
Performance indicators	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of program	**—**	**—**	**—**	**—**

Agency: Offices for Sustainable Social, Environmental & Economic Development

Program Information

Program 3: Regional Ministerial Offices

Description/Objective: The two Regional Ministerial Offices, being the Office of the Upper Spencer Gulf, Flinders Ranges and Outback in Port Augusta and the Office of the Murray in Murray Bridge, aim to facilitate a whole of government approach to the regions they serve, and assist in the realisation of the Government's specific policy commitment to improve economic development, social and environmental outcomes.

Operating Statement

Program 3: Regional Ministerial Offices	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
Operating Expenses				
Employee entitlements	266	—	—	—
Supplies & Services	203	—	—	—
Depreciation	—	—	—	—
Other	—	—	—	—
Total Operating Expenses	**469**	—	—	—
Operating Revenue				
Sale of Goods	—	—	—	—
Regulatory Fees	—	—	—	—
Commonwealth Revenue	—	—	—	—
Other	—	—	—	—
Total Operating Revenues	—	—	—	—
Net Cost of Program	**469**	—	—	—

Program 3: Performance Criteria:

Program 3	**Regional Ministerial Offices**			
Performance Commentary	The Regional Ministerial Offices have been transferred from the Justice Portfolio for 2003-04.			
Performance indicators	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of program	**$469 000**	—	—	—

OFFICES FOR SUSTAINABLE SOCIAL, ENVIRONMENTAL AND ECONOMIC DEVELOPMENT

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Grant revenue	**400**	440	—	n.a.
Total operating revenue	**400**	440	—	n.a.
Revenue from Government				
State Government — Appropriation	**869**	440	440	n.a.
Total revenue from ordinary activities	**1 269**	880	440	n.a.
Expenses				
Employee entitlements —				
Salaries, wages, annual and sick leave	**648**	349	159	n.a.
Long service leave	**34**	16	9	n.a.
Payroll tax	**46**	24	16	n.a.
Superannuation	**82**	41	26	n.a.
Supplies and services —				
Other supplies and services	**413**	270	230	n.a.
Other expenses	**46**	—	—	n.a.
Total expenses from ordinary activities	**1 269**	700	440	n.a.
Operating result after income tax	**—**	180	—	n.a.
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	n.a.
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	n.a.
Total amounts recognised directly in equity	**—**	—	—	n.a.
Total non-owner changes in equity	**—**	180	—	n.a.

OFFICES FOR SUSTAINABLE SOCIAL, ENVIRONMENTAL AND ECONOMIC DEVELOPMENT

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**180**	180	—	n.a.
Total current assets	**180**	180	—	n.a.
Total assets	**180**	180	—	n.a.
Liabilities				
Current liabilities				
Employee entitlements —				
Annual leave	**156**	156	140	n.a.
Long service leave	**148**	149	132	n.a.
Superannuation	**—**	—	55	n.a.
Workers compensation	**59**	59	—	n.a.
Total current liabilities	**363**	364	327	n.a.
Non current liabilities				
Employee entitlements —				
Long service leave	**526**	526	548	n.a.
Workers compensation	**183**	183	179	n.a.
Total non current liabilities	**709**	709	727	n.a.
Total liabilities	**1 072**	1 073	1 054	n.a.
Net assets	**-892**	-893	-1 054	n.a.
Equity				
Accumulated surplus	**-892**	-893	-1 054	n.a.
Total equity	**-892**	-893	-1 054	n.a.

OFFICES FOR SUSTAINABLE SOCIAL, ENVIRONMENTAL AND ECONOMIC DEVELOPMENT

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Grants and subsidies	**400**	440	—	n.a.
State Government — Appropriation	**869**	440	440	n.a.
Total operating receipts	**1 269**	880	440	n.a.
Payments				
Employee entitlements	**810**	430	210	n.a.
Supplies and services	**413**	270	230	n.a.
Other payments	**46**	—	—	n.a.
Total operating payments	**1 269**	700	440	n.a.
Net cash provided by operating activities	**—**	180	—	n.a.
Net increase (+) / decrease (-) in cash held	**—**	180	—	n.a.
Opening cash balance as at 1 July	**180**	—	—	n.a.
Closing cash balance as at 30 June	**180**	180	—	n.a.

Agency: Offices for Sustainable Social, Environmental & Economic Development

Financial commentary — Major resource variations

Statement of Financial Performance — Controlled

The Office for the Southern Suburbs was formally opened in May 2003. The estimated result for 2002-03 incorporates expenditure for the entire financial year.

The increase in the 2003-04 Budget is due to the Regional Ministerial Offices that were transferred from the Justice Portfolio for this financial year.

Statement of Cash Flows — Controlled

The 2002-03 estimated result incorporates expenditure for the Office for the Southern Suburbs that was formally opened in May 2003, but in operation from January.

The 2003-04 Budget incorporates the Regional Ministerial Offices that were transferred from the Justice Portfolio.

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Portfolio: Transport and Urban Planning

Agency: Transport Services

Objective

To achieve a transport system that supports State development and leads to an improved quality of life for all South Australians, by implementing government priorities and in collaboration with other tiers of government, industry groups and the community.

2003-04 Targets/2002-03 Highlights

Targets 2003-04	Highlights 2002-03
Safety • Continue implementation of phase 1 of Road Safety Reform Package in conjunction with SAPOL and Courts Administration Authority, including the following measures: - demerit points for camera detected speeding offences - licence disqualification for certain 0.05% bac offences - use of red light cameras to detect speed - mobile random breath testing - strengthening theoretical testing requirements for learner drivers - strengthening practical testing of learner drivers - increasing length of time for provisional licence holders before graduating to full licence to minimum of 2 years or 20 years of age • Continue expansion of the number of community road safety groups to provide coverage over all local government areas by June 2004 • Continue to deliver the 3-year Road Safety Public Education Strategy (2002–05) • Reduce incidences of heavy vehicle crashes by monitoring heavy vehicle movements throughout the State using Truckscan • Commence the Safe Routes to School program in an additional 25 schools • Expand the Walk with Care program to an additional two areas in the City of West Torrens and three areas in the City of Holdfast Bay, and commence the program in the City of Prospect plus a regional council • Deliver 40 bicycle education programs to approximately 4000 primary school children across metropolitan and regional SA • Assess all road rail level crossings across the State to determine a program of crossing upgrades • Support the Jacob's Creek Tour Down Under through 'Share the Road' cycling awareness raising sponsorship ***Economic Development*** • Continue upgrading Commercial Road, Port Noarlunga between Wetherald Terrace and Maslins Beach Road • Commence construction of City West Connector at Mile End between South Road and Sir Donald Bradman Drive • Widen and upgrade a further 35 km of Lincoln Highway between Cowell and Tumby Bay • Complete reconstruction of Hancock Road and commence upgrade of Black Road • Continue to widen and upgrade Wallaroo–Port Wakefield Road between Kulpara and Port Wakefield • Commence construction works on Mawson Lakes new road link between Salisbury Highway and Main North Road ***Environmental Sustainability*** • Convert an additional two buses to run on 100% biodiesel to determine the feasibility of expanding the use of this alternative fuel in the Metroticket bus fleet • Install bilge pump out facilities at the fishing industry facility located at Lincoln Cove Marina • Install waste oil station at Blackfellows Caves • Implement three Walking School Buses in each TravelSmart Council area (21 buses in total) • Deliver TravelSmart SA (program to promote travel behaviour changes) to an additional 1200 households, Green Transport Plans (measures to reduce car use and promote more sustainable alternatives) to an additional six workplaces and develop the TravelSmart Challenge concept (competition which raises awareness and promotes travel behaviour change) ***Public Transport*** • Commence construction of Mawson Lake interchange • Introduce 25 standard size and 9 articulated, new, low floor, accessible, Euro 3 environmentally friendly diesel buses into the Adelaide Metroticket bus fleet ***Other*** • Ensure that an electronic booking system for vehicle inspections is operational at Regency Park • Introduce a 3rd tier high-level vehicle identity inspection process to detect re-identified stolen vehicles • Replace registration labels with a 2-part registration certificate • Replace the registration and licensing DRIVERS system and integrate other regulatory systems into the Transport Regulation and User Management Processing System	***Safety*** • Implemented phase 1 of the Road Safety Reform package including: – implemented 50 km/h default speed limit in built-up areas across the State – reduced the open road speed limit to 100 km/h on major roads of poor standard and/or poor crash history – delivered the 2002–03 Whole of Government Road Safety Advertising Program • Re-established the State Level Crossing Committee to prioritise approved safety works at level crossings across the State • Delivered bicycle education programs to more than 3500 primary school children • Undertook 25 State funded black spot projects including improvements to the rail level crossing at Park Terrace, Salisbury • Commenced the Safe Routes to School program with an additional 15 primary schools, taking the total schools participating to 70 • Developed the Teaching 4 Traffic training manual that is being used by teachers to implement road safety education in their schools • Commenced the Walk with Care program with 5000 households in the City of West Torrens • Continued implementing the overtaking lanes program on State arterial roads • Completed 20 overtaking lanes • Continued the Shoulder Sealing Program – State Roads — $ 4.82 million, completed a further 98.6 km including Barossa Valley Way, Angle Vale Road, Noarlunga–Cape Jervis and Blackwood–Goolwa – NH $4 million, completed 147 km on the Dukes Highway plus Port Augusta–Port Wakefield ***Economic Development*** • Commenced construction of Port River Expressway Stage 1 • Completed the Monarto Interchange with the construction of the southern ramps by Rural City of Murray Bridge • Upgrade of Torrens Road ***Environmental Sustainability*** • Provided grants to nine councils to design, develop and deliver travel behaviour change tools such as Walking School bus, Green Transport Plan and competitions in their communities • Finalised arrangements for remediation of heavily contaminated site at the old Islington railway workshops (Jack Watkins Park) and conversion of site to usable open space, and negotiated handover of care, control and management to Port Adelaide Enfield Council • Installed sewerage pump out facilities at the fishing industry facility located at North Arm Marina • Successfully staged the Velofest festival of cycling 2002 • Installed waste oil stations at Thevenard Jetty and Bosanquet Bay Slipway ***Social Access and Equity*** • Continued work on sealing 25 km of unsealed rural arterial including Elliston–Lock, Booleroo–Jamestown and Hawker–Orroroo • Upgraded the Lyndhurst aerodrome. Contributed to aerodrome works at Marla ***Public Transport*** • Introduced 50 new, low floor, accessible, Euro 3 environmentally friendly diesel buses into the Adelaide Metroticket bus fleet ***Other*** • Released a code of practice for historic vehicles and prescribed left hand drive vehicles • Introduced registration renewal facilities over the internet along with interactive voice response that is currently used by over 7500 clients per week • Legislation in place and images being retained to improve proof of identity and security of licence

Program net expenditure summary

Program	Net Expenditure			
	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
1. Policy Coordination, Development and Investment Strategy	18 060	17 233	16 333	17 585
2. Regulatory Services	-2 396	-2 888	-4 850	400
3. Operations	-58 214	-15 667	-23 791	-14 243
4. Information Services	355	1 098	988	1 210
Total	**-42 195**	**-224**	**-11 320**	**4 952**

Investing payments summary

Investments	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
New Works				
SAFER ROADS PROGRAM – DEMANDING A SAFE & SECURE TRANSPORT SYSTEM				
State Black Spot Program	3 500	—	—	—
Shoulder Sealing Program	1 700	—	—	—
Safety Driven Improvements	5 000	—	—	—
Heavy Vehicle Safety Initiative	1 000	—	—	—
	11 200	—	—	—
REACHING ITS POTENTIAL – PUBLIC TRANSPORT IN ADELAIDE				
Adelaide Light Rail	1 200	—	—	—
TRANSPORT IN SOUTH AUSTRALIA – ENSURING ITS ENVIRONMENTAL SUSTAINABILITY				
Cockburn Township contaminated land remediation	550	—	—	—
Light Emitting Diode (LED) Lanterns	3 000	—	—	—
SMARTER SPENDING & DECISION MAKING				
Long-term Plant Requirements	29 000	—	—	—
Deflectograph Pavement Evaluation Vehicle	526	—	—	—
Total New Works	**45 476**	—	—	—
Works in Progress				
SAFER ROADS PROGRAM – DEMANDING A SAFE & SECURE TRANSPORT SYSTEM				
State Black Spot Program	3 500	6 900	3 500	—
National Black Spot Program	4 282	4 396	3 490	2 102
Responsive Road Safety Program	4 090	3 987	3 987	662
Overtaking Lanes Program	6 000	6 000	6 000	6 454
Shoulder Sealing Program	5 100	5 100	5 100	2 506
Lincoln Highway	1 911	1 000	1 000	2 041
Wallaroo to Port Wakefield — Kulpara to Port Wakefield	800	800	800	1 497
Noarlunga — Victor Harbor Road	50	90	90	768
Road Safety Reform — Speed Limits	—	440	—	—
School Crossing Upgrades on Arterial Roads	—	—	—	1 089
	25 733	28 713	23 967	17 119

Investments	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
REACHING ITS POTENTIAL – PUBLIC TRANSPORT IN ADELAIDE				
Metropolitan Bus Priority Lanes Program	1 200	550	1 750	1 453
Bus Fleet Replacement Program	16 330	9 670	9 670	15 330
Mawson Lakes Public Transport Interchange	2 700	—	—	—
Mile End Bus Depot	—	8 400	—	—
Park and Ride Facilities	—	1 200	—	935
Public Transport Capital Initiatives	—	—	—	1 213
MAINTAINING FREIGHT COMPETITIVENESS				
Port River Expressway	20 919	18 610	19 410	5 853
Urban Road Improvements for Freight	5 005	5 000	5 000	4 059
City West Connector	5 000	500	3 900	—
South East Rail Network	—	—	10 000	—
Gomersal Road — Sturt Highway to Tanunda	—	—	—	5 624
Peterborough Freight Route — Warnertown to Jamestown	—	—	—	1 319
MAXIMISING ITS VALUE				
Mawson Lakes Road and Bridge Development	8 000	700	1 500	257
Commercial Road, Port Noarlunga	5 550	2 000	3 550	2 087
Unkerbed Urban Arterial Roads	2 000	1 991	1 991	1 275
Southern Expressway	1 000	3 200	1 500	11 613
Minor Works	14 173	12 970	19 220	22 238
Transport Regulation and User Management Processing System	5 250	867	1 167	303
West Lakes Revetment	460	1 243	1 243	686
Old Belair Road	—	—	—	1 190
Finishing Works on Major Projects	—	—	—	903
ACCESS FOR REGIONAL RURAL AND REMOTE COMMUNITIES				
Unsealed Rural Arterials	2 798	2 828	2 828	12 477
Flinders Ranges Tourist Roads	—	—	—	2 329
Noarlunga — Cape Jervis Road	—	—	—	1 841
NATIONAL HIGHWAYS PROGRAMS	23 670	27 520	27 520	25 379
Total Works in Progress	**114 055**	**125 962**	**134 216**	**135 483**
Total Investing Payments	**185 264**	**125 962**	**134 216**	**135 483**

Note: The 2002-03 estimated result incorporates a transfer of asset sustainment minor works into operating expenditure. The same treatment is used in 2003-04.

Agency: Transport Services

Program Information

Program 1: Policy Coordination, Development and Investment Strategy

Description/Objective: Development and provision of policy advice, strategic transport and road safety plans for and on behalf of the Government.

Operating Statement

Program 1: ***Policy Coordination, Development and Investment Strategy***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	—	—	—	—
Supplies & Services	—	—	—	—
Depreciation	—	—	—	—
Other	18 060	17 233	16 333	17 585
Total Operating Expenses	**18 060**	**17 233**	**16 333**	**17 585**
Operating Revenue				
Sale of Goods	—	—	—	—
Regulatory Fees	—	—	—	—
Commonwealth Revenue	—	—	—	—
Other	—	—	—	—
Total Operating Revenues	**—**	**—**	**—**	**—**
Net Cost of Program	**18 060**	**17 233**	**16 333**	**17 585**

Program 1: Performance Criteria:

Program 1	**Policy Coordination, Development and Investment Strategy**			
Performance Commentary	This program reflects the funding arrangements between Transport Services, Transport Planning and the Offices for Sustainable Social, Environmental and Economic Development. For targets, highlights and performance indicators, please refer to those agencies.			
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of program	**$18 060 000**	**$17 233 000**	**$16 333 000**	**$17 585 000**

Agency: Transport Services

Program Information

Program 2: Regulatory Services

Description/Objective: Provision of registration, licensing, compliance and other regulatory services under legislation committed to the Minister.

Operating Statement

Program 2: ***Regulatory Services***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	18 905	17 309	17 309	17 877
Supplies & Services	33 728	33 008	31 182	38 017
Depreciation	—	—	—	—
Other	4 483	4 591	4 591	2 671
Total Operating Expenses	**57 116**	**54 908**	**53 082**	**58 565**
Operating Revenue				
Sale of Goods	4 818	4 396	4 409	5 934
Regulatory Fees	9 977	9 527	9 152	9 397
Commonwealth Revenue	6 008	5 623	5 658	5 464
Other	38 709	38 250	38 713	37 370
Total Operating Revenues	**59 512**	**57 796**	**57 932**	**58 165**
Net Cost of Program	**-2 396**	**-2 888**	**-4 850**	**400**

Program 2: Performance Criteria:

Sub-program: 2.1	**Road Regulation** Provision of services that are lawful and efficient to license drivers and register vehicles, and to ensure cost recovery of the regulatory and government services provided
Performance Commentary	(1) The increase reflects clients opting to pay for 3 months rather than 6 or 12 months for motor vehicle registration and an increase in third party insurance transactions. (2) Target set by the fraud committee established within South Australia. (3) The variance is due to an increase in goods and services, increase in merchant card usage and the introduction of an additional branch at Gawler.

Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of cash financial transactions (Registration and Licensing/Customer Services)	4 144 648 (1)	4 081 278	4 083 600	4 017 908
% licence examinations audited	5% (2)	4.3%	5%	4.2%
No. of vehicle inspections	14 000	13 000	12 500	13 131
No. of vehicle ID inspections	39 000	39 000	39 000	39 221
No. of prosecutions	800	801	800	1 508
No. of expiations	2 350	2 352	2 350	1 573
No. of cautions	Database being established	Database being established	—	—
No. of permits for over dimensional loads issued	5 500	5 400	5 000	—
Quality				
No. of successful prosecutions	800	748	800	1 447
Timeliness				
Median waiting time for vehicle inspections (weeks)	1.5	4	4	3
Median waiting time for permits for over dimensional loads (days)	1	1	1	2
Cost				
Average cost per transaction (Registration and Licensing/Customer Services)	$5.33	$5.54 (3)	$5.32	$5.39
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$319 000**	**-$402 000**	**-$2 610 000**	**$2 856 000**

Sub-program: 2.2	**Marine Regulation** Provision of services to ensure the efficient and effective licensing of motor boat operators/mariners, registration of vessels and survey of ships
Performance Commentary	The fee structure for vessel survey is currently under review. Target does not allow for the possible effects of this review. A review is currently also underway into the provision of Marine Safety services. Recommendations from this review may have an effect on recreational vessel check targets and actual numbers. (1) Periodic surveys only. Figure does not include initial surveys for vessels as this process can involve numerous visits to the vessel.

Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of vessels surveyed (1)	800	750	400	750
No. of recreational vessels checked per annum for compliance with safety requirements	3 600	3 600	3 400	3 045
No. of marine qualifications granted	500	500	500	488
Quality				
% of recreational vessels meeting safety requirements	85%	80%	85%	85%
Timeliness				
Waiting time for survey vessels (hours)	24	24	—	—
Waiting time for examination of marine qualifications (hours)	24	24	24	24
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**-$2 344 000**	**-$2 248 000**	**-$1 994 000**	**-$2 269 000**

Sub-program: 2.3	**Rail Regulation** Efficient and effective provision of rail safety and rail access regulatory services
Performance Commentary	(1) One railway operator has surrendered rail safety accreditation. Audit performance is being maintained at 100% in line with the legislative requirement of each accredited railway being inspected at least once per annum. (2) Indicator not included in previous years.

Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
Audits conducted of rail organisations	43	40 (1)	41	41
New safety accreditations granted	2	3	3	5
Rail safety accreditation variations	3	2	6	6
No. of crossings assessed	500	150	150	—
% of crossings assessed that need upgrading	Database being established	—	—	—
Quality				
No. of incidents reported	1 850	1 800	—(2)	1 751
No. of access disputes	—	—	—	1
Timeliness				
No. and % of valid new applications for accreditation that are processed within 6 weeks	2 (100%)	3 (100%)	3 (100%)	5 (/100%)
No. and % of valid existing applications to vary accreditation that are processed within 6 weeks	2 (100%)	3 (100%)	3 (100%)	2 (100%)
% rail organisations audited during the year	100	100	100	100
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**-$371 000**	**-$238 000**	**-$246 000**	**-$187 000**

Agency: Transport Services

Program Information

Program 3: Operations

Description/Objective: The efficient and effective maintenance and operation of marine, rail, road and bridge infrastructure and facilities including public transport assets.

Operating Statement

Program 3: ***Operations***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	45 983	46 629	46 412	47 765
Supplies & Services	94 450	91 989	83 610	101 578
Depreciation	143 488	141 764	139 577	142 309
Other	40 483	27 491	27 011	21 835
Total Operating Expenses	**324 404**	**307 873**	**296 610**	**313 487**
Operating Revenue				
Sale of Goods	55 685	44 765	44 467	52 570
Regulatory Fees	7 565	6 509	6 509	6 422
Commonwealth Revenue	54 253	55 855	54 885	52 011
Community Road Safety Fund	53 400	—	—	—
Other	211 715	216 411	214 540	216 727
Total Operating Revenues	**382 618**	**323 540**	**320 401**	**327 730**
Net Cost of Program	**-58 214**	**-15 667**	**-23 791**	**-14 243**

Program 3: Performance Criteria:

Sub-program: 3.1	**Operation of the Road Transport System** Provision of services to efficiently and effectively maintain and operate DTUP controlled road and bridge infrastructure including road lighting, traffic signals and ferries
Performance Commentary	In 2002-03 the department's Pavement Management System was implemented to assist Asset Managers in more effectively and strategically managing the State's rural ageing pavement infrastructure. This analytical modelling tool, which considers the most optimum mix of resealing and rehabilitation treatments to undertake over a road pavement's lifecycle, has enabled the transition from traditional geographical based funding to a more hierarchical network approach, realised through the funding of individual road asset maintenance categories. Strategies for more effective targeting of expenditure for other infrastructure types, eg road lighting, guardrail maintenance and replacement, continue to be updated and improved. Availability across the 11 ferry crossings remains very high with only a slight increase in operating cost expected in 2003-04. (1) Previously reported as a combined % length of rural sealed network resurfaced/rehabilitated (2) Previously reported as a combined % length of urban sealed network resurfaced/rehabilitated (3) No data is available at this stage as this performance indicator is still under development (4) Only preliminary costs are available at this stage for deriving $/treated lane km (5) Previously reported as a combined expenditure in rural resurfacing/rehabilitation (6) Previously reported as a combined expenditure in urban resurfacing/rehabilitation (7) Increased costs for rise and fall and CPI increases

Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
% length of rural sealed network resealed	3.3%	2.5%	3% (1)	3% (1)
% length of rural sealed network rehabilitated	0.2%	0.1%	—	—
% length of urban sealed network resealed	2.1%	2.5%	2.5% (2)	2.5% (2)
% length of urban sealed network rehabilitated	1.3%	1.5%	—	—
Ferry crossing hours open (measurement in % reliability)	99.00	99.93	99.00	99.87
% of maintenance contracts conforming with environmental management requirements	100%	(3)	(3)	(3)
Quality				
Smooth travel exposure (% of travel on smooth roads):				
– urban	85	84	85	84
– rural	92	92	92	92
Actual travel time (average time to travel on arterial roads in Adelaide)	1.44 min/km	1.43 min/km	1.34 min/km	1.42 min/km
Variability of travel time (% variability caused by traffic controls and conditions)	12.8%	12.7%	10.5%	12.5%
Timeliness				
Average time to rectify traffic signal faults	55 min	58 min	55 min	58 min
Cost				
Expenditure in rural reseals ($ per treated rural lane km)	$16 000 (4)	$16 000	$14 000 (5)	$19 000 (5)
Expenditure in rural rehabilitation ($ per treated rural lane km)	$20 000 (4)	$17 000	—	—
Expenditure in urban reseals ($ per treated urban lane km)	$60 000 (4)	$70 000	$49 000 (6)	$81 000 (6)
Expenditure in urban rehabilitation ($ per treated urban lane km)	$44 000 (4)	$53 000	—	—
Average cost to operate and maintain a ferry	$490 390 (7)	$480 750	$485 166	$488 976
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**-$14 889 000**	**$30 715 000**	**$13 561 000**	**$20 373 000**

Sub-program: 3.2	**Public Transport Asset Maintenance** Provision of services to efficiently and effectively manage the metropolitan public transport bus fleet, bus depots, busways and public transport infrastructure
Performance Commentary	The proportion of the bus fleet that is air-conditioned and fully accessible is steadily increasing as new buses are being introduced. A tender was called during the year for the supply of approximately 169 new buses over 5 years commencing January 2004. However, the average age of the fleet and the number of buses in the 20 to 25 age will remain high for a number of years due to the high number of buses purchased in the early 1980s. (1) There will not be a significant reduction in this measure until the disproportionate number of older buses (20-25 years) in the fleet are replaced over the next 5 years. This is a result of the purchasing profile of new buses 20 to 25 years ago when a large number of buses were purchased over a 2-year period in the early 1980s. (2) One bus is currently being run on a 20% biodiesel blend, ie B20 Biodiesel. It is proposed to convert an additional two buses to run on 100% biodiesel, ie B100 Biodiesel. These buses are being used to trial different blends of biodiesel to determine if there is a business case for expanding the use of this fuel within the Metroticket bus fleet.

Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of buses in transport fleet	729	728	727	760
No. of new buses introduced	25 diesel, 9 articulated diesel	50 diesel	50 diesel	50 CNG
No. of buses refurbished	45	23	29	3
No. and % of buses air-conditioned	442 (61%)	408 (56%)	—	—
No. and % of low floor/wheelchair accessible buses	315 (43%)	281 (39%)	—	—
Quality				
Average age of buses	11.6 (1)	11.6	11.5	12.6
No. and % of buses under 10 years old	364 (50%)	376 (51%)	375 (51%)	353 (46%)
No. and % of gas powered buses	213 (29%)	213 (29%)	—	—
No. and % of diesel powered buses	513 (71%)	514 (71%)	—	—
No. and % of other alternatively fuelled buses	3 (0%) (2)	1 (0%)	—	—
Cost				
Cost of maintenance of busway assets	$1 065 000	$577 000	$915 000	$913 000
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**-$35 645 000**	**-$39 432 000**	**-$31 436 000**	**-$29 600 000**

Sub-program: 3.3	**Operation of the Marine System** Provision of services to efficiently and effectively maintain and operate DTUP controlled marine infrastructure and manage marine pollution
Performance Commentary	A program has been in place for a number of years to divest recreational jetties and fishing industry facilities to local council authorities. Robe Lake Butler Boat Haven is currently in the process of being transferred to Robe District Council and the completion of this will impact both on expenditure and revenue figures in future years. (1) Number represents jetties under control and management of TSA. Majority of recreational jetties are under control of local councils. Reduction reflects an anticipated divestment of facilities in 2002-03. Point Turton Jetty has been divested from TSA management as a Fishing Industry facility to council management as a recreational jetty. Beachport Jetty serves a dual purpose as both a recreational and fishing industry facility. (2) Some fishing industry facilities will pass into the care, control and management of local councils. (3) Port Bonython Indenture due for renegotiation in November 2003. Port Stanvac Indenture situation unclear in light of recent decisions by Mobil.

Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of:				
• recreational jetties maintained (1)	8	9	9	10
• fishing industry facilities managed (2)	22	24	22	24
• port indentures managed (3)	3	3	3	4
• port operating agreements	2	2	2	—
Quality				
% of marine facilities complying with EPA licence requirements	100%	100%	—	—
Timeliness				
% of oil spills responded to within 4 hours	100%	100%	100%	100%
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**-$6 916 000**	**-$5 438 000**	**-$5 461 000**	**-$4 258 000**

Sub-program: 3.4	**Operation of Rail Services** Provision of services to efficiently and effectively maintain and dispose of rail property
Performance Commentary	Management of the ex-Australian National rail land portfolio, including disposal where appropriate, is advancing successfully. There are many issues related to specific sites that are being progressively discovered and addressed. At this stage the portfolio is being managed on effectively a self-funded basis. Aggregate sales and lease incomes continue to exceed expenses, including provision for the State's commitment to the South East Rail. (1) Despite the rail disposal program, the area managed remains nominally constant as a result of Australian Rail Track Corporation and Australian Southern Railroad (now ARG) transferring surplus land back to Transport SA in accordance with the Australian National Agreement. (2) The estimated increase relative to 2002-03 is predominantly due firstly to the State having to bear the full cost of the ongoing remediation of contaminated ex-Australian National railway lands following the cessation of Commonwealth responsibility for this work, and secondly to the expected outlays for the remediation of the Cockburn railway station yard which was transferred to the Minister for Transport from TransAdelaide in 1999. (3) The increased cost relative to the 2002-03 target predominantly arose due to the transfer of responsibility from the Commonwealth to the State of contaminated land remediation earlier than previously advised, as Commonwealth funds were exhausted by approximately end December 2002.

Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
Hectares of railway land managed	42 000(1)	42 000	42 000	42 000
Cost				
Cost per hectare to manage railway land	$121(2)	$88(3)	$83	$76
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**-$764 000**	**-$1 512 000**	**-$455 000**	**-$758 000**

Agency: Transport Services

Program Information

Program 4: Information Services

Description/Objective: Provision of transport (incorporating safety) information, advertising, promotional, educational and behavioural change material.

Operating Statement

Program 4: ***Information Services***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	1 993	2 251	2 251	1 659
Supplies & Services	3 630	4 053	4 053	3 529
Depreciation	—	—	—	—
Other	473	597	597	248
Total Operating Expenses	6 096	6 901	6 901	5 436
Operating Revenue				
Sale of Goods	130	141	144	250
Regulatory Fees	—	—	—	—
Commonwealth Revenue	633	726	736	507
Other	4 978	4 936	5 033	3 469
Total Operating Revenues	5 741	5 803	5 913	4 226
Net Cost of Program	**355**	**1 098**	**988**	**1 210**

Program 4: Performance Criteria:

Program 4	**Information Services**
Performance Commentary	This program is about utilising information to change people's behaviour in the way that they use the transport system to achieve safety, environmental and transport efficiency outcomes. TSA has continued to provide a number of information and education programs to the community in 2002-03. The TravelSmart program is a package of measures that seeks people to modify their behaviour by adopting more environmentally friendly modes. The program is conducted in conjunction with local councils and the private sector and delivered through schools. In 2003-04 it is intended to broaden the scope of the Councils program with opportunities to incorporate various travel behaviour change tools. The Safe Routes to Schools and Walk with Care programs are aimed at increasing pedestrian safety with a focus on the elderly and school children. These programs will be expanded in 2003-04 to cover additional schools and households. Community road safety groups, which aim to create a culture of concern and responsibility for road safety, will continue to be expanded to provide coverage over all local government areas by the end of June 2004. (1) New schools are added to existing ones to form a running total — once schools are in the program they remain in the program.

Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of schools participating in the Safe Routes to School program (1)	100	74	70	55
No. of areas/households covered in the Walk with Care program	7 areas (50 000 households)	2 areas (12 000 households)	1 area (5 000 households)	—
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of program	**$355 000**	**$1 098 000**	**$988 000**	**$1 210 000**

TRANSPORT SERVICES

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Taxation	**208 222**	199 586	194 583	n.a.
Grant revenue	**114 972**	62 861	62 248	n.a.
Sales of goods and services	**60 633**	49 302	49 020	n.a.
Regulatory fees	**17 542**	16 036	15 661	n.a.
Investment revenue	**107**	254	100	n.a.
Other revenue	**46 395**	59 100	62 634	n.a.
Total operating revenue	**447 871**	387 139	384 246	n.a.
Revenue from Government				
State Government — Appropriation	**9 913**	26 931	18 531	n.a.
Other Government revenue	**—**	15	—	n.a.
Total revenue from Government	**9 913**	26 946	18 531	n.a.
Total revenue from ordinary activities	**457 784**	414 085	402 777	n.a.
Expenses				
Employee entitlements —				
Salaries, wages, annual and sick leave	**50 686**	50 376	50 159	n.a.
Long service leave	**2 943**	2 873	2 873	n.a.
Payroll tax	**5 000**	4 885	4 885	n.a.
Superannuation	**8 252**	8 055	8 055	n.a.
Supplies and services —				
Rental expenses	**4 837**	4 797	4 910	n.a.
Consultancy expenses	**27**	302	302	n.a.
Other supplies and services	**126 944**	123 951	113 633	n.a.
Depreciation and amortisation	**143 488**	141 764	139 577	n.a.
Interest and other finance expenses	**6 912**	7 999	7 999	n.a.
Grants and subsidies	**51 442**	35 938	35 038	n.a.
Other expenses	**5 145**	5 975	5 495	n.a.
Total expenses from ordinary activities	**405 676**	386 915	372 926	n.a.
Operating result before tax	**52 108**	27 170	29 851	n.a.
Net revenue from asset disposal	**—**	146	146	n.a.
Operating result after restructuring and asset disposal	**52 108**	27 316	29 997	n.a.
Expense in lieu of income tax	**1 457**	3 310	3 310	n.a.
Operating result after income tax	**50 651**	24 006	26 687	n.a.
Increase (+) / decrease (-) in asset revaluation reserve	**1 804**	48 000	48 000	n.a.
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	n.a.
Total amounts recognised directly in equity	**1 804**	48 000	48 000	n.a.
Total non-owner changes in equity	**52 455**	72 006	74 687	n.a.

TRANSPORT SERVICES

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**176 477**	159 055	158 532	n.a.
Receivables	**14 377**	14 377	21 669	n.a.
Inventories	**5 002**	5 002	4 878	n.a.
Other current assets	**13**	13	1 652	n.a.
Total current assets	**195 869**	178 447	186 731	n.a.
Non current assets				
Land and improvements	**283 731**	288 669	286 323	n.a.
Plant and equipment	**4 780 644**	4 744 786	4 782 147	n.a.
Total non current assets	**5 064 375**	5 033 455	5 068 470	n.a.
Total assets	**5 260 244**	5 211 902	5 255 201	n.a.
Liabilities				
Current liabilities				
Employee entitlements —				
Salaries and wages	**45**	—	—	n.a.
Annual leave	**4 642**	4 642	4 163	n.a.
Long service leave	**4 376**	4 417	3 922	n.a.
Superannuation	**—**	—	1 642	n.a.
Workers compensation	**1 737**	1 737	—	n.a.
Payables	**50 854**	50 854	56 380	n.a.
Borrowings	**—**	—	207	n.a.
Other current liabilities	**2 048**	2 048	1 208	n.a.
Total current liabilities	**63 702**	63 698	67 522	n.a.
Non current liabilities				
Employee entitlements —				
Long service leave	**15 623**	15 623	16 271	n.a.
Workers compensation	**5 429**	5 429	5 301	n.a.
Payables	**2 053**	2 053	3 016	n.a.
Borrowings	**47 760**	47 760	47 760	n.a.
Total non current liabilities	**70 865**	70 865	72 348	n.a.
Total liabilities	**134 567**	134 563	139 870	n.a.
Net assets	**5 125 677**	5 077 339	5 115 331	n.a.

TRANSPORT SERVICES

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Equity				
Contributed capital	**115 500**	115 500	113 500	n.a.
Accumulated surplus	**3 773 459**	3 726 925	3 754 580	n.a.
Asset revaluation reserves	**1 236 718**	1 234 914	1 247 251	n.a.
Total equity	**5 125 677**	5 077 339	5 115 331	n.a.

TRANSPORT SERVICES

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Taxation	**208 222**	199 586	194 583	n.a.
Commonwealth grants and payments	**60 894**	62 204	61 279	n.a.
Grants and subsidies	**54 078**	657	969	n.a.
Sales of goods and services	**60 633**	46 802	49 020	n.a.
Interest	**107**	254	100	n.a.
Regulatory fees	**17 542**	16 036	15 636	n.a.
Royalties	**2 138**	3 400	2 284	n.a.
State Government — Appropriation	**9 913**	26 931	18 531	n.a.
Other Government revenue	**—**	15	—	n.a.
Other receipts	**44 257**	55 700	60 350	n.a.
Total operating receipts	**457 784**	411 585	402 752	n.a.
Payments				
Employee entitlements	**66 881**	66 189	65 972	n.a.
Supplies and services	**131 808**	129 050	118 845	n.a.
Interest and other financial payments	**6 912**	7 999	7 999	n.a.
Grants and subsidies	**51 442**	35 938	35 038	n.a.
Tax equivalent payments	**1 457**	3 310	3 310	n.a.
Other payments	**5 145**	5 975	5 495	n.a.
Total operating payments	**263 645**	248 461	236 659	n.a.
Net cash provided by operating activities	**194 139**	163 124	166 093	n.a.
Investing activities				
Receipts				
Sale of property, plant and equipment	**12 660**	11 320	15 652	n.a.
Payments				
Purchase of property, plant and equipment	**185 264**	125 962	134 216	n.a.
Net cash provided by investing activities	**-172 604**	-114 642	-118 564	n.a.

TRANSPORT SERVICES

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Financing activities				
Receipts				
SA Government contributed capital	**—**	38 500	38 500	n.a.
Payments				
Dividends and distributions	**4 113**	10 593	3 993	n.a.
Net cash provided by financing activities	**-4 113**	27 907	34 507	n.a.
Net increase (+) / decrease (-) in cash held	**17 422**	76 389	82 036	n.a.
Opening cash balance as at 1 July	**159 055**	82 666	76 496	n.a.
Closing cash balance as at 30 June	**176 477**	159 055	158 532	n.a.

ADMINISTERED ITEMS FOR TRANSPORT SERVICES

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Taxation	**26 700**	26 300	26 300	n.a.
Grant revenue	**237 108**	180 340	175 913	n.a.
Investment revenue	**257**	258	258	n.a.
Other revenue	**319 494**	371 425	310 070	n.a.
Total operating revenue	**583 559**	578 323	512 541	n.a.
Revenue from Government				
State Government — Appropriation	**13 374**	13 370	14 170	n.a.
Total revenue from ordinary activities	**596 933**	591 693	526 711	n.a.
Expenses				
Employee entitlements — Salaries, wages, annual and sick leave	**194**	190	190	n.a.
Interest and other finance expenses	**257**	258	258	n.a.
Grants and subsidies	**276 988**	219 820	216 193	n.a.
Other expenses	**319 494**	371 425	310 070	n.a.
Total expenses from ordinary activities	**596 933**	591 693	526 711	n.a.
Operating result after income tax	**—**	—	—	n.a.
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	n.a.
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	n.a.
Total amounts recognised directly in equity	**—**	—	—	n.a.
Total non-owner changes in equity	**—**	—	—	n.a.

ADMINISTERED ITEMS FOR TRANSPORT SERVICES

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**13 806**	13 806	13 776	n.a.
Receivables	**75**	75	184	n.a.
Total current assets	**13 881**	13 881	13 960	n.a.
Total assets	**13 881**	13 881	13 960	n.a.
Liabilities				
Current liabilities				
Payables	**39**	39	118	n.a.
Total liabilities	**39**	39	118	n.a.
Net assets	**13 842**	13 842	13 842	n.a.
Equity				
Accumulated surplus	**13 842**	13 842	13 842	n.a.
Total equity	**13 842**	13 842	13 842	n.a.

ADMINISTERED ITEMS FOR TRANSPORT SERVICES

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Receipts				
Taxation	**26 700**	26 300	26 300	n.a.
Grants and subsidies	**237 108**	180 340	175 913	n.a.
Interest	**257**	258	258	n.a.
State Government — Appropriation	**13 374**	13 370	14 170	n.a.
Other receipts	**319 494**	371 425	310 070	n.a.
Total operating receipts	**596 933**	591 693	526 711	n.a.
Payments				
Employee entitlements	**194**	190	190	n.a.
Interest and other financial payments	**257**	258	258	n.a.
Grants and subsidies	**276 988**	219 820	216 193	n.a.
Other payments	**319 494**	371 425	310 070	n.a.
Total operating payments	**596 933**	591 693	526 711	n.a.
Net cash provided by operating activities	**—**	—	—	n.a.
Financing activities				
Receipts				
Borrowings	**125**	125	125	n.a.
Payments				
Repayment of borrowings	**125**	125	125	n.a.
Net cash provided by financing activities	**—**	—	—	n.a.
Opening cash balance as at 1 July	**13 806**	13 806	13 776	n.a.
Closing cash balance as at 30 June	**13 806**	13 806	13 776	n.a.

Further details on receipts and payments relating to Administered items can be found in the Notes to the Portfolio Statement.

Agency: Transport Services

Financial commentary — Major resource variations

The following commentary relates to the Program Operating Statements and the Budgeted Financial Statements presented in the previous sections. The discussion relates to variations between the 2002-03 estimated result and the 2003-04 Budget.

Program Operating Statements

Net Expenditure

Program 2 – The 2003-04 variation is a result of increased merchant card costs that are partly offset by increased revenue resulting from higher transaction volumes associated with regulatory services.

Expenditure

Program 2 – The 2003-04 variation is predominantly due to increased merchant card collection costs and salary increases due to the enterprising bargaining agreement.

The budget in 2003-04 has also increased as a result of additional expenditure due to the wind farm development and the South East inspection facility.

Program 3 – The 2003-04 variation reflects a number of targeted savings initiatives including foregone plant hire leasing costs as a result of purchasing core plant, electricity savings from installing more efficient lanterns in traffic signals, and principally through non-replacement of departing staff.

Other reductions include a reduced budget for training and development, corporate support, information technology and communication services.

This decrease is offset by an additional payment in 2003-04 to SAPOL from the Community Road Safety Fund along with increases to depreciation, enterprise bargaining expenditure and the treatment of the Port River Expressway (Stages 2 and 3) as operating expenditure.

Program 4 – The decrease in 2003-04 reflects targeted savings initiatives including rationalisation of staff in the delivery of public affairs services, and reductions in information and education programs and travel demand management programs.

Revenue

Program 3 – The target for 2003-04 incorporates revenue associated with the establishment of the Community Road Safety Fund, along with funding for the Port River Expressway (Stages 2 and 3) that will be provided by Infrastructure SA.

The estimated result for 2002-03 includes additional funding to be provided for the National Highways program along with additional registration revenue.

Administered Items

Expenditure & Revenue

The 2003-04 Budget incorporates the revenue and expenditure associated with the establishment of the Community Road Safety Fund. Other major variations are as a result of increased registration fees.

Additional Information for Administered Items

The following table summaries receipts and payments by entity.

Additional Administered Items Information for Transport Services
Statement of Cash Flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget
	$000	$000	$000
CASH FLOWS FROM:			
Operating Activities			
Receipts			
Taxation —			
Emergency Services Levy	**26 700**	26 300	26 300
Grants and Subsidies —			
Department for Environment, Heritage and Aboriginal Affairs — Catchment Management Subsidy Scheme	**1 975**	1 975	1 975
Courts Administration Authority	**800**	1 100	800
Flood Mitigation	**300**	250	250
Hospital Fund — Contribution	**54 200**	53 200	53 200
Intra-sector Grants Received —			
Community Road Safety Fund Receipts — SAPOL	**44 100**	—	—
Community Road Safety Fund Receipts — Courts Administration Authority	**9 300**	—	—
PTB — Accreditation	**1 394**	487	1 360
SAPOL — Expiation Notices	**3 075**	8 000	3 000
SAPOL — Firearms	**2 564**	2 228	2 228
State Taxation Office — Stamp Duties	**119 400**	113 100	113 100
Interest —			
Metropolitan (Woodville, Henley and Grange) Drainage Scheme	**30**	30	30
South Western Suburbs Drainage Scheme	**227**	228	228
State Government —			
Appropriation for Administered Expenses	**13 374**	13 370	14 170
Other Receipts —			
Motor Accident Commission	**305 369**	355 258	295 945
Other Minor Contributions	**14 125**	16 167	14 125
Total Receipts	**596 933**	591 693	526 711
Payments			
Employee Entitlements —			
Parliamentary Salaries and Electorate and Expense Allowances	**194**	190	190
Supplies and Services —			
Parliamentary Electorate and Expense Allowances	—	—	—
Interest and Other Financial Payments —			
Metropolitan (Woodville, Henley and Grange) Drainage Scheme	**30**	30	30
South Western Suburbs Drainage Scheme	**227**	228	228
Grants and Subsidies —			
Department for Environment, Heritage and Aboriginal Affairs — Catchment Management Subsidy Scheme	**1 975**	1 975	1 975
Courts Administration Authority	**800**	1 100	800
Emergency Services Levy	**35 700**	35 300	36 100
ETSA Corporation — Funding to Power Lines Environment Committee for Undergrounding of Power Lines and Secretariat Support	**4 180**	4 180	4 180

Additional Administered Items Information for Transport Services
Statement of Cash Flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget
	$000	$000	$000
Flood Mitigation	**300**	250	250
Hospital Fund — Contribution	**54 200**	53 200	53 200
Intra-sector Grants Expenditure —			
Community Road Safety Fund	**53 400**	—	—
PTB - Accreditation	**1 394**	487	1 360
SAPOL — Expiation Notices	**3 075**	8 000	3 000
SAPOL — Firearms	**2 564**	2 228	2 228
State Taxation Office — Stamp Duties	**119 400**	113 100	113 100
Other Payments —			
Motor Accident Commission	**305 369**	355 258	295 945
Other Minor Contributions	**14 125**	16 167	14 125
Total Payments	**596 933**	591 693	526 711
Net Cash Provided by Operating Activities	**—**	—	—
Financing Activities			
Receipts			
Other Receipts —			
Metropolitan (Woodville, Henley and Grange) Drainage Scheme	**6**	6	6
South Western Suburbs Drainage Scheme	**119**	119	119
Total Receipts	**125**	125	125
Financing Activities			
Payments			
Repayment of Borrowings —			
Metropolitan (Woodville, Henley and Grange) Drainage Scheme	**6**	6	6
South Western Suburbs Drainage Scheme	**119**	119	119
Total Payments	**125**	125	125
Net Cash Provided by Financing Activities	**—**	—	—

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Portfolio: Transport and Urban Planning

Agency: Transport Planning

Objective

Development and provision of policy advice and strategic transport plans including road safety, infrastructure and industry development plans.

2003-04 Targets / 2002-03 Highlights

Targets 2003-04	Highlights 2002-03
Safety • Develop measures forming phase 2 of the Government's road safety package • Implement the Community Road Safety Fund • Develop the South Australian Road Safety Strategy • Contribute to the work of the National Transport Commission for the reform of transport legislation to ensure national uniformity and safety • Introduce legislation for national compliance and enforcement package for heavy vehicles ***Transport Planning*** • Complete the South Australian Transport Plan aligned with the State Strategic Plan and the Planning Strategy for South Australia • Prepare Action Plans for the development of the State's transport system in accordance with the SA Transport Plan, including plans for Safety, Regional SA, Environment and Freight Transport • Obtain national agreement to an inter-government agreement on national transport planning ***Economic Development*** • Establish cold chain centre of excellence in conjunction with SARDI and Food SA • Complete a pilot project to develop the Australian Quality Logistics 1 Logistics Standards that will improve logistics chain performance, resulting in increased exports • Facilitate additional international sea and air freight and passenger services to Adelaide, including services from Kuala Lumpur, Singapore and Auckland • Monitor compliance of the State's port operators with Port Operating Agreements • Complete analysis of the costs and benefits of Mid North and metropolitan rail network standardisation • Progress issues relating to ferry services to Kangaroo Island • Investigate the feasibility of a northern inter-modal facility • Develop a master plan for South Road ***Sustainability*** • Establish a Sustainable Adelaide Transport Program as part of the Green City initiative • Develop a transport noise policy and measurement capability • Conduct an audit of the transport needs of business in the southern suburbs of metropolitan Adelaide in consultation with the Office for the Southern Suburbs • Complete the Walking Strategy for South Australia under the framework of the State Physical Activity Strategy and the SA Transport Plan	***Safety*** • Developed phase 1 of the Government's Road Safety Package including draft legislation • Established the Ministerial Council on Road Safety whose functions include directing Government Road Safety programs and providing high-level governance to the operation of the Community Road Safety Fund. The Advisory Council on Road Safety was also established, whose functions include recommending to the Minister for Transport a South Australian Road Safety Strategy ***Transport Planning*** • Completed the preparation of the draft South Australian Transport Plan ***Economic Development*** • Facilitated legislation to enable the licensing of regional aviation routes in SA • Facilitated the Bowmans rail intermodal facility • Completed the Outer Harbor channel deepening study • Completed the Eyre Peninsula grain transport issues paper • Concluded the Kangaroo Island Ferry Services Expression of Interest process and dissemination of the Kangaroo Island Ferry Services Issues paper • Created the South Australian Freight Council ***Sustainability*** • Secured Commonwealth funding for National Environmental Protection Measure diesel testing facility for South Australia • Secured Commonwealth Greenhouse Gas Abatement Program funding as part of national travel behaviour change program • Completed the Travel Smart Travel Demand Management 5-year plan • Contributed to the redevelopment of the Central West Precinct of the City of Adelaide, particularly the design for the redevelopment of Victoria Square • Completed the Taxis in Bus Lanes Study • Developed an investment strategy and secured funding for five years and 84 buses for Metroticket Passenger Service buses ***Social Access and Equity*** • 13 SA remote communities and stations benefited from the Remote Air Services Subsidy Scheme • 70 regional/remote airports received inspection and training assistance to meet Commonwealth guidelines for operating standards ***Other*** • Prepared the South Australia response to the Commonwealth Government's AusLink Green Paper and participated in specialist working groups • Implemented legislative changes to bring SA's written off vehicle register in line with nationally agreed best practice principles

Program net expenditure summary

Program	Net Expenditure			
	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
1. Policy Coordination, Development and Investment Strategy	2 304	2 284	2 284	2 314
Total	**2 304**	**2 284**	**2 284**	**2 314**

Agency: Transport Planning

Program Information

Program 1: Policy Coordination, Development and Investment Strategy

Description/Objective: Development and provision of policy advice, strategic transport and road safety plans for and on behalf of the Government.

Operating Statement

Program 1: ***Policy Coordination, Development and Investment Strategy***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	7 160	6 741	6 946	6 537
Supplies & Services	11 284	10 513	10 513	13 637
Depreciation	—	—	—	—
Other	1 740	2 043	1 378	2 978
Total Operating Expenses	**20 184**	**19 297**	**18 837**	**23 152**
Operating Revenue				
Sale of Goods	220	220	220	3 253
Regulatory Fees	—	—	—	—
Commonwealth Revenue	—	—	—	—
Other	17 660	16 793	16 333	17 585
Total Operating Revenues	**17 880**	**17 013**	**16 553**	**20 838**
Net Cost of Program	**2 304**	**2 284**	**2 284**	**2 314**

Program 1: Performance Criteria:

Program 1	**Policy Coordination, Development and Investment Strategy**
Performance Commentary	As part of the Government's focus on road safety, a package of initiatives was designed in 2002-03 to reduce the road toll. Phase 1 of the package includes a number of initiatives covering road infrastructure, education of drivers and the public, and regulatory measures. Road Safety Ministerial and Advisory Councils have also been established. In addition, a Community Road Safety Fund directed at achieving sustained road safety improvements has been established with operation to commence on 1 July 2003. Further longer-term measures will be examined as part of Phase 2 for inclusion in future road safety packages. The Government's commitment to develop a Transport Plan was achieved with a draft plan completed in April 2003. A community consultation process has commenced and will be completed in 2003-04. In 2003-04 a framework will also be established for the implementation of measures emanating from the plan in the key result areas of: • Social Access and Equity • Economic Development • Environmental Sustainability • Safety and Security • Public Transport • Asset Sustainment • Smarter Spending, Decision Making and Policy Integration. This will include developing more detailed action plans for government endorsement.

	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of program	**$2 304 000**	**$2 284 000**	**$2 284 000**	**$2 314 000**

TRANSPORT PLANNING

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Grant revenue	**17 660**	16 793	16 333	n.a.
Sales of goods and services	**220**	220	220	n.a.
Total operating revenue	**17 880**	17 013	16 553	n.a.
Revenue from Government				
State Government — Appropriation	**2 304**	2 284	2 284	n.a.
Total revenue from ordinary activities	**20 184**	19 297	18 837	n.a.
Expenses				
Employee entitlements —				
Salaries, wages, annual and sick leave	**5 879**	5 105	5 280	n.a.
Long service leave	**230**	296	303	n.a.
Payroll tax	**398**	507	515	n.a.
Superannuation	**653**	833	848	n.a.
Supplies and services —				
Rental expenses	**633**	729	729	n.a.
Consultancy expenses	**2**	22	22	n.a.
Other supplies and services	**10 649**	9 762	9 762	n.a.
Interest and other finance expenses	**567**	578	578	n.a.
Grants and subsidies	**518**	960	295	n.a.
Other expenses	**655**	505	505	n.a.
Total expenses from ordinary activities	**20 184**	19 297	18 837	n.a.
Operating result after income tax	**—**	—	—	n.a.
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	n.a.
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	n.a.
Total amounts recognised directly in equity	**—**	—	—	n.a.
Total non-owner changes in equity	**—**	—	—	n.a.

TRANSPORT PLANNING

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Liabilities				
Current liabilities				
Employee entitlements —				
Annual leave	**417**	417	374	n.a.
Long service leave	**393**	396	352	n.a.
Superannuation	**—**	—	148	n.a.
Workers compensation	**156**	156	—	n.a.
Total current liabilities	**966**	969	874	n.a.
Non current liabilities				
Employee entitlements —				
Long service leave	**1 404**	1 404	1 462	n.a.
Workers compensation	**489**	489	477	n.a.
Total non current liabilities	**1 893**	1 893	1 939	n.a.
Total liabilities	**2 859**	2 862	2 813	n.a.
Net assets	**-2 859**	-2 862	-2 813	n.a.
Equity				
Accumulated surplus	**-2 859**	-2 862	-2 813	n.a.
Total equity	**-2 859**	-2 862	-2 813	n.a.

TRANSPORT PLANNING

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Receipts				
Grants and subsidies	**17 660**	16 793	16 333	n.a.
Sales of goods and services	**220**	220	220	n.a.
State Government — Appropriation	**2 304**	2 284	2 284	n.a.
Total operating receipts	**20 184**	19 297	18 837	n.a.
Payments				
Employee entitlements	**7 160**	6 741	6 946	n.a.
Supplies and services	**11 284**	10 513	10 513	n.a.
Interest and other financial payments	**567**	578	578	n.a.
Grants and subsidies	**518**	960	295	n.a.
Other payments	**655**	505	505	n.a.
Total operating payments	**20 184**	19 297	18 837	n.a.
Net increase (+) / decrease (-) in cash held	**—**	—	—	n.a.

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Portfolio: Transport and Urban Planning

Agency: Passenger Transport Board

Objective

Provision of improved passenger transport to meet the social inclusion, environmental, efficiency and safety objectives of the Government by improving mobility and accessibility for all to enhance the quality of life of South Australians.

2003-04 Targets / 2002-03 Highlights

Targets 2003-04	Highlights 2002-03
• Maintain public transport patronage • Complete the Real Time Passenger Information system trial including bus priority measures • Participate in the Premier's Million Tree Program • Continue to promote public transport as an environmentally friendly, viable alternative to the motor vehicle • Establish integrated passenger services for the lower north, south coast, Riverland, upper South East, Gawler and Flinders Ranges regions • Enhance bus services for the six provincial cities • Maintain patronage on the regional route services • Extend the Metroticket boundary to include Aldinga, McLaren Vale, Willunga and Sellicks Beach • Complete reviews of existing public transport services in the northern and southern suburbs in conjunction with the Office of the North and the Office for the Southern Suburbs • Trial and evaluate the Zone Cruiser service concept • Trial low floor accessible buses on the O-Bahn • Conduct an audit of public transport infrastructure to gain a better understanding of potential accessibility improvements • Further improve Access Cabs response times • Improve facilities at the Noarlunga Interchange, including repainting, lighting and revegetation • Complete SA Government Radio network transition for Serco and TransAdelaide as part of the SA Government radio network project	• Achieved ongoing growth in patronage (increased by 2.6% to February 2003) across the public transport system • Introduced a range of service improvements in October 2002 and January 2003 • Undertook a customer satisfaction survey, which demonstrated extremely high levels of satisfaction • Created the Premier's Taxi Council in recognition of the important role played by Adelaide's taxi industry • No new taxi licences were issued • Introduced the Access Cabs on-time bonus scheme to improve service performance • Awarded the contract for Access Cabs Central Booking Services to Adelaide Independent Taxis • Increased the number of Go Zones and attracted many new public transport customers to Go Zone services, and increased use by existing customers • Introduced the Wandering Star late night bus services as an important road-safety initiative in conjunction with the Motor Accident Commission • Launched Smart Stops as part of Integrated Transport System (ITS) trial • Adelaide Metro on Display assisted 67 000 people through the provision of public transport information at regional shopping centres • Established e-mail and SMS mailing lists to provide information to customers about public transport services • Continued the roll-out of improved public transport information at Infobars, on the kerbside and at information displays throughout the State • Refurbished 16 bus destination signs in conjunction with Bedford Industries • Undertook a Bio-diesel trial to determine the operational effectiveness of using this alternative fuel in Adelaide's public transport bus fleet • Promoted public transport as a cost effective, environmentally friendly alternative to the motor vehicle • Promoted public transport to primary school children through joint promotion with Windmill Children's Theatre • Revegetated transport corridors • Constructed Park 'n Ride facilities at Elizabeth Station, Blackwood, Brighton, Gawler and Smithfield • Assessed the need for improved bus priority on major routes • Continued to improve safety and security at bus interchanges and Park 'n Ride • Established integrated passenger transport services in conjunction with local councils for Murray Mallee, Mid-North, Upper North and southern Yorke Peninsula, following extensive community consultation • Introduced PC based EFTPOS system facilities for electronic ticket sales at the InfoCentre • Implemented the pilot of the SA Government Radio network for Serco as part of the SA Government radio network project • Upgraded TransAdelaide radio control equipment

Program net expenditure summary

Program	Net Expenditure			
	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
1. Policy Coordination, Development and Investment Strategy	1 116	1 520	1 515	1 120
2. Regulatory Services	542	1 134	650	1 669
3. Operations	160 486	161 669	159 262	162 636
4. Information Services	5 720	5 140	5 056	5 121
Total	**167 864**	**169 463**	**166 483**	**170 546**

Investing payments summary

Investments	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
New Works	—	—	—	—
Total New Works	—	—	—	—
Works in Progress				
Public Transport Infrastructure Upgrades	300	8 570	7 300	5 926
Minor Works	200	200	200	184
Total Works in Progress	**500**	**8 770**	**7 500**	**6 110**
Total Investing Payments	**500**	**8 770**	**7 500**	**6 110**

Agency: Passenger Transport Board

Program Information

Program 1: Policy Coordination, Development and Investment Strategy

Description/Objective: Development and provision of strategic transport plans for and on behalf of the Government.

Operating Statement

Program 1: Policy Coordination, Development and Investment Strategy	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
Operating Expenses				
Employee entitlements	843	930	928	172
Supplies & Services	265	578	575	939
Depreciation	2	6	6	6
Other	6	6	6	3
Total Operating Expenses	**1 116**	**1 520**	**1 515**	**1 120**
Operating Revenue				
Sale of Goods	—	—	—	—
Regulatory Fees	—	—	—	—
Commonwealth Revenue	—	—	—	—
Other	—	—	—	—
Total Operating Revenues	—	—	—	—
Net Cost of Program	**1 116**	**1 520**	**1 515**	**1 120**

Program 1: Performance Criteria:

Program 1	**Policy Coordination, Development and Investment Strategy**			
Performance Commentary	Not applicable			
Performance indicators	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of program	**$1 116 000**	**$1 520 000**	**$1 515 000**	**$1 120 000**

Portfolio: Transport and Urban Planning

Agency: Passenger Transport Board

Program 2: Regulatory Services

Description/Objective: Provision of compliance and other regulatory services under legislation committed to the Minister.

Operating Statement

Program 2: Regulatory Services	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
Operating Expenses				
Employee entitlements	1 226	1 544	1 065	1 538
Supplies & Services	872	1 048	1 043	1 280
Depreciation	17	61	61	135
Other	40	32	32	29
Total Operating Expenses	**2 155**	**2 686**	**2 201**	**2 982**
Operating Revenue				
Sale of Goods	185	191	191	104
Regulatory Fees	1 428	1 360	487	1 209
Commonwealth Revenue	—	—	—	—
Other	—	—	873	—
Total Operating Revenues	**1 613**	**1 551**	**1 551**	**1 313**
Net Cost of Program	**542**	**1 134**	**650**	**1669**

Program 2: Performance Criteria:

Program 2	**Regulatory Services**			
Performance Commentary	(1) Due to unplanned absence of inspectorial staff in 2002-03, fewer inspections have been undertaken.			
Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of taxi and small passenger vehicle inspections undertaken	50 000	57 000 (1)	100 000	74 455
No. of passenger service related investigations undertaken	1 000	900	900	862
Quality				
Audited level of fare evasion across the public transport system	1%	1%	1%	1%
Net cost of program	**$542 000**	**$1 134 000**	**$650 000**	**$1 669 000**

Portfolio: Transport and Urban Planning

Agency: Passenger Transport Board

Program 3: Operations

Description/Objective: The efficient and effective maintenance and operation of public transport assets.

Operating Statement

Program 3: Operations	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
Operating Expenses				
Employee entitlements	4 145	3 646	2 860	4 744
Supplies & Services	230 046	228 149	226 528	225 373
Depreciation	2 544	2 451	2 451	2 607
Other	13 068	13 013	13 013	12 869
Total Operating Expenses	**249 803**	**247 259**	**244 852**	**245 593**
Operating Revenue				
Sale of Goods	88 928	85 201	85 201	77 167
Regulatory Fees	—	—	—	—
Commonwealth Revenue	—	—	—	—
Other	389	389	389	5 790
Total Operating Revenues	**89 317**	**85 590**	**85 590**	**82 957**
Net Cost of Program	**160 486**	**161 669**	**159 262**	**162 636**

Program 3: Performance Criteria:

Sub-program: 3.1	**Public Transport Asset Maintenance** Provision of services to efficiently and effectively manage public transport infrastructure.
Performance Commentary	(1) 2002-03 target assumed that, due to the ageing ticketing equipment, increased maintenance call-outs would result. (2) Improved fare compliance including the installation of barrier gates at the Adelaide Railway Station has led to more faulty tickets being returned in 2002-03.

Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of passenger transport stops:				
• bus	7 500	7 500	7 000	7 500
• rail	84	84	84	84
Quality				
Ticketing maintenance call-outs	1 per 60 000 validations	1 per 70 000 validations (1)	1 per 60 000 validations	1 per 65 000 validations
Average multi-trip ticket refund level per 10 000 validations	29	29 (2)	25	26.3
Timeliness				
% of damaged bus stops repaired within 7 days of notification	100%	100%	100%	100%
Cost				
Average cost to repair bus stop	$190	$190	$165	$160
Cost to run ticketing system per 10 000 ticket validations	$950	$950	$1 000	$897
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$3 195 00**	**$3 233 00**	**$1 593 000**	**$4 878 000**

Sub-program: 3.2	**Metropolitan Public Passenger Services** The development and management of contracted passenger transport services within the metropolitan area.
Performance Commentary	(1) Estimated service kilometres amended to reflect redesign of services. (2) 2002-03 estimated result based on actual year-to-date on time running of services. (3) Estimated result higher than expected due to higher than expected contract variation requests which required greater than 4 days to resolve.

Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
Total service kilometres (million)	41.44 (1)	42.72	42.84	40.75
Total boardings (million)	60.14	60.14	59.53	58.70
Quality				
% of on-time running for metropolitan bus, tram and train services	99.5%	98.7% (2)	99.5%	98.5%
Timeliness				
% of contract variation requests (service improvements) meeting turnaround target of:				
• 2 days (minor)	100%	100%	100%	89%
• 4 days (major)	100%	88% (3)	100%	94%
Cost				
Average contract cost per service kilometre	$4.23	$4.11	$4.00	$4.23
Contract administration cost as a % of contract value	1%	1%	1%	1%
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$144 512 000**	**$145 502 000**	**$143 336 000**	**$144 750 000**

Sub-program: 3.3	**Regional Public Passenger Transport Services** Services include regulating and partially funding transport services within country and regional areas, and fostering rural transport initiatives.
Performance Commentary	(1) Increase in route services contracts for Murray Mallee, Mid North, Upper North and Southern Yorke Peninsula. (2) Mount Barker services including Nairne, Lobethal and Echunga are included in metropolitan services from September 2001.

Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of agreements/contracts managed for provision of regional passenger transport services:				
• route services contracts	28 (1)	20	20	10
• regional cities	6	6	6	6
• community passenger networks	11	11	10	10
Passenger journeys:				
• route services contracts (2)	660 000	660 000	888 000	838 000
• regional cities	650 000	610 000	620 000	590 000
• community passenger networks	40 000	44 000	36 000	46 140
Quality				
% of regional passenger transport stops provided with information	60%	60%	54%	54%
Cost				
Grants:				
• community passenger networks	$650 000	$650 000	$650 000	$528 000
• regional cities	$964 000	$940 000	$940 000	$1 015 000
• concessions paid to regional operators	$3 575 000	$3 670 000	$3 670 000	$2 977 000
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$4 792 000**	**$4 850 000**	**$4 778 000**	**$4 878 000**

Sub-program: 3.4	**Accessible Passenger Services** Administration of the South Australian Transport Subsidy Scheme; provision of fully accessible passenger transport and contract management for Access Cabs.
Performance Commentary	(1) Increase in accessible buses in accordance with the new bus contracts that incorporate the Disability Discrimination Act 1992 requirements.

Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of Active Transport Subsidy Scheme members	24 000	23 500	23 000	23 589
No. of New Transport Subsidy Scheme applications received	5 500	5 386	5 000	5 563
% of fully accessible vehicles by:				
• Bus (1)	42%	39%	34%	30%
• train	100%	100%	100%	100%
• taxi	7%	7%	7%	7%
Quality				
% of Access Cab service commendations per complaint	6%	5%	5%	5%
Timeliness				
% of bookings responded to within 30 mins:				
• Access Cabs	92%	87%	90%	88%
• regular cabs	100%	100%	100%	100%
Cost				
Administration cost of Transport Subsidy Scheme per active member	$12.50	$10.87	$10.50	$10.96
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$7 987 000**	**$8 083 000**	**$9 556 000**	**$8 130 000**

Portfolio: Transport and Urban Planning

Agency: Passenger Transport Board

Program 4: Information Services

Description/Objective: Provision of transport information including timetable, marketing and promotional material.

Operating Statement

Program 4: Information Services	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Operating Expenses				
Employee entitlements	1 991	1 949	509	544
Supplies & Services	3 617	3 063	4 419	4 513
Depreciation	37	83	83	45
Other	75	45	45	19
Total Operating Expenses	**5 720**	**5 140**	**5 056**	**5 121**
Operating Revenue				
Sale of Goods	—	—	—	—
Regulatory Fees	—	—	—	—
Commonwealth Revenue	—	—	—	—
Other	—	—	—	—
Total Operating Revenues	—	—	—	—
Net Cost of Program	**5 720**	**5 140**	**5 056**	**5 121**

Program 4: Performance Criteria:

Program 4	**Information Services**			
Performance Commentary	(1) Less demand for telephone, over the counter enquires and timetables reflects greater internet usage.			
Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of enquiries for passenger transport services:				
• phone	455 000	464 000	537 000	503 389
• counter	800 000	820 000	873 000	865 000
• web	500 000	400 000	380 000	250 000
• Metroguides provided	200 000	200 000	170 000	196 800
• Stateguides provided	100 000	100 000	138 000	82 100
• Timetables provided (1)	4 000 000	4 000 000	4 800 000	6 348 000
Quality				
No. of Passenger Transport Information service commendations per complaint	1 per 15	1 per 17	1 per 10	1 per 12
Timeliness				
Passenger Transport InfoLine response times	30 seconds	30 seconds	30 seconds	30 seconds
Average time per call	1 min 35 sec	1 min 35 sec	1 min 35 sec	1 min 35 sec
Cost				
Average cost per enquiry to passenger Transport Information Service	$1.35	$1.42	$1.40	$1.40
Cost per Metroguide	$0.55	$0.55	$0.55	$0.55
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of program	**$5 720 000**	**$5 140 000**	**$5 056 000**	**$5 121 000**

PASSENGER TRANSPORT BOARD

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Grant revenue	**—**	—	—	161 153
Sales of goods and services	**89 113**	85 392	85 392	77 197
Fines and penalties	**—**	—	—	74
Regulatory fees	**1 428**	1 360	487	1 209
Investment revenue	**389**	389	389	1 087
Other revenue	**—**	—	873	4 703
Total operating revenue	**90 930**	87 141	87 141	245 423
Revenue from Government				
State Government — Appropriation	**167 646**	162 491	159 954	—
Other Government revenue	**—**	453	—	—
Total revenue from Government	**167 646**	162 944	159 954	—
Total revenue from ordinary activities	**258 576**	250 085	247 095	245 423
Expenses				
Employee entitlements —				
Salaries, wages, annual and sick leave	**8 137**	8 001	5 294	5 791
Long service leave	**68**	68	68	218
Payroll tax	**—**	—	—	319
Superannuation	**—**	—	—	620
Other employee entitlements	**—**	—	—	50
Supplies and services —				
Rental expenses	**1 904**	1 860	1 860	1 630
Consultancy expenses	**—**	—	—	50
Other supplies and services	**232 896**	230 978	230 705	230 425
Depreciation and amortisation	**2 600**	2 601	2 601	2 793
Interest and other finance expenses	**750**	750	750	534
Grants and subsidies	**12 439**	12 346	12 346	12 326
Other expenses	**—**	—	—	60
Total expenses from ordinary activities	**258 794**	256 604	253 624	254 816
Operating result after income tax	**-218**	-6 519	-6 529	-9 393
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	—
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	—
Total amounts recognised directly in equity	**—**	—	—	—
Total non-owner changes in equity	**-218**	-6 519	-6 529	-9 393

Due to data collection issues, 2001-02 Actual State Government appropriation is recorded against the Grant revenue line.

PASSENGER TRANSPORT BOARD

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**7 564**	6 782	6 204	10 871
Receivables	**3 598**	3 598	3 455	5 894
Inventories	**183**	183	237	183
Other current assets	**218**	218	—	2 718
Total current assets	**11 563**	10 781	9 896	19 666
Non current assets				
Receivables	**40**	40	40	40
Land and improvements	**3 169**	3 169	2 129	3 169
Plant and equipment	**12 590**	14 690	17 921	8 520
Total non current assets	**15 799**	17 899	20 090	11 729
Total assets	**27 362**	28 680	29 986	31 395
Liabilities				
Current liabilities				
Employee entitlements —				
Annual leave	**311**	311	314	311
Long service leave	**27**	27	42	27
Payables	**3 561**	3 561	5 617	5 857
Borrowings	**749**	1 100	1 100	900
Total current liabilities	**4 648**	4 999	7 073	7 095
Non current liabilities				
Employee entitlements —				
Long service leave	**961**	961	868	961
Payables	**112**	112	104	112
Borrowings	**1 319**	2 068	2 068	3 168
Total non current liabilities	**2 392**	3 141	3 040	4 241
Total liabilities	**7 040**	8 140	10 113	11 336
Net assets	**20 322**	20 540	19 873	20 059
Equity				
Contributed capital	**16 800**	16 800	16 800	9 800
Accumulated surplus	**2 869**	3 087	2 420	9 606
Asset revaluation reserves	**653**	653	653	653
Total equity	**20 322**	20 540	19 873	20 059

PASSENGER TRANSPORT BOARD

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Grants and subsidies	**—**	—	—	158 857
Sales of goods and services	**89 113**	85 392	85 392	82 394
Fines and penalties	**—**	—	—	74
Interest	**389**	389	389	1 084
Regulatory fees	**1 428**	1 360	487	1 209
Fees and commissions	**—**	—	873	—
Net GST received	**—**	—	—	15 294
State Government — Appropriation	**167 646**	164 787	159 954	—
Other Government revenue	**—**	453	—	—
Other receipts	**—**	—	—	5 034
Total operating receipts	**258 576**	252 381	247 095	263 946
Payments				
Employee entitlements	**8 205**	8 069	5 362	6 974
Supplies and services	**234 610**	232 635	232 566	254 652
Interest and other financial payments	**750**	750	750	541
Grants and subsidies	**12 629**	12 346	12 346	13 091
Total operating payments	**256 194**	253 800	251 024	275 258
Net cash provided by operating activities	**2 382**	-1 419	-3 929	-11 312
Investing activities				
Payments				
Purchase of property, plant and equipment	**500**	8 770	7 500	6 110
Net cash provided by investing activities	**-500**	-8 770	-7 500	-6 110
Financing activities				
Receipts				
SA Government contributed capital	**—**	7 000	7 000	5 800
Payments				
Repayment of borrowings	**1 100**	900	900	1 100
Net cash provided by financing activities	**-1 100**	6 100	6 100	4 700
Net increase (+) / decrease (-) in cash held	**782**	-4 089	-5 329	-12 722
Opening cash balance as at 1 July	**6 782**	10 871	11 533	23 593
Closing cash balance as at 30 June	**7 564**	6 782	6 204	10 871

Due to data collection issues, 2001-02 Actual State Government appropriation is recorded against the Grants and subsidies line.

ADMINISTERED ITEMS FOR THE PASSENGER TRANSPORT BOARD

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Investment revenue	**50**	75	75	78
Total operating revenue	**50**	75	75	78
Total revenue from ordinary activities	**50**	75	75	78
Expenses				
Grants and subsidies	**600**	300	300	677
Total expenses from ordinary activities	**600**	300	300	677
Operating result after income tax	**-550**	-225	-225	-599
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	—
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	—
Total amounts recognised directly in equity	**—**	—	—	—
Total non-owner changes in equity	**-550**	-225	-225	-599

ADMINISTERED ITEMS FOR THE PASSENGER TRANSPORT BOARD

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**608**	1 158	1 257	1 383
Total current assets	**608**	1 158	1 257	1 383
Total assets	**608**	1 158	1 257	1 383
Net assets	**608**	1 158	1 257	1 383
Equity				
Accumulated surplus	**608**	1 158	1 257	1 383
Total equity	**608**	1 158	1 257	1 383

ADMINISTERED ITEMS FOR THE PASSENGER TRANSPORT BOARD

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Interest	**50**	75	75	78
Total operating receipts	**50**	75	75	78
Payments				
Grants and subsidies	**600**	300	300	677
Total operating payments	**600**	300	300	677
Net cash provided by operating activities	**-550**	-225	-225	-599
Net increase (+) / decrease (-) in cash held	**-550**	-225	-225	-599
Opening cash balance as at 1 July	**1 158**	1 383	1 482	1 982
Closing cash balance as at 30 June	**608**	1 158	1 257	1 383

Further details on receipts and payments relating to Administered items can be found in the Notes to the Portfolio Statement.

Agency: Passenger Transport Board

Financial commentary — Major resource variations

Statement of Financial Performance — Controlled

The 2003-04 Budget incorporates an increase in revenue that is primarily from the sale of Metrotickets.

The variation in the 2003-04 Budget is due to an increase in expenditure as a result of general cost increases. The impact on net income is partially offset by savings generated from a redesign of services.

The 2002-03 estimated result for Information Services incorporates a conversion of contract staff to PSM employment.

The 2002-03 Budget for Regulatory Services incorporates $0.873 million of revenue that has been reclassified in the estimated result to show against Regulatory Fees.

The 2001-02 actual amount for Operations shows $4.7 million against other revenue that should be classified as sale of goods revenue.

Statement of Cash Flows — Controlled

The variations in the Statement of Financial Performance are representative of the variations within the Statement of Cash Flows.

Additional Information for Administered Items

The following table summarises receipts and payments by entity.

Additional Administered Items Information for the Passenger Transport Board
Statement of Cash Flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget
	$000	$000	$000
CASH FLOWS FROM:			
Operating Activities			
Receipts			
Interest —			
PTB Research and Development	**50**	75	75
Total Receipts	**50**	75	75
Payments			
Grants and Subsidies —			
PTB Research and Development	**600**	300	300
Total Payments	**600**	300	300
Net Cash Provided by Operating Activities	**-550**	-225	- 225

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Portfolio: Transport and Urban Planning

Agency: TransAdelaide

Objective

- Development and management of contracted passenger train and tram services within the metropolitan area.
- Efficient and effective maintenance and operation of rail infrastructure, facilities and equipment within the metropolitan area.

2003-04 Targets / 2002-03 Highlights

Targets 2003-04	Highlights 2002-03
• Meet contractual criteria and key performance indicators as set by the Passenger Transport Board (PTB) • Achieve a growth in patronage of 2% • Provide a return on assets of 1.9% • Work within the budget approved by the TransAdelaide Board and the Minister for Transport, including the achievement of cost savings of $0.9 million and payment of dividend to the Government of $1.256 million • Improve the services provided to the South Australian public and maintain and enhance existing customer satisfaction level of 88%	• Achieved the contract criteria and key performance indicators as set by the Passenger Transport Board • Completed upgrading works to the Commercial Road Viaduct at Port Adelaide • Completed stabilisation of Belair line cutting embankments • Commenced implementation of improved Centralized Train Control System • Reduced redeployee numbers by 33% • Achieved estimated growth in patronage for 2002-03 of 2.49% over 2000-02 patronage • Maintained services at a reduced cost, with savings achieved in PTB contract price of $1.051 million and a dividend payment of $0.822 million

Program net expenditure summary

Program	Net Expenditure			
	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
1. Metropolitan Public Passenger Services	2 353	6 112	6 269	18 927
Total (profit before tax and dividends)	**2 353**	**6 112**	**6 269**	**18 927**

Investing payments summary

Investments	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
New Works	—	—	—	—
Total New Works	—	—	—	—
Works in Progress				
Belair Line Cuttings Rectification	1 098	1 980	1 980	382
Belair Line Improvements to on-time running	—	—	—	52
Bridge Upgrading	50	300	300	95
Business Services — Minor Projects	130	—	50	—
Centralised Train Control System Upgrade	4 182	1 300	1 900	116
Commercial Road Viaduct	—	1 300	1 300	1 451
Computer Systems and Equipment	270	270	270	249
Corridor Fencing and Drainage	250	250	250	216
Goodwood Junction Remodelling	—	450	450	—
Line Upgrading — Seacliff to Noarlunga Centre	—	—	—	96
Signalling Systems Upgrading	50	—	50	97
Plant and Equipment	200	130	130	474
Rail Track Upgrading	3 650	300	300	7 581
Rail Business — Minor Projects	70	—	70	157
Railcar Upgrades	—	170	—	—
Railway Stations Upgrading	900	900	900	4 923
Track Shunt Reliability Improvements	70	70	140	62
Tram Upgrades	—	170	170	2 895
Total Works in Progress	**10 920**	**7 590**	**8 260**	**18 846**
Minor Works	—	—	—	—
Advances Granted	—	500	—	—
Investments in Related Entities	—	—	—	144
Total Investing Payments	**10 920**	**8 090**	**8 260**	**18 990**

Note: The 2001-02 actual amounts are solely for TransAdelaide and do not incorporate the economic entity.

Agency: TransAdelaide

Program Information

Program 1: Metropolitan Public Passenger Services

Description/Objective: The development and management of contracted passenger transport services within the metropolitan area.

Operating Statement

Program 1: ***Metropolitan Public Passenger Services***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	34 155	38 166	36 810	37 145
Supplies & Services	32 056	33 038	31 497	31 462
Depreciation	20 421	20 290	18 131	19 824
Other	9 396	8 052	9 729	24 545
Total Operating Expenses	**96 028**	**99 546**	**96 167**	**112 976**
Operating Revenue				
Sale of Goods	85 223	84 398	81 655	90 951
Regulatory Fees	—	—	—	—
Commonwealth Revenue	—	—	—	—
Other	8 452	9 036	8 243	3 098
Total Operating Revenues	**93 675**	**93 434**	**89 898**	**94 049**
Net Cost of Program	**2 353**	**6 112**	**6 269**	**18 927**

Program 1: Performance Criteria:

Performance Commentary	For 2001-02 the renewal KPIs for on-time running, fare evasion and utility standards were not achieved. To apply for renewal of the PTB contract TransAdelaide is required to achieve 10 out of the 12 renewal performance benchmark KPIs for each of the 12 preceding months. The current PTB contract is due for renewal in April 2005.			
Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Achievement of 10 out of the 12 PTB Renewal Benchmark KPIs	Achievement of 12 of the renewal KPIs	Achievement of 10 of the renewal KPIs	Achievement of 10 of the renewal KPIs	Achievement of 9 of the renewal KPIs
Increase in patronage per annum	2%	2.49%	2%	2.28%
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of program (profit before tax and dividends)	**$2 353 000**	**$6 112 000**	**$6 269 000**	**$18 927 000**

TRANSADELAIDE

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Grant revenue	**—**	—	—	3 084
Sales of goods and services	**85 223**	84 398	81 655	89 146
Investment revenue	**4 961**	4 502	4 583	2 029
Contributed assets	**—**	—	—	470
Other revenue	**3 491**	4 534	3 660	2 718
Total operating revenue	**93 675**	93 434	89 898	97 447
Revenue from Government				
State Government — Appropriation	**5 350**	8 068	8 068	7 431
Total revenue from ordinary activities	**99 025**	101 502	97 966	104 878
Expenses				
Employee entitlements —				
Salaries, wages, annual and sick leave	**34 155**	38 166	36 810	32 694
Long service leave	**—**	—	—	985
Payroll tax	**—**	—	—	1 889
Superannuation	**—**	—	—	2 887
Other employee entitlements	**—**	—	—	616
Supplies and services —				
Rental expenses	**—**	—	—	2 284
Consultancy expenses	**—**	—	—	207
Other supplies and services	**32 056**	33 038	31 497	25 992
Depreciation and amortisation	**20 421**	20 290	18 131	19 879
Interest and other finance expenses	**9 396**	8 052	9 729	7 575
Other expenses	**—**	—	—	8 683
Total expenses from ordinary activities	**96 028**	99 546	96 167	103 691
Operating result before tax	**2 997**	1 956	1 799	1 187
Net revenue from asset disposal	**—**	—	—	-12 095
Operating result after restructuring and asset disposal	**2 997**	1 956	1 799	-10 908
Expense in lieu of income tax	**875**	504	504	-3 711
Operating result after income tax	**2 122**	1 452	1 295	-7 197
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	88
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	—
Total amounts recognised directly in equity	**—**	—	—	88
Total non-owner changes in equity	**2 122**	1 452	1 295	-7 109

TRANSADELAIDE

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**14 070**	12 715	17 208	15 794
Receivables	**2 729**	3 229	3 766	5 612
Inventories	**3 146**	3 146	2 519	3 216
Other current assets	**294**	294	—	13
Total current assets	**20 239**	19 384	23 493	24 635
Non current assets				
Investments	**3 779**	3 779	3 662	204
Inventories	**3 974**	3 974	15 377	—
Land and improvements	**165 107**	165 107	72 141	165 673
Plant and equipment	**434 986**	444 487	545 310	461 250
Other non current assets	**17 572**	17 572	15 216	17 774
Total non current assets	**625 418**	634 919	651 706	644 901
Total assets	**645 657**	654 303	675 199	669 536
Liabilities				
Current liabilities				
Employee entitlements —				
Salaries and wages	**9 435**	9 435	9 488	—
Annual leave	**—**	—	—	4 106
Long service leave	**—**	—	—	1 300
Workers compensation	**—**	—	—	1 468
Other employee entitlements	**—**	—	—	33
Payables	**16 379**	16 379	15 889	17 018
Borrowings	**5 381**	5 381	5 381	5 381
Other current liabilities	**—**	—	—	3 054
Total current liabilities	**31 195**	31 195	30 758	32 360
Non current liabilities				
Employee entitlements —				
Annual leave	**—**	—	—	391
Long service leave	**18 239**	18 239	17 399	7 756
Workers compensation	**—**	—	—	8 378
Other employee entitlements	**—**	—	—	164
Payables	**-5**	1 861	1 866	1 663
Borrowings	**81 371**	86 752	94 771	100 133
Other non current liabilities	**9 294**	9 294	10 528	10 995
Total non current liabilities	**108 899**	116 146	124 564	129 480
Total liabilities	**140 094**	147 341	155 322	161 840
Net assets	**505 563**	506 962	519 877	507 696

TRANSADELAIDE

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Equity				
Accumulated surplus	**114 057**	115 456	117 720	116 190
Asset revaluation reserves	**391 506**	391 506	402 157	391 506
Total equity	**505 563**	506 962	519 877	507 696

TRANSADELAIDE

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Grants and subsidies	**—**	—	—	3 273
Sales of goods and services	**85 223**	86 694	81 655	90 879
Interest	**980**	884	680	1 319
State Government — Appropriation	**5 350**	8 068	8 068	7 431
Other receipts	**7 442**	8 122	7 533	1 426
Total operating receipts	**98 995**	103 768	97 936	104 328
Payments				
Employee entitlements	**34 155**	38 166	36 811	37 519
Supplies and services	**32 056**	33 038	31 497	37 519
Interest and other financial payments	**9 330**	7 854	9 531	7 769
Tax equivalent payments	**875**	504	504	116
Net GST paid	**—**	—	—	3 332
Other payments	**—**	—	—	1 132
Total operating payments	**76 416**	79 562	78 343	87 387
Net cash provided by operating activities	**22 579**	24 206	19 593	16 941
Investing activities				
Receipts				
Sale of property, plant and equipment	**30**	30	30	1 193
Sale of shares and investments	**—**	—	—	977
Repayment of advances	**500**	—	—	—
Total investing receipts	**530**	30	30	2 170
Payments				
Purchase of property, plant and equipment	**10 920**	7 590	8 260	19 389
Advances granted	**—**	500	—	—
Total investing payments	**10 920**	8 090	8 260	19 389
Net cash provided by investing activities	**-10 390**	-8 060	-8 230	-17 219

TRANSADELAIDE

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Financing activities				
Payments				
Repayment of borrowings	**5 381**	13 381	5 381	5 400
Dividends and distributions	**3 521**	5 298	706	353
Finance lease payments	**1 932**	—	—	—
Total financing payments	**10 834**	18 679	6 087	5 753
Net cash provided by financing activities	**-10 834**	-18 679	-6 087	-5 753
Net increase (+) / decrease (-) in cash held	**1 355**	-2 533	5 276	-6 031
Opening cash balance as at 1 July	**12 715**	15 248	11 930	21 825
Closing cash balance as at 30 June	**14 070**	12 715	17 206	15 794

Agency: TransAdelaide

Financial commentary — Major resource variations

The 2001-02 actuals for the Financial Statements include TransAdelaide's economic entity, whereas the actuals detailed in the Program Information are solely for TransAdelaide.

Statement of Financial Performance — Controlled

The 2003-04 Budget incorporates a reduction in the funding and anticipated expenditure associated with redeployees due to the increased efforts of re-training and placing them in funded positions within the Government.

Statement of Financial Position — Controlled

The 2002-03 estimated result incorporates a reduction in the cash balance due to a major debt repayment.

Statement of Cash Flows — Controlled

The budget for 2003-04 includes a reduction in the anticipated funding and expenditure associated with redeployees due to the increased efforts of re-training and placing them into funded positions within the Government.

The 2003-04 investing budget has increased due to the signing of the Centralised Train Control System Upgrade contract, allowing this project to progress to the next stage. This is partially offset by a decrease in expenditure due to completion of the Belair Line Cuttings Rectification and the Commercial Road Viaduct.

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Portfolio: Transport and Urban Planning

Agency: Planning SA

Objective

Planning SA is responsible for guiding and administering the South Australian Planning and Development system. As the State Government's principal adviser on land use planning, building, urban design, and development strategies and policies, its main objective is to provide direction, advice, assistance and information on a range of development proposals, opportunities and issues.

Planning SA achieves this by:

- promoting urban and regional development that facilitates appropriate economic development
- promoting vibrant urban areas with good urban design and integrated transport
- protecting the built and natural environment
- providing certainty of policies and procedures for proponents and the community
- enhancing opportunities for social equity and cultural diversity
- maintaining sound governance arrangements.

2003-04 Targets / 2002-03 Highlights

Targets 2003-04	Highlights 2002-03
• Complete EDALA roll-out of land division process to all councils within the State • Develop implementation plan in response to the Compliance Review study • Review Development Assessment fees • Review the composition and operation of Council Development Assessment Panels in accordance with the improved policies and procedures program • Continue to improve linkages between the Planning Strategy and Council Development Plans • Endorse the Planning Strategy for Mark IV • Endorse the Planning Strategy for Inner Region • Complete the Hills Face Zone Review • Review and update the Metropolitan Development Program • Provide cross-agency input into Natural Resource Management, Coast and Marine, Stormwater policy/legislation • Complete numerous projects funded by Places for People • Commence implementation of the Development Plan Improvement Program • Complete the Environmental Issues Bulletin • Adopt the Parklands 2036 Concept • Prepare the Neighbourhood Character Strategy • Contribute to the implementation of the 'One Million Trees' program • Commence concept plans for the Sturt River and Dry Creek regional parklands • Establish the Open Space Advisory Committee • Complete the following ministerial Plan Amendment Reports (PARs): – Port Adelaide Waterfront PAR – Port Adelaide Town Centre PAR – Gillman PAR • Update the Plan Amendment monitoring system • Complete the review of swimming pool safety legislation • Coordinate and implement improved policies and procedures including the Information and Awareness Strategy • Develop the Electronic Enhancement and Lodgement system as part of the Development Plan Improvement Program • Release the 2001–16 population projections for SA • Develop an Information and Awareness Strategy for Planning SA • Implement a pilot for an Electronic Records Management System within Planning SA • Redevelop the Atlas of South Australia as an online interactive multimedia information system about South Australia	• Published a revised Guides to Development Assessment • Completed the options study relating to compliance under the *Development Act 1993* • Completed the investigation of the Riverside Golf Club roof collapse • Released Statements of Intent guidelines • Released a Guide to Amending PARs • Launch and implement the South Australian Government Urban Design Charter • Completed the Metropolitan Design Framework • Approved Ministerial Plan Amendments including stormwater, metropolitan urban boundary and policy guidance on tourism and industry • Reviewed and endorsed amendments to the Country Planning Strategy • Reviewed and endorsed amendments to the Metropolitan Planning Strategy • Commenced preparation of new Metropolitan Planning Strategy featuring greater authority for State social, environmental and economic initiatives • Commenced preparation of the Development Plan Improvement Program to improve the authority of State strategic planning and consistency across local government • Commenced preparation of the Inner Regional Planning Strategy in response to issues arising out of Urban Growth Boundary • Completed the Significant Trees Review • Launched the Sustainable Tourism Development Discussion Paper • Completed the following major policy initiatives: – Wind Farms – Organic Waste – Lower Eyre Peninsula Aquaculture PAR • Implemented the energy efficiency provisions for housing • Developed, updated and released the Planning SA online mapping and query system (Maps in Minutes (MIMs)) • Released the 1996—16 population projections for SA • Commenced community education programs including Promoting Planning Initiative, swimming pool safety, energy efficiency, smoke alarms and bushfires • Completed the 2001 Industry Database for Adelaide which contains an inventory of industries and industrial land within Adelaide • Completed the Spatial Information Development Strategy for Planning SA • Developed the electronic lodgement of land division applications (proposals) (EDALA) that is now operational

Program net expenditure summary

Program	Net Expenditure			
	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
1. Policy Coordination, Development and Investment Strategy	14 888	12 594	15 183	10 019
2. Development Assessment	2 469	2 660	2 992	2 729
3. Information Services	1 044	941	707	2 817
Total	**18 401**	**16 195**	**18 882**	**15 565**

Investing payments summary

Investments	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
New Works	—	—	—	—
Total New Works	—	—	—	—
Works in Progress				
Electronic Development Application System	300	269	1 069	695
Minor Works	255	255	255	301
Total Works in Progress	**555**	**524**	**1 324**	**996**
Total Investing Payments	**555**	**524**	**1 324**	**996**

* North Terrace Redevelopment Project expenditure is included in the operating expenditure. 2003-04 Budget for this project is $4.795 million.

Agency: Planning SA

Program Information

Program 1: Policy Coordination, Development and Investment Strategy

Description/Objective: Provision of an effective policy framework, advice and strategic planning services surrounding legislation committed to the Minister.

Operating Statement

Program 1: ***Policy Coordination, Development and Investment Strategy***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	6 481	6 134	5 745	5 246
Supplies & Services	3 018	2 809	3 041	2 852
Depreciation	217	217	217	128
Other	8 826	7 038	9 963	7 800
Total Operating Expenses	**18 542**	**16 198**	**18 966**	**16 026**
Operating Revenue				
Sale of Goods	—	—	—	—
Regulatory Fees	3 364	3 200	3 200	4 953
Commonwealth Revenue	—	—	—	—
Other	290	404	583	1 054
Total Operating Revenues	**3 654**	**3 604**	**3 783**	**6 007**
Net Cost of Program	**14 888**	**12 594**	**15 183**	**10 019**

Program 1: Performance Criteria:

Sub-program: 1.1	**Urban and Regional Planning Strategies** Develop, review, promote and implement a strategic planning framework to guide the future development of the State.
Performance Commentary	2003-04 targets reflect carryover for the North Terrace Redevelopment and the Metropolitan and Regional Open Space strategic planning schemes. (1) This is a new target for 2003-04.

Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
% of councils who provide necessary reference to the Planning Strategy in their submitted statements of intent	100%	100%	>90%	90%
No. of planning strategy initiatives implemented (1)	3	—	—	—
No. of urban regeneration/urban design area initiatives commenced	5	6	3	5
No. of open space initiatives commenced	3	3	3	6
No. of grant applications processed:				
• open space and urban improvements (1)	100	—	—	—
Quality				
% customer rating service above average in quality of information for:				
• clarity (1)	>69%	—	—	—
• relevance (1)	>72%	—	—	—
% customer rating service above average in quality of service for:				
• staff comprehension (1)	>70%	—	—	—
• staff willingness(1)	>75%	—	—	—
• speed of response (1)	>65%	—	—	—
Timeliness				
% of strategic planning activity completed within required timelines:				
• open space (Statewide or regional) assessments	100%	100%	100%	100%
• Premier's Annual Report on the Planning Strategy	100%	100%	100%	100%
% of activities in quantity above, completed within agreed time	100%	100%	100%	100%
Cost				
% of budget of grants or subsidies spent (1)	100%	—	—	—
Management cost as a percentage of the P&D Fund expenditure(1)	10%	—	—	—
% of discretionary budget expended (1)	100%	—	—	—
% variation of actual expenditure to budget(1)	<10%	—	—	—
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$10 691 000**	**$8 631 000**	**$11 328 000**	**$6 613 000**

Sub-program: 1.2	Development Policies Provision, to proponents and the community, of an integrated, clear and effective development assessment framework consisting of development plans, building rules and other development policies.
Performance Commentary	2003-04 target increase reflects Planning SA's new initiative relating to development plans and improvement process. (1) Denotes a new target for 2003-04.

Performance indicators	2003-04 Target	2002-03 Estimated Result	2002-03 Target	2001-02 Actual
Quantity				
No. of plan amendment reports (PARs) and development reviews approved broken down into categories (estimated level of activity):				
• Council	30	31	30	25
• Ministerial	10	9	10	5
• Development Plan Reviews	20	20	20	10
No. of building rules guides/advisory notices commenced and completed (1)	40	—	—	—
No. of planning process guides/advisory notices commenced and completed (1)	>2	—	—	—
No. of statements of intent agreed	35	35	33	32
Quality				
% customer rating service above average in quality of information for:				
• clarity(1)	>68%	—	—	—
• accessibility (1)	>70%	—	—	—
• relevance (1)	>72%	—	—	—
% customer rating service above average in quality of service for:				
• staff comprehension (1)	>65%	—	—	—
• staff willingness (1)	>73%	—	—	—
• speed of response(1)	>70%	—	—	—
Timeliness				
Amendments to the Building Code of Australia adopted in SA by gazettal, by the national implementation timelines (2 weeks)	100%	100%	100%	100%
% of Development Plan initiatives completed within agreed timeframes:				
• Council PARs (1)	70%	—	—	—
• Ministerial PARs (1)	90%	—	—	—
% of activities in quantity above, completed within agreed time (1)	90%	—	—	—
Cost				
% variation of actual expenditure to budget (1)	<10%	—	—	—
% of discretionary budget expended (1)	100%	—	—	—
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$4 197 000**	**$3 963 000**	**$3 855 000**	**$3 406 000**

Portfolio: Transport and Urban Planning

Agency: Planning SA

Program 2: Development Assessment

Description/Objective: Processing of development assessments to provide consistency, certainty and efficiency in the development assessment process for proponents and the community.

Operating Statement

Program 2: ***Development Assessment***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	2 629	2 715	2 508	2 420
Supplies & Services	1 029	1 096	1 392	1 351
Depreciation	97	97	97	60
Other	70	42	65	302
Total Operating Expenses	**3 825**	**3 950**	**4 062**	**4 133**
Operating Revenue				
Sale of Goods				
Regulatory Fees	1 287	1 265	1 024	1 158
Commonwealth Revenue				
Other	69	25	46	246
Total Operating Revenues	**1 356**	**1 290**	**1 070**	**1 404**
Net Cost of Program	**2 469**	**2 660**	**2 992**	**2 729**

Program 2: Performance Criteria:

Program 2	Development Assessment
Performance Commentary	Increase in activity in 2002-03 directly relates to greater than anticipated revenue received through regulatory fees. It is anticipated that this level of activity will not be sustained,causing a decrease in 2003-04 revenue target. (1) Denotes a new target for 2003-04. (2) Increased application for variation of previous approvals. (3) Less inspections undertaken due to the diversion of resources to other priorities. (4) One matter not accepted by DAC due to a Planning SA conflict of interest. (5) Five out of seven assessments were completed on time, two were delayed.

Performance indicators	2003-04 Target	2002-03 Estimated Result	2002-03 Target	2001-02 Actual
Quantity				
No. of development applications assessed by Planning SA (estimated level of activity)	3 500	4 389	3 700	4 200
No. of major developments, as declared by the Minister, assessed by Planning SA (estimated level of activity)	5	7 (2)	5	6
No. of inspections undertaken for compliance with Development Assessment Commission (DAC) decisions and swimming pool legislation	400	300 (3)	400	270
Quality				
% of reports to the DAC accepted without modification	100%	99.9% (4)	100%	100%
% of assessment reports for major development/projects accepted by the Minister	100%	100%	100%	100%
% customer rating service above average in quality of information for:				
• clarity (1)	>63%	—	—	—
• relevance (1)	>77%	—	—	—
• timeliness (1)	>67%	—	—	—
• accessibility (1)	>65%	—	—	—
% customer rating service above average in quality of service for:				
• staff comprehension (1)	>69%	—	—	—
• staff willingness (1)	>69%	—	—	—
• speed of response (1)	>60%	—	—	—
Timeliness				
% of all development applications finalised within statutory timeframes	90%	85%	90%	90%
% of major developments processed by Planning SA within agreed timeframes	100%	70% (5)	90%	83%
% of advice provided to land agents on land sales within 3 working days (1)	100%	—	—	—
% of DAC decisions inspected for compliance within 3 years	85%	82%(3)	85%	89%
Cost				
Average cost per assessment of:				
• land use and land division requiring planning assessment	$2 300	$2 303	$2 100	$2 100
• land division consultations	$120	$94	$130	$100
% variation of actual expenditure to budget (1)	<10%	—	—	—
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of program	**$2 469 000**	**$2 660 000**	**$2 992 000**	**$2 729 000**

Portfolio: Transport and Urban Planning

Agency: Planning SA

Program 3: Information Services

Description/Objective: Provision of planning, socioeconomic and environmental information.

Operating Statement

Program 3: ***Information Services***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	725	599	430	1 792
Supplies & Services	287	307	285	1 296
Depreciation	29	29	29	53
Other	27	16	14	377
Total Operating Expenses	**1 068**	**951**	**758**	**3 518**
Operating Revenue				
Sale of Goods	—	—	—	—
Regulatory Fees	—	—	—	—
Commonwealth Revenue	—	—	—	—
Other	24	10	51	701
Total Operating Revenues	**24**	**10**	**51**	**701**
Net Cost of Program	**1 044**	**941**	**707**	**2 817**

Program 3: Performance Criteria:

Program 3	**Information Services**			
Performance Commentary	Separation of service and functions of the Geographical Analysis and Research Unit resulted in lower external funding 2002-03. (1) New target for 2003-04.			
Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of ad hoc requests for information and advice on planning matters to information services outlets trended over time (1)	300	—	—	—
Contact methods and % utilisation levels:				
• phone (1)	40%	—	—	—
• personal (1)	10%	—	—	—
• email (1)	15%	—	—	—
• letter (1)	5%	—	—	—
• website(1)	30%	—	—	—
Information types provided:				
• maps (1)	40%	—	—	—
• customised product (1)	20%	—	—	—
• publications (1)	40%	—	—	—
Timeliness				
Provide Ministerial speeches 7 days prior to event (1)	100%	—	—	—
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of program	**$1 044 000**	**$941 000**	**$707 000**	**$2 817 000**

PLANNING SA

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Regulatory fees	**4 651**	4 465	4 224	6 111
Investment revenue	**280**	330	330	516
Other revenue	**103**	109	350	1 485
Total operating revenue	**5 034**	4 904	4 904	8 112
Revenue from Government				
State Government — Appropriation	**16 606**	11 729	13 006	12 862
Other Government revenue	**—**	10	—	—
Total revenue from Government	**16 606**	11 739	13 006	12 862
Total revenue from ordinary activities	**21 640**	16 643	17 910	20 974
Expenses				
Employee entitlements —				
Salaries, wages, annual and sick leave	**9 679**	9 292	8 527	7 518
Long service leave	**156**	156	156	238
Payroll tax	**—**	—	—	544
Superannuation	**—**	—	—	851
Other employee entitlements	**—**	—	—	307
Supplies and services —				
Rental expenses	**1 206**	1 176	1 237	1 126
Consultancy expenses	**70**	126	185	39
Other supplies and services	**3 058**	2 910	3 296	4 334
Depreciation and amortisation	**343**	343	343	241
Interest and other finance expenses	**—**	—	—	3
Grants and subsidies	**8 673**	6 853	9 682	7 435
Other expenses	**250**	243	360	1 041
Total expenses from ordinary activities	**23 435**	21 099	23 786	23 677
Operating result before tax	**-1 795**	-4 456	-5 876	-2 703
Net revenue from asset disposal	**—**	—	—	-4 073
Net revenue from restructuring	**—**	—	—	187
Operating result after restructuring and asset disposal	**-1 795**	-4 456	-5 876	-6 589
Operating result after income tax	**-1 795**	-4 456	-5 876	-6 589
Increase/(decrease) in asset revaluation reserve	**—**	—	—	—
Increase/(decrease) in retained surplus on adoption of new standard	**—**	—	—	—
Total amounts recognised directly in equity	**—**	—	—	—
Total non-owner changes in equity	**-1 795**	-4 456	-5 876	-6 589

PLANNING SA

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**5 106**	6 699	3 397	10 056
Receivables	**550**	550	715	550
Other current assets	**1**	1	—	1
Total current assets	**5 657**	7 250	4 112	10 607
Non current assets				
Land and improvements	**1 220**	1 315	5 296	1 410
Plant and equipment	**1 962**	1 655	2 427	1 379
Total non current assets	**3 182**	2 970	7 723	2 789
Total assets	**8 839**	10 220	11 835	13 396
Liabilities				
Current liabilities				
Employee entitlements —				
Annual leave	**453**	453	483	453
Long service leave	**201**	201	127	201
Payables	**1 780**	1 780	882	1 780
Other current liabilities	**—**	—	361	—
Total current liabilities	**2 434**	2 434	1 853	2 434
Non current liabilities				
Employee entitlements —				
Long service leave	**1 802**	1 646	1 915	1 490
Payables	**189**	189	204	189
Other non current liabilities	**3**	—	—	—
Total non current liabilities	**1 994**	1 835	2 119	1 679
Total liabilities	**4 428**	4 269	3 972	4 113
Net assets	**4 411**	5 951	7 863	9 283
Equity				
Contributed capital	**3 193**	2 938	2 743	1 814
Accumulated surplus	**904**	2 699	2 578	7 155
Asset revaluation reserves	**314**	314	2 542	314
Total equity	**4 411**	5 951	7 863	9 283

PLANNING SA

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Interest	**280**	330	330	528
Regulatory fees	**4 651**	4 465	4 224	6 108
State Government — Appropriation	**16 606**	11 729	13 006	12 862
Other Government revenue	**—**	10	—	—
Other receipts	**103**	109	350	1 504
Total operating receipts	**21 640**	16 643	17 910	21 002
Payments				
Employee entitlements	**9 679**	9 292	8 527	9 581
Supplies and services	**4 331**	4 212	4 718	5 460
Grants and subsidies	**8 673**	6 853	9 682	6 762
Other payments	**250**	243	360	1 032
Total operating payments	**22 933**	20 600	23 287	22 835
Net cash provided by operating activities	**-1 293**	-3 957	-5 377	-1 833
Investing activities				
Receipts				
Sale of property, plant and equipment	**—**	—	—	3
Payments				
Purchase of property, plant and equipment	**555**	524	1 324	996
Net cash provided by investing activities	**-555**	-524	-1 324	-993
Financing activities				
Receipts				
SA Government contributed capital	**255**	1 124	1 124	1 105
Net cash from restructuring	**—**	—	—	-311
Total financing receipts	**255**	1 124	1 124	794
Net cash provided by financing activities	**255**	1 124	1 124	794
Net increase (+) / decrease (-) in cash held	**-1 593**	-3 357	-5 577	-2 032
Opening cash balance as at 1 July	**6 699**	10 056	8 974	12 088
Closing cash balance as at 30 June	**5 106**	6 699	3 397	10 056

ADMINISTERED ITEMS FOR PLANNING SA

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Regulatory fees	**430**	430	430	617
Total operating revenue	**430**	430	430	617
Revenue from Government				
State Government — Appropriation	**958**	532	1 151	3 690
Total revenue from ordinary activities	**1 388**	962	1 581	4 307
Expenses				
Grants and subsidies	**958**	532	1 151	3 690
Other expenses	**430**	430	430	617
Total expenses from ordinary activities	**1 388**	962	1 581	4 307
Operating result after income tax	**—**	—	—	—
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	—
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	—
Total amounts recognised directly in equity	**—**	—	—	—
Total non-owner changes in equity	**—**	—	—	—

ADMINISTERED ITEMS FOR PLANNING SA

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**180**	180	142	180
Total current assets	**180**	180	142	180
Total assets	**180**	180	142	180
Liabilities				
Current liabilities				
Payables	**180**	180	142	180
Total liabilities	**180**	180	142	180
Net assets	**—**	—	—	—

ADMINISTERED ITEMS FOR PLANNING SA

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Regulatory fees	**430**	430	430	617
State Government — Appropriation	**958**	532	1 151	3 700
Total operating receipts	**1 388**	962	1 581	4 317
Payments				
Grants and subsidies	**958**	532	1 151	3 700
Fees and commissions	**430**	430	430	—
Other payments	**—**	—	—	579
Total operating payments	**1 388**	962	1 581	4 279
Net cash provided by operating activities	**—**	—	—	38
Net increase (+) / decrease (-) in cash held	**—**	—	—	38
Opening cash balance as at 1 July	**180**	180	142	142
Closing cash balance as at 30 June	**180**	180	142	180

Further details on receipts and payments relating to Administered items can be found in the Notes to the Portfolio Statement.

Agency: Planning SA

Financial commentary — Major resource variations

Statement of Financial Performance — Controlled

The 2003-04 financial year incorporates carryover relating to the North Terrace Redevelopment Project along with additional expenditure for the development plan improvement program.

Statement of Cash Flows — Controlled

The 2003-04 Budget includes carryover for the North Terrace Redevelopment project.

Administered Items

Receipts and Payments

The 2002-03 estimated result incorporates a reduction in the receipts claimed from Treasury and corresponding reduction in the expenditure paid to West Beach Trust, for the purpose of subsidising West Beach Trust for amounts payable for income tax. Carryover funds were applied to the Trust's operating expenditure, thereby reducing the anticipated income tax payable and, subsequently, the amount subsidised by Treasury through Planning SA's administered items.

Additional Information for Administered Items

The following table summarises receipts and payments by entity.

Additional Administered Items Information for Planning SA
Statement of Cash Flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget
	$000	$000	$000
CASH FLOWS FROM:			
Operating Activities			
Receipts			
Regulatory Fees, Fines and Penalties —			
Planning Fees received on behalf of local government	**430**	430	430
State Government —			
Appropriation for Administered Expenses	**958**	532	1 151
Total Receipts	**1 388**	962	1 581
Payments			
Grants and Subsidies —			
West Beach Trust	**958**	532	1 151
Fees and Commissions —			
Planning Fees received on behalf of local government	**430**	430	430
Total Payments	**1 388**	962	1 581
Net Cash Provided by Operating Activities	**—**	—	—

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Portfolio: Transport and Urban Planning

Agency: Office of Local Government

Objective

Strengthening South Australia's communities through the provision of policy and other advice to Government and agencies on the constitution and operations of the local government system and on relations between the State Government and local government.

2003-04 Targets / 2002-03 Highlights

Targets 2003-04	Highlights 2002-03
• Explore options for strengthening local government's accountability to its communities • Investigate options for improving the effectiveness of the system of elected representation • Foster improved local government financial management and controls • Monitor councils' use of the rating provisions of the *Local Government Act 1999* • Identify the impact of State funds transferred to local government • Assist the Minister's Local Government Forum to find innovative solutions to issues of strategic importance to the State Government and local government • Support adoption of service agreements between local government bodies and Aboriginal communities • Further enhance equity of criteria for allocation of Commonwealth grants to Local Governing Authorities (LGGC) • Establish partnerships to address infrastructure needs in outback areas (OACDT) • Improve the capacity of outback communities for self-management and local leadership (OACDT)	• Supported passage of the Local Government (Access to Meetings and Documents) Amendment Bill 2002 to promote the objectives of honesty and accountability in local government • Established and supported the Minister's Local Government Forum which met three times to address key issues in State Government–local government relations • Facilitated communication of State strategic objectives to the local government sector • Coordinated SA Government responses to the Commonwealth cost-shifting inquiry • Advised State agencies on legislative proposals for functional legislation affecting local government • Worked with DOSAA and explored approaches to service level agreements between local government bodies and Aboriginal communities • Installed a web-based Guide to Local Government Legislation • Developed specifications for a strategic information system for the use of the Office of Local Government (OLG) and the Local Government Grants Commission (LGGC) • Undertook research to enhance equity of criteria for allocation of Commonwealth grants to Local Governing Authorities (LGGC) • Undertook an infrastructure audit for essential services in outback communities (OACDT) • Actively participated in Outback SA Government Centre to expedite integrated outback service delivery (OACDT)

Program net expenditure summary

Program	Net Expenditure			
	2003-04 Budget $000	**2002-03 Estimated Result $000**	**2002-03 Budget $000**	**2001-02 Actual $000**
1. Local Government System and Local Government Relations	2 670	2 776	2 646	2 480
Total	**2 670**	**2 776**	**2 646**	**2 480**

Agency: Office of Local Government

Program Information

Program 1: Local Government System and Local Government Relations

Description/Objective: Maintenance and development of the local government system and State–local government relations.

Operating Statement

Program 1: ***Local Government System and Local Government Relations***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	1 628	1 891	1 574	1 696
Supplies & Services	1 062	995	1 022	325
Depreciation	—	—	—	64
Other	—	198	70	447
Total Operating Expenses	**2 690**	**3 084**	**2 666**	**2 532**
Operating Revenue				
Sale of Goods	—	—	—	—
Regulatory Fees	—	—	—	—
Commonwealth Revenue	—	—	—	—
Other	20	308	20	52
Total Operating Revenues	**20**	**308**	**20**	**52**
Net Cost of Program	**2 670**	**2 776**	**2 646**	**2 480**

Program 1: Performance Criteria:

Program 1	**Local Government System and Local Government Relations**			
Performance Commentary	In 2001-02 OLG identified a number of targets to be achieved in 2002-03. OLG successfully achieved all of these targets and they are now listed under the Highlights for 2002-03. The targets OLG has identified for achieving in 2003-04 emanate from the OLG Strategic Plan, which is available on the OLG website at <http://www.localgovt.sa.gov.au/>.			
Performance indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Net cost of program	**$2 670 000**	**$2 776 000**	**$2 646 000**	**$2 480 000**

OFFICE OF LOCAL GOVERNMENT

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Investment revenue	**10**	10	10	18
Other revenue	**10**	298	10	34
Total operating revenue	**20**	308	20	52
Revenue from Government				
State Government — Appropriation	**2 670**	2 704	2 576	2 226
Other Government revenue	**—**	2	—	—
Total revenue from Government	**2 670**	2 706	2 576	2 226
Total revenue from ordinary activities	**2 690**	3 014	2 596	2 278
Expenses				
Employee entitlements —				
Salaries, wages, annual and sick leave	**1 438**	1 683	1 389	1 178
Long service leave	**30**	30	30	103
Payroll tax	**—**	—	—	76
Superannuation	**160**	178	155	180
Other employee entitlements	**—**	—	—	159
Supplies and services —				
Rental expenses	**256**	235	107	209
Consultancy expenses	**10**	90	85	63
Other supplies and services	**796**	670	830	53
Depreciation and amortisation	**—**	—	—	64
Grants and subsidies	**—**	198	70	115
Other expenses	**—**	—	—	332
Total expenses from ordinary activities	**2 690**	3 084	2 666	2 532
Operating result after income tax	**—**	-70	-70	-254
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	—
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	—
Total amounts recognised directly in equity	**—**	—	—	—
Total non-owner changes in equity	**—**	-70	-70	-254

OFFICE OF LOCAL GOVERNMENT

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**161**	161	88	231
Receivables	**34**	34	85	34
Total current assets	**195**	195	173	265
Non current assets				
Plant and equipment	**—**	—	64	—
Total assets	**195**	195	237	265
Liabilities				
Current liabilities				
Employee entitlements —				
Salaries and wages	**—**	—	-25	—
Annual leave	**84**	84	75	84
Long service leave	**87**	87	85	87
Workers compensation	**15**	15	—	15
Payables	**81**	81	244	81
Total current liabilities	**267**	267	379	267
Non current liabilities				
Employee entitlements —				
Long service leave	**302**	302	299	302
Workers compensation	**47**	47	—	47
Payables	**44**	44	39	44
Total non current liabilities	**393**	393	338	393
Total liabilities	**660**	660	717	660
Net assets	**-465**	-465	-480	-395
Equity				
Accumulated surplus	**-465**	-465	-480	-395
Total equity	**-465**	-465	-480	-395

OFFICE OF LOCAL GOVERNMENT

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Interest	**10**	10	10	18
Net GST received	**—**	—	—	135
State Government — Appropriation	**2 670**	2 704	2 576	2 226
Other Government revenue	**—**	2	—	—
Other receipts	**10**	298	10	78
Total operating receipts	**2 690**	3 014	2 596	2 457
Payments				
Employee entitlements	**1 614**	1 866	1 549	1 578
Supplies and services	**1 076**	1 020	897	327
Grants and subsidies	**—**	198	220	115
Other payments	**—**	—	—	634
Total operating payments	**2 690**	3 084	2 666	2 654
Net cash provided by operating activities	**—**	-70	-70	-197
Net increase (+) / decrease (-) in cash held	**—**	-70	-70	-197
Opening cash balance as at 1 July	**161**	231	158	428
Closing cash balance as at 30 June	**161**	161	88	231

ADMINISTERED ITEMS FOR THE OFFICE OF LOCAL GOVERNMENT

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Grant revenue	**900**	850	850	n.a.
Investment revenue	**20**	50	50	n.a.
Total operating revenue	**920**	900	900	n.a.
Revenue from Government				
State Government — Appropriation	**512**	416	416	n.a.
Total revenue from ordinary activities	**1 432**	1 316	1 316	n.a.
Expenses				
Grants and subsidies	**1 512**	1 816	1 816	n.a.
Total expenses from ordinary activities	**1 512**	1 816	1 816	n.a.
Operating result after income tax	**-80**	-500	-500	n.a.
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	n.a.
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	n.a.
Total amounts recognised directly in equity	**—**	—	—	n.a.
Total non-owner changes in equity	**-80**	-500	-500	n.a.

ADMINISTERED ITEMS FOR THE OFFICE OF LOCAL GOVERNMENT

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**666**	746	500	n.a.
Receivables	**58**	58	—	n.a.
Total current assets	**724**	804	500	n.a.
Total assets	**724**	804	500	n.a.
Net assets	**724**	804	500	n.a.
Equity				
Accumulated surplus	**724**	804	500	n.a.
Total equity	**724**	804	500	n.a.

ADMINISTERED ITEMS FOR THE OFFICE OF LOCAL GOVERNMENT

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Grants and subsidies	**900**	850	850	n.a.
Interest	**20**	50	50	n.a.
State Government — Appropriation	**512**	416	416	n.a.
Total operating receipts	**1 432**	1 316	1 316	n.a.
Payments				
Grants and subsidies	**1 512**	1 816	1 816	n.a.
Total operating payments	**1 512**	1 816	1 816	n.a.
Net cash provided by operating activities	**-80**	-500	-500	n.a.
Net increase (+) / decrease (-) in cash held	**-80**	-500	-500	n.a.
Opening cash balance as at 1 July	**746**	1 246	1 050	n.a.
Closing cash balance as at 30 June	**666**	746	550	n.a.

Further details on receipts and payments relating to Administered items can be found in the Notes to the Portfolio Statement.

Agency: Office of Local Government

Financial commentary

Additional Information for Administered Items

The following table summarises receipts and payments by entity.

Additional Administered Items Information for Office of Local Government
Statement of Cash Flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget
	$000	$000	$000
CASH FLOWS FROM:			
Operating Activities			
Receipts			
Grants and Subsidies —			
Local Government Taxation Equivalent Fund	**900**	850	850
Interest—			
Local Government Taxation Equivalent Fund	**20**	50	50
State Government —			
Appropriation for Administered Expenses	**512**	416	416
Total Receipts	**1 432**	1 316	1 316
Payments			
Grants and Subsidies —			
Local Government Taxation Equivalent Fund	**1 000**	1 400	1 400
Intra-sector Grants Expenditure —			
Outback Areas Community Development Trust	**237**	151	151
Local Government Grants Commission	**275**	265	265
Total Payments	**1 512**	1 816	1 816
Net Cash Provided by Operating Activities	**-80**	-500	-500

Portfolio — Further Education, Employment, Science and Technology

Minister for Employment, Training and Further Education

Minister for Science and Information Economy

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PORTFOLIO: FURTHER EDUCATION, EMPLOYMENT, SCIENCE AND TECHNOLOGY

MINISTERIAL RESPONSIBILITIES

Minister	Agency	Programs
The Hon. Jane Lomax-Smith Minister for Employment, Training and Further Education Minister for Science and Information Economy	Department of Further Education, Employment, Science and Technology	1. Employment and Skills Formation 2. Science, Technology and Innovation

Statutes

The Department of the Premier and Cabinet maintains a list of statutes applicable to Ministers.

WORKFORCE SUMMARY

Agency	FTEs as at 30 June		
	2003-04 Budget Estimate	**2002-03 Estimated Result**	**2001-02 Actual**
Department of Further Education, Employment, Science and Technology	3 325	3 380	n.a.
Total	**3 325**	**3 380**	**n.a.**

MINISTERIAL OFFICE RESOURCES

Minister	2003-04 Budget	
	Cost of provision $000	**FTEs**
The Hon. Jane Lomax-Smith	917	9

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Portfolio: Further Education, Employment, Science And Technology

Agency: Department of Further Education, Employment, Science And Technology

Objective

DFEEST is a new agency contributing to the economic prosperity and social well-being of South Australia through workforce development which focuses on skill formation and employment development, and by building the research and innovative capacity of the State.

DFEEST has responsibilities for:

- whole of government advice on skill formation, employment, research, technology and innovation to underpin economic development and social inclusion
- maximising the benefits to South Australia from the scientific, technological, research, innovation and further education strengths of the State
- strategic planning and policy development in vocational education and training, adult community education and higher education to promote quality, accessibility and enhanced skill formation outcomes from the State's further education infrastructure, including advising the State Training Authority on planning issues
- management of TAFE SA, South Australia's public provider of vocational education and training
- management of the State's interface with industry and commerce on training matters
- management of the State's interaction with the Commonwealth Government on vocational education, employment and science matters, and with the Australian National Training Authority, and in so doing maximising South Australia's funding and advantage from national programs
- provision of strategic policy advice for the information economy and the ICT and biotechnology sectors
- contributing to the establishment of South Australia as a preferred international education capital, including through a refocused Education Adelaide
- development of the State's research capacity and infrastructure involving both higher education and industry
- supporting the Premier's Science and Research Council as the source of strategic advice to Government
- provision of a leadership focus for the State's interactions with universities.

2003-04 Targets / 2002-03 Highlights

Targets 2003-04	Highlights 2002-03
• Establish DFEEST as a fully operational agency with all major departmental planning and reporting revised in the context of new portfolio and agency directions • Systematically implement the recommendations of the Kirby Report into governance of TAFE in South Australia, as agreed by government: – new governance arrangements for TAFESA – comprehensive capital strategy for TAFESA – review of TAFE programs linked to reintroduction of a system of program management – reintroduction of sound financial practices across the TAFE network – re-examination of Adult Community Education and TAFE relationships in State skills formation strategy • Establish key cross-portfolio initiatives linked to economic development and social inclusion, in particular the initiation of an SA Workforce Development Strategy to generate a high performance workforce by 2010 • Establish Training and Skills Commission with effective working relationships with Social Inclusion Board and Economic Development Board and supported by high quality secretariat and liaison with DFEEST functional areas • Establish collaborative initiatives between industry, government and the universities via the Higher Education Council • Provide whole of government policy advice on information economy via Information Economy Advisory Board • Establish the role, policy directions, leadership and operations of the Directorate of Science, Technology and Innovation within DFEEST and with stakeholders • Successfully reform the branding strategy for the international education industry • Establish State priorities and strategy for world-class research and commercialisation with the Premier's Science and Research Council • Undertake consideration and subsequent implementation of revised strategies for employment development • Undertake a strategic review of Playford Capital • Complete the stage 1 infrastructure development of the Thebarton Bioscience Precinct Extension, in conjunction with the Department of Business, Manufacturing and Trade • Bio Innovation SA to establish further biotechnology companies	• Commissioned and received the Kirby Report into governance of TAFE in South Australia, thereby halting the corporatisation of TAFE, initiating major realignments of strategic corporate functions and repositioning TAFESA in relation to government policy • Commissioned and received the report of the Skills for Future Report, providing confirmation of the strengths of the State's skill formation systems and identifying major initiatives required to lift the State's skill base as a key contributor to future economic prosperity and social well-being • Commissioned and received the report of the Review of SA Employment Programs, providing a comprehensive overhaul of State government investment in a range of employment programs and identifying wide ranging changes to increase their quality, strategic impact and relationship to skill formation • Established Higher Education Council to signal higher priority from government and to facilitate cross-sectoral cooperation • Successfully leveraged Commonwealth research resources for science, technology and innovation through the Office for Innovation • Established the Information Economy Advisory Board • Completed major review of the operation of Education Adelaide, agreed on directions with stakeholders and implemented review At a more detailed level a sample of highlights include: • Quantity targets in VET were exceeded except for participation rates, which are volatile year-on-year. Aboriginal, non English speaking background and disabled persons' participation exceeded targets • Cost targets for VET show a further 6.8% reduction in cost per curriculum hour, the second lowest in the nation at $11.36 (only Victoria is lower at $10.75, with the national average at $12.42) • 91.5% of TAFE graduates in South Australia were working or in further study after training compared with 87.5% of TAFE graduates nationally • Established the Elder School of Music at the University of Adelaide by combining Flinders St School of Music with the Elder Conservatorium • The Australia Quality Training Framework has been fully implemented in South Australia • Established partnership arrangements with Office of the North modelling interagency and cross-sectoral collaboration for integrated program delivery

Program net expenditure summary

Program	Net Expenditure			
	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
1. Employment and Skills Formation	204 981	200 130	185 295	n.a.
2. Science, Technology and Innovation	15 751	6 273	7 923	n.a.
Total	**220 732**	**206 403**	**193 218**	**n.a.**

Investing payments summary

Investments	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
New Works	—	—	—	—
Total New Works	—	—	—	—.
Works in Progress	—	—	—	—
Total Works in Progress	—	—	—	—
Minor Works	8 550	11 003	13 846	n.a.
Total Investing Payments	**8 550**	**11 003**	**13 846**	**n.a.**

Agency: Department of Further Education, Employment, Science and Technology

Program Information

Program 1: Employment and Skills Formation

Description/Objective: To strengthen the economic prosperity and social well-being of South Australia through strategic employment and skills formation activity

Operating Statement

Program 1: ***Employment and Skills Formation***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	203 377	202 299	195 280	n.a.
Supplies & Services	156 400	139 109	134 134	n.a.
Grants & Subsidies	6 386	20 606	18 036	n.a.
Depreciation	13 211	12 983	12 983	n.a.
Other	71	374	103	n.a.
Total Operating Expenses	**379 445**	**375 371**	**360 536**	**n.a.**
Operating Revenue				
Sale of Goods & Services	78 147	75 022	75 022	n.a.
Commonwealth Revenue	89 691	93 786	93 786	n.a.
Other Grant Revenue	—	—	—	n.a.
Other	6 626	6 433	6 433	n.a.
Total Operating Revenues	**174 464**	**175 241**	**175 241**	**n.a.**
Net Cost of Program	**204 981**	**200 130**	**185 295**	**n.a.**

Program 1: Performance Criteria:

Sub-program: 1.1	**Vocational Education and Training** Provision of vocational education and training by TAFE institutes and other providers outside the school sector (including publicly funded Adult Community Education), including contestable and non-contestable sources of funding; policy advice and support for post-secondary education
Performance Commentary	The major quantity targets for 2002-03 (number of student hours and annual hours curriculum (AHC) per capita) are estimated to have been exceeded. Equity targets are also expected to be met. The female participation rate target is not expected to be met and, consequently, the 15 – 64 year age participation rate will also fall short of the target even though male participation was above target. Note, however, that participation rates are volatile year-on-year Unit costs per curriculum hour in 2003-03 were 6.8% lower than the previous year. At $11.36 per AHC they were the second lowest in the nation with the national average at $12.42 per AHC (1) Most of the difference between 2002-03 and 2003-04 is because the national protocols for measuring output in VET changed the way continuing students were reported. Measured in a comparable way to 2002-03, the 2003-04 target would be almost unchanged at 21.2m AHC

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
Participation rates, categorised by age level (% of 15–64 year olds)	11.3	11.3	11.5	12.0
Annual hours curriculum (AHC) per capita	19.5	22.1	19.0	19.0
% of VET population in SA categorised by type of student:				
• gender participation of VET client group aged 15 to 64				
– male	11.3	11.8	11.5	12.1
– female	11.2	11.0	11.5	11.7
• Aboriginal participation (Aboriginal population makes up 1.4% of SA population)	3.0	3.9	3.0	2.7
• Non English speaking background (NESB) participation (NESB population makes up 22.5% of SA population)	10.0	11.7	10.0	14.1
• disabled participation	4.0	4.7	4.0	4.0
No. of student hours (AHC)	19 500 000 (1)	21 208 000	21 000 000	21 200 000
Joint activities with universities:				
• No. of credit transfer arrangements established	275	275	224	50
Quality				
% of satisfied clients (on a scale of 1 (poor) to 10 (excellent)) categorised by type of client including:				
• graduates rating TAFE training at 8 or more	67.0	66.9	69.5	69.5
• students rating quality of training at 8 or more	66.0	59.2	63.4	63.4
• employers of recent VET graduates rating overall satisfaction at 6 or more	75.0	75.0	75.0	84.0
Load pass rates (previously called module load completion rates)	85.0	87.3	87.1	87.1
Achievements against the Australian Qualification Framework (AQF)	17 000	17 409	TBA	Not counted
% of graduates by group and gender achieving particular destinations (graduates unemployed before TAFE course finding work)	60.0	60.0	60.4	60.4
% of international students	1.2	1.74	1.14	1.14
Cost				
Cost per curriculum hour	$12.50	$11.36	$13.00	$12.20
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$177 668 000**	**$169 635 000**	**$157 346 000**	**n.a.**

Sub-program: 1.2	**Higher Education** Provision of advice to the Minister on higher education policy and planning
Performance Commentary	Supports Higher Education Council initiatives; facilitates collaboration between universities and government, other education and training sectors, industry and community organisations; whole of government strategy for higher education linked to government economic, social and environmental objectives

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
Government/University collaborative activities	Targets yet to be set		Establish benchmark	—
Review/amend university legislation	Flinders University and UniSA Acts amended	University of Adelaide Act amended	University of Adelaide Act amended	University Acts reviewed
Quality				
Higher Education Council	State Higher Education Strategy	Council established	Establish Council	
Acceptance of higher education policy advice provided to government	85% advice accepted	80% advice accepted	80% advice accepted	
Whole of government coordination of higher education activity	Coordination structure operational	Project established	Establish mechanism	
Higher Education Unit	Unit fully staffed and operational	Unit established	Establish Unit	
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$525 000**	**$244 000**	**$244 000**	**n.a.**

Sub-program: 1.3	**Regulatory Services** Provision of registration, accreditation and approval services for registered training organisations, and the regulation of apprenticeships and traineeships
Performance Commentary	Currently there are approximately 30 000 trainees and apprentices employed under a Contract of Training in South Australia. With the achievement of the ISO Quality accreditation by the Traineeship and Apprenticeship Management Unit, it is expected that regulatory processes will continue to be streamlined and result in improved quality, information flow, collaboration, client service and inter-government cooperation. Performance measures are to be reviewed during 2003-04 to reflect the impact of new legislation which is anticipated in this area, new policy directions from government and changed procedures for regulatory services resulting from restructuring of the department.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
No. of training organisations assessed and registered	24	24	25	26
No. of registered training organisations audited	100	92	150	110
No. of courses and training packages approved:				
• courses	80	81	85	110
• training packages	44	45	40	40
No. of new training contracts processed	Demand driven	19 000	Demand driven	21 000
No. of transactions processed for all existing training contracts	Demand driven	45 000	Demand driven	n.a.
Quality				
Acceptance of advice by Accreditation and Registration Council	100%	100%	95%	100%
No. and % of registered training organisations (RTOs) demonstrating compliance in audits relative to total no. audited	95 (95%)	88 (95%)	55 (100%)	110 (100%)
No. and % of stakeholders and clients surveyed who are satisfied with quality of advice	60 (95%)	54 (96%)	200 (95%)	92 (94%)
% of satisfied clients as measured through annual sample surveys:				
• trainees/apprentices	77.0%	75.0%	75.0%	n.a.
• employers	80.0%	75.0%	75.0%	n.a.
Timeliness				
No. and % of training organisations assessed within service standards (new RTOs and expansion)	75 (75%)	62 (68%)	100 (90%)	n.a.
Cost				
Cost per training organisation assessed (cost to RTO based on current fees over 3 years of registration)	$3 000	$3 000	$3 000	$3 000
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$3 344 000**	**$3 268 000**	**$3 265 000**	**n.a.**

Sub-program: 1.4	**Employment Development** Assisting individuals into employment and assisting organisations/communities to provide employment pathways, particularly for disadvantaged target groups
Performance Commentary	Employment programs have: assisted in the stimulation of demand for labour; supported the development of required skills; facilitated an efficient labour market where the skill requirements of business and the workforce skills available are better aligned; improved participation in the labour market by disadvantaged groups; and improved employment outcomes in regional South Australia. The findings and recommendations from the Employment Programs Review will influence the future direction and nature of employment development for South Australia in 2003 and beyond.

Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity	**All targets: similar to 2002-03,** Subject to the implementation of the accepted recommendations of the review of employment programs			
Total no. of participants in all employment, and in skill development program		5 092	4 506	5 580
No. of participants in				
• youth programs		1 007	n.a.	2 198
• mature age programs		540	n.a.	638
• Indigenous programs		285	n.a.	272
• regional programs (non-metro)		3 023	n.a.	2 833
No. of employment opportunities delivered through group training		3 000	3 000	2 753
No. of businesses and communities who received employment development assistance		816	816	1 716
No. of incentives delivered to employers		940	836	714
No. of government traineeships and apprenticeships:		522	520	635
• metropolitan		363	311	419
• regional (non-metro)		159	209	216
Quality	**All targets: similar to 2002-03,** Subject to the implementation of the accepted recommendations of the review of employment programs			
No. and % of employment outcomes compared to total no. of participants in all programs		3 016	2 886	2 912
No. and % of employment outcomes compared to no. of participants in:				
• youth programs		768	n.a.	1 080
• mature age programs		389	n.a.	637
• Indigenous programs		150	n.a.	110
• regional programs (non-metro)		1 980	n.a.	1 900
% of satisfied clients as measured through annual sample surveys:				
• unemployed individuals		86	86	86
• employers/organisations		92	92	92
• Indigenous people		92	92	92
% of persons who:				
• complete their government traineeship/apprenticeship and/or		70	70	66
• gain employment and/or return to study		70	70	72
Cost	**All targets: similar to 2002-03,** Subject to the implementation of the accepted recommendations of the review of employment programs			
Government expenditure per employment outcome		$3 300	$3 000	$3 550
Cost of incentive per government trainee		$6 500	$8 000	$10 894
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$23 444 000**	**$26 983 000**	**$24 440 000**	**n.a.**

Agency: Department of Further Education, Employment, Science and Technology

Program Information

Program 2: Science, Technology and Innovation

Description/Objective: Provides the Government's principal strategic focus for science, technology and innovation policy development and program delivery in South Australia that links the government, business, industry and education sectors.

Operating Statement

Program 2: ***Science, Technology and Innovation***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	3 267	4 872	4 715	n.a.
Supplies & Services	3 080	2 808	3 990	n.a.
Grants & Subsidies	9 557	7 302	7 131	n.a.
Depreciation	—	—	—	n.a.
Other	—	—	—	n.a.
Total Operating Expenses	**15 904**	**14 982**	**15 836**	**n.a.**
Operating Revenue				
Sale of Goods & Services	—	129	129	n.a.
Commonwealth Revenue	—	1 800	1 800	n.a.
Other Grant Revenue	—	6 654	5 879	n.a.
Other	153	126	105	n.a.
Total Operating Revenues	**153**	**8 709**	**7 913**	**n.a.**
Net Cost of Program	**15 751**	**6 273**	**7 923**	**n.a.**

Program 2:Performance Criteria:

Program: 2	**Science, Technology and Innovation**			
Performance Commentary	Science, Technology and Innovation is a key priority area of the Government. The program supports the Premier's Science and Research Council and the Information Economy Advisory Board. It undertakes a range of initiatives to ensure a coordinated, whole of government approach to science, technology and innovation policy development and implementation, including the effective use of modern information and communication technologies in the State's information economy. Playford Capital and Bio Innovation SA continue to provide significant stimulus to South Australia's high technology and biotechnology sectors.			
Performance Indicators	**2003-04 Target**	**2002-03 Estimated Result**	**2002-03 Target**	**2001-02 Actual**
Quantity				
New biotechnology companies created	5	9	5	—
Establish purpose built facility as headquarters for the Australian Centre for Plant Functional Genomics	Completion Dec 2003			
Commonwealth BITS Funds invested in South Australia	$4.61m	$3.5m	$3.5m	$1.63m
Quality				
Premier's Science and Research Council	10-year plan developed	Council operating	Establish Council	
Information Economy Advisory Board	Information economy strategy and key policies developed	Establish Board		
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of program	**$15 751 000**	**$6 273 000**	**$7 923 000**	**n.a.**

DEPARTMENT OF FURTHER EDUCATION, EMPLOYMENT, SCIENCE AND TECHNOLOGY

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Grant revenue	**89 691**	102 240	101 465	n.a.
Sales of goods and services	**78 147**	75 151	75 151	n.a.
Investment revenue	**790**	690	669	n.a.
Other revenue	**5 989**	5 869	5 869	n.a.
Total operating revenue	**174 617**	183 950	183 154	n.a.
Revenue from Government				
State Government — Appropriation	**220 323**	210 891	197 385	n.a.
Other Government revenue	**—**	30	—	n.a.
Total revenue from Government	**220 323**	210 921	197 385	n.a.
Total revenue from ordinary activities	**394 940**	394 871	380 539	n.a.
Expenses				
Employee entitlements —				
Salaries, wages, annual and sick leave	**173 738**	174 747	168 569	n.a.
Long service leave	**4 394**	4 394	4 394	n.a.
Payroll tax	**10 224**	10 128	9 743	n.a.
Superannuation	**18 288**	17 849	17 236	n.a.
Other employee entitlements	**—**	53	53	n.a.
Supplies and services —				
Rental expenses	**2 964**	3 051	3 040	n.a.
Consultancy expenses	**—**	—	167	n.a.
Other supplies and services	**156 516**	138 866	134 917	n.a.
Depreciation and amortisation	**13 211**	12 983	12 983	n.a.
Grants and subsidies	**15 943**	27 908	25 167	n.a.
Other expenses	**71**	374	103	n.a.
Total expenses from ordinary activities	**395 349**	390 353	376 372	n.a.
Operating result after income tax	**-409**	4 518	4 167	n.a.
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	n.a.
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	n.a.
Total amounts recognised directly in equity	**—**	—	—	n.a.
Total non-owner changes in equity	**-409**	4 518	4 167	n.a.

DEPARTMENT OF FURTHER EDUCATION, EMPLOYMENT, SCIENCE AND TECHNOLOGY

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**34 441**	30 221	21 754	n.a.
Receivables	**14 583**	7 652	7 921	n.a.
Inventories	**723**	723	723	n.a.
Other current assets	**34**	34	34	n.a.
Total current assets	**49 781**	38 630	30 432	n.a.
Non current assets				
Investments	**972**	972	451	n.a.
Receivables	**213**	213	7 213	n.a.
Land and improvements	**414 152**	421 458	421 145	n.a.
Plant and equipment	**39 456**	40 021	40 021	n.a.
Total non current assets	**454 793**	462 664	468 830	n.a.
Total assets	**504 574**	501 294	499 262	n.a.
Liabilities				
Current liabilities				
Employee entitlements —				
Salaries and wages	**7 984**	5 999	6 012	n.a.
Annual leave	**4 142**	3 984	3 984	n.a.
Long service leave	**3 289**	3 160	3 160	n.a.
Workers compensation	**2 115**	2 115	2 115	n.a.
Other employee entitlements	**3 598**	3 460	3 313	n.a.
Payables	**18 386**	18 359	18 334	n.a.
Borrowings	**499**	499	—	n.a.
Other current liabilities	**4 019**	4 019	4 019	n.a.
Total current liabilities	**44 032**	41 595	40 937	n.a.
Non current liabilities				
Employee entitlements —				
Long service leave	**28 683**	27 546	27 603	n.a.
Superannuation	**—**	—	4	n.a.
Workers compensation	**6 746**	6 746	6 746	n.a.
Other employee entitlements	**—**	—	4	n.a.
Payables	**2 909**	2 794	2 786	n.a.
Borrowings	**—**	—	499	n.a.
Total non current liabilities	**38 338**	37 086	37 642	n.a.
Total liabilities	**82 370**	78 681	78 579	n.a.
Net assets	**422 204**	422 613	420 683	n.a.

DEPARTMENT OF FURTHER EDUCATION, EMPLOYMENT, SCIENCE AND TECHNOLOGY

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Equity				
Accumulated surplus	**393 023**	393 432	391 502	n.a.
Asset revaluation reserves	**29 181**	29 181	29 181	n.a.
Total equity	**422 204**	422 613	420 683	n.a.

DEPARTMENT OF FURTHER EDUCATION, EMPLOYMENT, SCIENCE AND TECHNOLOGY

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Commonwealth grants and payments	**89 691**	95 586	95 586	n.a.
Grants and subsidies	**—**	6 654	5 879	n.a.
Sales of goods and services	**78 147**	75 469	75 151	n.a.
Interest	**788**	688	668	n.a.
State Government — Appropriation	**220 331**	210 899	197 393	n.a.
Other Government revenue	**—**	30	—	n.a.
Other receipts	**5 989**	5 869	5 869	n.a.
Total operating receipts	**394 946**	395 195	380 546	n.a.
Payments				
Employee entitlements	**202 643**	204 823	197 726	n.a.
Supplies and services	**159 800**	141 575	138 244	n.a.
Grants and subsidies	**15 943**	27 908	25 167	n.a.
Total operating payments	**378 386**	374 306	361 137	n.a.
Net cash provided by operating activities	**16 560**	20 889	19 409	n.a.
Investing activities				
Receipts				
Sale of property, plant and equipment	**3 210**	1 290	4 500	n.a.
Payments				
Purchase of property, plant and equipment	**8 550**	11 003	13 846	n.a.
Advances granted	**7 000**	—	7 000	n.a.
Total investing payments	**15 550**	11 003	20 846	n.a.
Net cash provided by investing activities	**-12 340**	-9 713	-16 346	n.a.
Net increase (+) / decrease (-) in cash held	**4 220**	11 176	3 063	n.a.
Opening cash balance as at 1 July	**30 221**	19 045	18 691	n.a.
Closing cash balance as at 30 June	**34 441**	30 221	21 754	n.a.

Agency: Department of Further Education, Employment, Science and Technology

Financial Commentary — Major resource variations

Statement of Financial Performance — Controlled

The estimated operating result for 2002-03 incorporates additional funding from government to meet unavoidable cost pressures being experienced by TAFE Institutes and the Office of Employment. It also reflects the carrying forward of expenditure to 2003-04 resulting from variations in the timing of approved cash flows of various programs.

The projected 2003-04 result includes provision for the 2002-03 carryovers and the cost of salary and wage increases flowing from enterprise agreements, together with additional funding for TAFE Institutes and a number of new initiatives in the Science, Technology and Innovation program.

Portfolio —Tourism

Minister for Tourism

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PORTFOLIO: TOURISM

MINISTERIAL RESPONSIBILITIES

Minister	Agency	Programs
The Hon. Jane Lomax-Smith Minister for Tourism	South Australian Tourism Commission	1. Strategic Advice 2. Tourism Development 3. Tourism Events 4. Tourism Marketing

Statutes

The Department of the Premier and Cabinet maintains a list of statutes applicable to Ministers.

WORKFORCE SUMMARY

Agency	FTEs as at 30 June		
	2003-04 Budget Estimate	**2002-03 Estimated Result**	**2001-02 Actual**
South Australian Tourism Commission	160	170	170
Total	**160**	**170**	**170**

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Portfolio: Tourism

Agency: South Australian Tourism Commission

Objective

The Commission's objectives are to:

- increase visitor numbers to and within the State by creating awareness of South Australia and its tourism assets in key target markets
- facilitate the development of a competitive and profitable tourism industry
- develop a competitive market position
- build strong networks and partnerships with relevant stakeholders for mutual benefit
- achieve sustainability of environmental and economic benefits.

2003-04 Targets / 2002-03 Highlights

Targets 2003-04	Highlights 2002-03
• Focus on domestic marketing, with emphasis on continuing the successful Secrets 'drive' campaign, particularly in the current uncertain international environment • Further develop tourism product which builds on our competitive strengths, including coastal and natural attractions, wine and food, arts and culture, Indigenous product, aquaculture and diving • Continue existing and establish new alliances with other government stakeholders, including the Department for Environment and Heritage, Food SA, Education Adelaide, Arts SA, the SA Film Corporation, TAFE, the Office for Recreation and Sport, and Transport SA • Continue to increase visitation to South Australia through events such as Tasting Australia, Jacob's Creek Tour Down Under, the Rugby World Cup 2003 and the 2004 World Aerobics Championships • Continue implementation of the *South Australian Tourism Plan 2003–2008*, with a particular focus on achieving positive planning policies for sustainable tourism development • Further develop infrastructure in remote areas of South Australia through the Outback Tourism Development Fund, and other tourism infrastructure projects throughout the State via the Minor Tourism Development Fund	• Launched the new drive campaign 'Discover the unwinding roads' as the latest stage of the highly successful Secrets Campaign, to position South Australia as a premier self-drive destination • Developed product in regional areas to attract additional visitors, including the Seafood & Aquaculture Trail in the Eyre Peninsula, the Yorke Peninsula Home Grown Trail and the scuttling of the former HMAS *Hobart* as a dive wreck • Developed strategic alliances with other government agencies to ensure the effective promotion of the State and its assets to target markets, including a training website in conjunction with TAFE; a campaign to generate further revenue from the lucrative conference and convention market and from participants and spectators of major events; a campaign with the State's schools and universities to attract families and friends of international students; and joint marketing collateral with Arts SA, the SA Film Corporation and the Department for Environment and Heritage • Leveraged *2002 Year of the Outback* by attracting additional visitors to the outback through marketed events such as Tastes of the Outback and the Total Solar Eclipse • Released the *South Australian Tourism Plan 2003-2008* which is the blueprint for tourism development in South Australia. It identifies South Australia's strengths and focuses on developing sustainable destinations and products around our competitive advantages of natural and cultural attractions • Developed and implemented new activities and initiatives for major events managed by the South Australian Tourism Commission's Australian Major Events division, such as the Jacob's Creek Tour Down Under, to increase the number of visitors to South Australia • Continued development of tourism infrastructure throughout the State to provide ongoing improvement of facilities for visitors

Program net expenditure summary

Program	Net Expenditure			
	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
1. Strategic Advice	2 065	2 079	2 113	1 654
2. Tourism Development	6 445	10 190	12 107	9 623
3. Tourism Events	9 875	9 771	10 414	15 576
4. Tourism Marketing	25 135	26 019	25 159	28 164
Total	**43 520**	**48 059**	**49 793**	**55 017**

Investing payments summary

Investments	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
New Works				
Purchase of Property Plant and Equipment	110	110	110	362
Purchase of Shares in National Marketing Initiative	—	—	—	150
Total New Works	**110**	**110**	**110**	**512**
Total Investing Payments	**110**	**110**	**110**	**512**

Agency: South Australian Tourism Commission

Program Information

Program 1: Strategic Advice

Description/Objective: To assist the tourism industry by providing tourism forecasting data and statistical research advice and evaluation, and industry policy and planning services.

Operating Statement

Program 1: ***Strategic Advice***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	848	777	777	727
Supplies & Services	965	992	1 306	867
Depreciation	38	38	38	34
Grants & Subsidies	226	302	—	96
Other	9	11	11	11
Total Operating Expenses	**2 086**	**2 120**	**2 132**	**1 735**
Operating Revenue				
Sale of Goods & Services	4	24	2	43
Other	17	17	17	38
Total Operating Revenues	**21**	**41**	**19**	**81**
Net Cost of Program	**2 065**	**2 079**	**2 113**	**1 654**

Performance Criteria:

Sub-program: 1.1	**Planning and Policy** Provides clear vision and direction for the tourism industry and encourages a 'tourism friendly' policy and regulatory environment			
Performance Commentary	With the strengthening of the agency's policy and planning capacity, a high level strategic and policy framework was developed in 2002-03 which will guide changes in the tourism industry over the coming years. The major focus of this work is on integrating tourism into state and local government policy and aligning the various elements of the planning and development process to achieve sustainable tourism development. A major highlight was the release of the *South Australian Tourism Plan 2003-2008*, which is the blueprint for tourism development in South Australia. It identifies South Australia's strengths and focuses on developing sustainable destinations and products around our competitive advantages of natural and cultural attractions. Another successful ongoing initiative was the establishment of the Sustainable Tourism Package, which included the development of a *Sustainable Tourism in Regional South Australia* Discussion Paper and a Regional Tourism Strategy Planning Grant Scheme. Further initiatives in the package, to be undertaken in the coming financial year, include proposed amendments to the Development Regulations of the *Development Act 1994*, production of a Developer's Guide to Innovative Tourism and the creation of at least three Regional Tourism Strategy Plans. Overall, the Policy and Planning Group will be advocating a stronger take-up of tourism policy requirements within mainstream government policy, for example in economic development, transport and natural resource management.			
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$975 000**	**$986 000**	**$1 006 000**	**$727 000**

Sub-program: 1.2	**Research** Collates and distributes statistical information about tourism and travel in South Australia and coordinates market research on behalf of the South Australian Tourism Commission (SATC)			
Performance Commentary	SATC's Research Unit continued to provide vital statistical information relating to tourism and travel at the regional, state and national levels. This is used by the agency, other government departments and the tourism industry in general, and as a basis for decision making on marketing, development and investment strategies. Importantly, the information is used to evaluate virtually all areas of the South Australian Tourism Commission's activities, for example the effectiveness of the current *Secrets* and *Shorts* Campaigns, and the economic impact of special events managed or sponsored by Australian Major Events. Throughout 2002-03, the Research Unit continued to source data from three major tourism surveys (National Visitor Survey, International Visitor Survey and Holiday Tracking Survey), interpret it and distribute summaries through fact sheets, presentations and the corporate website. The unit also continued to track the health of the industry through regular quarterly surveys of operators, conducted other market research surveys and managed the agency's partnership with the University of South Australia's Cooperative Research Centre for Sustainable Tourism — a joint venture between the education, government and industry sectors to provide research and development for the tourism industry. In 2003-04, the Research Unit will continue with all of these activities and manage applied research projects as required.			
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$1 090 000**	**$1 093 000**	**$1 107 000**	**$927 000**

Agency: South Australian Tourism Commission

Program Information

Program 2: Tourism Development

Description/Objective: To provide advice and assistance to tourism operators and develop sustainable tourism product and infrastructure to raise the standard of tourism services and facilities across the State.

Operating Statement

Program 2: ***Tourism Development***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	1 197	1 251	1 251	1 140
Supplies & Services	601	830	10 813	1 183
Depreciation	57	57	57	50
Grants & Subsidies	4 628	8 099	—	9 092
Other	14	16	16	16
Total Operating Expenses	**6 497**	**10 253**	**12 137**	**11 481**
Operating Revenue				
Sale of Goods & Services	27	38	5	401
Grant Revenue	—	—	—	1 400
Other	25	25	25	57
Total Operating Revenues	**52**	**63**	**30**	**1 858**
Net Cost of Program	**6 445**	**10 190**	**12 107**	**9 623**

Performance Criteria:

Sub-program: 2.1	**Tourism Industry Development** Assists the tourism industry in raising standards, efficiencies and marketability of products and services, and develops tourism product that builds on the State's competitive strengths
Performance Commentary	The State Government is committed to ensuring a more sustainable and competitive South Australian tourism industry. In 2002-03 a number of initiatives were developed and implemented to provide practical advice and assistance to tourism operators. A key initiative was the introduction of Tourism Operators Business Education (TO.BE), a new website program developed in collaboration with the South Australian Tourism Commission, the Adelaide Institute of TAFE and the Centre for Innovation, Business and Manufacturing. The new website <www.tobe.com.au> acts as a one-stop shop for tourism operators wanting to locate information about education and training opportunities, with over 30 courses developed specifically for the tourism industry. Since August 2002 Industry Development advisors have visited and advised over 3000 operators. As part of SATC's focus on increasing industry professionalism and standards, $70 000 was provided to the National Tourism Accreditation Board to support the board's work in increasing the number of accredited operators. The program currently has over 300 accredited operators. SATC also provided $260 000 to visitor information centres across the State to assist with the provision of vital information and services for our visitors, and, importantly, to encourage them to stay longer and experience more regions. Funding will continue in 2003-04, but will be focused on achieving more specific and accountable outcomes. A number of product development projects have been undertaken this year involving the wine and food, nature-based and Indigenous tourism sectors in South Australia. The Eyre Peninsula's Seafood & Aquaculture Trail, Yorke Peninsula's Home Grown Trail and several self-guided wine trails in South Australia's prominent wine regions have been created. Other recent projects include SATC successfully securing the National Ecotourism Conference to be held in Adelaide and the Riverland in November 2003, a new South Australian wine tourism product manual under development for more efficient access to booking information by the travel trade, and new Indigenous performance and cultural displays at Ceduna's Arts & Cultural Centre. SATC has also strengthen its working relationship with the Department for Environment and Heritage and the Office for Recreation and Sport, including cooperative marketing initiatives such as the *Trails SA* brochure and website and the *SA National Parks Guide*. SATC is also working with the other State Tourism organisations to develop tourism opportunities across borders. In 2003-04, SATC will continue to build on these relationships and create new ones to increase our State's competitive strengths of nature-based and coastal attractions, wine and food, arts and culture, Indigenous product and diving opportunities. SATC's Industry Development Unit will also continue to provide advice and assistance to operators, encourage regions and businesses to develop complementary tourism product, and support the visitor information centre network throughout the State.

	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$1 979 000**	**$2 078 000**	**$2 107 000**	**$1 231 000**

Sub-program: 2.2	**Tourism Infrastructure Development** Identifies, evaluates, assists and funds tourism infrastructure projects throughout the State
Performance Commentary	In 2002-03 the South Australian Tourism Commission continued to operate the Minor Tourism Development Fund and the Outback Tourism Development Fund to support and develop tourism infrastructure in regional areas for the benefit of the industry and local communities. Under the Minor Tourism Development Fund, 47 projects were supported ($1.0 million of SATC support) that leveraged around $1.4 million of additional funding. This funding has been widely distributed across all tourism regions of the State. During the year 27 projects were approved under the Outback Tourism Development Fund, with total grants of $617 000 including $250 000 to the Southern Flinders Ranges project, which incorporates 17 separate infrastructure initiatives. This funding support leveraged additional project funding of some $11 million. SATC also continued to support the development of the visitor information centre network throughout the State, with seven projects supported to the value of approximately $900 000 during the year. In 2002-03 other major projects included the development of tourism facilities at the Head of Bight in association with the Yalata Aboriginal Community and further enhancement of eco-tourism ventures, particularly Indigenous eco-tourism opportunities in the Coorong and the Flinders Ranges. A major achievement in 2002-03 was the scuttling of the former HMAS *Hobart* as a dive wreck. In the first four months of operation it is estimated that over 3000 divers have accessed the site, with a majority coming from NSW and Victoria and some from overseas. The local council has already noticed a positive impact upon the local economy with the hospitality sector benefiting greatly. In 2003-04, a major highlight is the ongoing funding for the Minor Tourism Development Fund. The Fund was due to finish this year, however the decision by the Government to allocate ongoing funding will mean that the Infrastructure Unit can continue to support sustainable infrastructure projects that provide economic and social benefits to local communities and the State as a whole. The Outback Tourism Development Fund will also continue to provide ongoing improvement of facilities for visitors.

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
Net cost of sub-program	**$4 466 000**	**$8 112 000**	**$10 000 000**	**$8 392 000**

Agency: South Australian Tourism Commission

Program Information

Program 3: Tourism Events

Description/Objective: To bid for and stage major events in South Australia.

Operating Statement

Program 3: ***Tourism Events***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	2 348	2 441	2 441	2 555
Supplies & Services	7 810	8 106	9 515	9 563
Depreciation	197	197	197	223
Grants & Subsidies	2 548	2 263	—	7 847
Other	28	33	33	34
Total Operating Expenses	**12 931**	**13 040**	**12 186**	**20 222**
Operating Revenue				
Sale of Goods & Services	3 004	3 217	1 720	4 468
Grant Revenue	—	—	—	60
Other	52	52	52	118
Total Operating Revenues	**3 056**	**3 269**	**1 772**	**4 646**
Net Cost of Program	**9 875**	**9 771**	**10 414**	**15 576**

Performance Criteria:

Program: 3	**Tourism Events**
Performance Commentary	In 2002-03 Australian Major Events (AME) managed four major events — the Adelaide Rose Festival, Mitsubishi Adelaide International Horse Trials, Credit Union Christmas Pageant and the Jacob's Creek Tour Down Under. In addition, AME sponsored other events totalling $2.1 million. The major focus this year has been to attract additional visitors to the State for the major events; for example, the Jacob's Creek Tour Down Under attracted an estimated 10 800 visitors. This focus will continue for events staged in 2003-04. In 2003-04 AME will manage the Credit Union Christmas Pageant, Tasting Australia, World Solar Challenge and the Jacob's Creek Tour Down Under as well as hosting two matches of the 2003 Rugby World Cup being held in October. AME will also continue to sponsor other events, with $1.9 million being provided. As part of its ongoing event bidding and development program, AME identified and targeted four new events in the 2002-03 financial period. One of these bids was presented in 2002-03 and the remaining three bids will be presented in 2003-04. AME will continue investigations into holding the Outback Cattle Drive in 2005. Most importantly, the ongoing future of the AME group has been secured in this budget. The Government has approved an increase to AME's ongoing base funding of $2.5 million from 2005-06.

	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$9 875 000**	**$9 771 000**	**$10 414 000**	**$15 576 000**

Agency: South Australian Tourism Commission

Program Information

Program 4: Tourism Marketing

Description/Objective: To provide high quality marketing services and development of marketing strategies and campaigns that increase the number of visitors to South Australia

Operating Statement

Program 4: ***Tourism Marketing***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	6 299	6 115	6 115	6 048
Supplies & Services	16 737	18 740	20 089	22 280
Depreciation	358	358	358	313
Grants & Subsidies	3 251	3 157	—	3 279
Other	85	100	100	103
Total Operating Expenses	**26 730**	**28 470**	**26 662**	**32 023**
Operating Revenue				
Sale of Goods & Services	1 439	2 295	1 347	3 503
Grant Revenue	—	—	—	—
Other	156	156	156	356
Total Operating Revenues	**1 595**	**2 451**	**1 503**	**3 859**
Net Cost of Program	**25 135**	**26 019**	**25 159**	**28 164**

Performance Criteria:

Sub-program: 4.1	**Domestic Marketing** Develops and implements national marketing campaigns and programs to maintain awareness of the State's tourism assets and that increase visitation to and within South Australia
Performance Commentary	Initially launched in 1998, the highly successful *Secrets* Campaign has generated an additional 93 000 visitors to the State from key interstate markets such as New South Wales, Victoria and South East Queensland. This has resulted in direct expenditure of more than $64 million. In 2002-03 the emphasis of the *Secrets* Campaign focused on the drive market, delivering targeted messages via cinema, television, magazines, press and direct mail. The centerpiece of the Drive Campaign is a publication entitled *Discover the unwinding roads* and since its launch in November 2002, more than 185 000 books have been distributed. The Commission's consumer database has increased by more than 50% (30 000) while website traffic has also risen by 15%. Other marketing collateral produced by the South Australian Tourism Commission (SATC) throughout the year in conjunction with industry partners includes the *Hip Guide to Adelaide* and South Australia's Movie Map. The South Australian Visitor & Travel Centre plays a key role in the national marketing effort, with an estimated 280 000 visitors, 106 000 phone calls and 20 000 internet enquiries during 2002-03. The SATC will continue to leverage the Secrets brand in the coming year, with domestic marketing becoming increasingly important due to the adverse effect on international markets of recent overseas events. It will work cooperatively with industry and trade partners to motivate consumers through media campaigns, national marketing programs, consumer and trade shows and the use of the South Australian Specialist travel agency network. SATC's Regional Events and Festivals Program provided funding to events and festivals which generated tourist activity in South Australia, and lifted the tourism profile of the State's regions. In 2002-03 over $411 000 was allocated to 49 events across all regions. The program will continue in 2003-04. In 2002-03 the Regional Marketing Committees have developed and implemented marketing initiatives, which integrate into the overall SATC Marketing Plan. Additionally, 12 regions have produced and distributed individual regional visitor guides, a collective print-run of more than 1.5 million copies attached to a comprehensive domestic marketing campaign. In 2003-04 additional funds have been provided for an ongoing campaign aimed at generating better economic return from visitors to South Australia who arrive for conferences, conventions and events, as well as from families and friends who visit international students studying in Adelaide. It is designed to encourage them to extend their stay in South Australia and visit regional areas.

	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$18 448 000**	**$19 971 000**	**$18 785 000**	**$21 004 000**

Sub-program: 4.2	**International Marketing** Positions South Australia as a compelling part of an Australian journey for overseas visitors by working cooperatively with trade partners and implementing public relations campaigns to ensure the consumer is aware of the destination and that every opportunity is taken to convert this awareness into travel
Performance Commentary	In 2002-03 SATC maintained offices and representation in five international regions, including New Zealand, North America, UK, Southern Europe, Central Europe and Asia (based in Singapore). In addition, staff from the Adelaide office service the Japanese market on a regular basis. Due to the tremendous cost of marketing internationally, SATC works closely with the travel trade and the Australian Tourist Commission to increase awareness of South Australia and its tourism assets. During 2002-03 the agency participated cooperatively in a number of campaigns. The largest of these was in the USA, where it was a partner in the US$3.6 million Qantas *More Wonders Down Under* campaign. This sees Kangaroo Island and Adelaide featured as part of a package promoted on television, magazines and other press advertising. The campaign commenced in September 2002 and will continue until August 2003. In New Zealand a major Brand Campaign was undertaken on television and in various print media to increase awareness of South Australia. Thus far, over 2500 responses have been received, each of whom receive a free information pack on South Australia. Increasing terrorism threats, the war in Iraq and the SARS virus have all resulted in decreased international visitation, not only to Australia but worldwide. Despite this, SATC remains confident that strategic marketing initiatives in our key markets, and even soft entries into new and emerging markets such as China, will prove to be fruitful ventures. It is imperative that the State maintains a presence in all of its target markets to ensure it is not disadvantaged when the international market recovers. SATC has made a decision to restructure its representation in the Asian market. A SATC representative will be employed directly and placed within the Australian Tourist Commission offices in Singapore, which will forge closer ties with the Australian Tourist Commission, one of the SATC's ongoing strategies internationally. SATC will continue to service the key markets of Singapore, Hong Kong and Malaysia.

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
Net cost of sub-program	**$6 687 000**	**$6 048 000**	**$6 374 000**	**$7 160 000**

SOUTH AUSTRALIAN TOURISM COMMISSION

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Grant revenue	**—**	—	—	1 460
Sales of goods and services	**4 474**	5 574	3 074	8 415
Investment revenue	**250**	250	250	569
Total operating revenue	**4 724**	5 824	3 324	10 444
Revenue from Government				
State Government — Appropriation	**43 159**	46 044	45 444	53 024
Other Government revenue	**—**	—	—	5 088
Total revenue from Government	**43 159**	46 044	45 444	58 112
Total revenue from ordinary activities	**47 883**	51 868	48 768	68 556
Expenses				
Employee entitlements —				
Salaries, wages, annual and sick leave	**9 110**	9 013	9 013	9 006
Long service leave	**258**	247	247	78
Payroll tax	**547**	522	522	532
Superannuation	**777**	802	802	812
Other employee entitlements	**—**	—	—	42
Supplies and services —				
Rental expenses	**1 100**	1 065	—	1 073
Consultancy expenses	**250**	250	600	164
Other supplies and services	**24 763**	27 353	41 123	32 656
Depreciation and amortisation	**650**	650	650	620
Interest and other finance expenses	**136**	160	160	103
Grants and subsidies	**10 653**	13 821	—	20 314
Other expenses	**—**	—	—	61
Total expenses from ordinary activities	**48 244**	53 883	53 117	65 461
Operating result before tax	**-361**	-2 015	-4 349	3 095
Net revenue from asset disposal	**—**	—	—	-125
Operating result after restructuring and asset disposal	**-361**	-2 015	-4 349	2 970
Operating result after income tax	**-361**	-2 015	-4 349	2 970
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	—
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	—
Total amounts recognised directly in equity	**—**	—	—	—
Total non-owner changes in equity	**-361**	-2 015	-4 349	2 970

SOUTH AUSTRALIAN TOURISM COMMISSION

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**3 739**	4 100	2 587	6 115
Receivables	**3 134**	3 134	4 387	3 134
Other current assets	**47**	47	50	47
Total current assets	**6 920**	7 281	7 024	9 296
Non current assets				
Investments	**400**	400	—	400
Plant and equipment	**1 877**	1 986	1 926	2 336
Intangible assets	**57**	98	228	138
Total non current assets	**2 334**	2 484	2 154	2 874
Total assets	**9 254**	9 765	9 178	12 170
Liabilities				
Current liabilities				
Employee entitlements —				
Annual leave	**911**	911	521	599
Long service leave	**342**	342	342	549
Workers compensation	**—**	—	—	5
Payables	**2 695**	2 706	4 341	3 169
Borrowings	**138**	129	129	121
Other current liabilities	**228**	228	494	228
Total current liabilities	**4 314**	4 316	5 827	4 671
Non current liabilities				
Employee entitlements —				
Long service leave	**260**	260	650	145
Workers compensation	**—**	—	—	15
Payables	**24**	24	79	24
Borrowings	**883**	1 031	1 025	1 166
Total non current liabilities	**1 167**	1 315	1 754	1 350
Total liabilities	**5 481**	5 631	7 581	6 021
Net assets	**3 773**	4 134	1 597	6 149
Equity				
Accumulated surplus	**-1 085**	-724	116	1 291
Other reserves	**4 858**	4 858	1 481	4 858
Total equity	**3 773**	4 134	1 597	6 149

SOUTH AUSTRALIAN TOURISM COMMISSION

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Grants and subsidies	**—**	—	—	1 340
Sales of goods and services	**4 474**	5 574	3 074	8 025
Interest	**250**	250	250	541
State Government — Appropriation	**43 159**	46 044	45 444	53 024
Other Government revenue	**—**	—	—	5 088
Total operating receipts	**47 883**	51 868	48 768	68 018
Payments				
Employee entitlements	**10 692**	10 384	10 384	10 160
Supplies and services	**26 582**	29 361	42 416	35 008
Interest and other financial payments	**68**	80	80	101
Grants and subsidies	**10 653**	13 821	—	20 280
Net GST paid	**—**	—	—	41
Total operating payments	**47 995**	53 646	52 880	65 590
Net cash provided by operating activities	**-112**	-1 778	-4 112	2 428
Investing activities				
Receipts				
Sale of property, plant and equipment	**—**	—	—	7
Payments				
Purchase of property, plant and equipment	**110**	110	110	362
Purchase of shares and investments	**—**	—	—	150
Total investing payments	**110**	110	110	512
Net cash provided by investing activities	**-110**	-110	-110	-505
Financing activities				
Payments				
Repayment of borrowings	**139**	127	127	113
Net cash provided by financing activities	**-139**	-127	-127	-113
Net increase (+) / decrease (-) in cash held	**-361**	-2 015	-4 349	1 810
Opening cash balance as at 1 July	**4 100**	6 115	6 936	4 305
Closing cash balance as at 30 June	**3 739**	4 100	2 587	6 115

Agency: South Australian Tourism Commission

Financial Commentary — Major resource variation

Statement of Financial Performance — Controlled

Operating revenue

Operating revenue is expected to decrease by $1.1 million from $5.824 million in 2002-03 to $4.724 million in 2003-04. This decrease is due to additional revenue being received in 2002-03 for event sponsorships and cooperative marketing programs.

Revenue from Government is estimated to decrease by $2.885 million from $46.044 million in 2002-03 to $43.159 million in 2003-04.

While revenue from Government has decreased, there are now two major initiatives to be funded on an ongoing basis, which were, until recently, funded only on a short-term basis. The Minor Infrastructure Fund will continue with funding of $1.055 million per annum, while from 2005-06, the base funding for Australian Major Events will be increased by $2.5 million per annum.

Other initiatives for 2003-04 include the 'Linger Longer' campaign, aimed at generating better economic return from visitors to South Australia who arrive for conferences, conventions and events, as well as from families and friends who visit international students studying in Adelaide. An amount of $250 000 has been allocated for this campaign over a two-year period.

Intrastate marketing will now receive $500 000 each year to encourage South Australians to travel more extensively through their own state.

One saving has been made by the Commission for 2003-04 — $100 000 for event sponsorship.

In line with its ongoing review of events to determine the economic benefits provided to the State, the Commission has decided not to continue managing and staging the Mitsubishi Adelaide International Horse Trials, as the event has not been able to generate sufficient economic benefit. Although the Commission will not manage the event in 2003, it will continue to work with the equestrian community to investigate holding an alternative equestrian event.

The decrease in government revenue of $6.15 million is due to the completion of several short-term projects scheduled for completion in 2002-03, including:

- replacement of the SA Visitor & Travel Centre Booking System ($300 000)
- additional funding provided for 2002 *Year of the Outback* events associated with the Total Solar Eclipse in December 2002 ($600 000)
- international marketing funds allocated for campaigns ending in 2002-03 ($700 000)
- interstate and intrastate marketing funds provided for campaigns ending in 2002-03 ($2.0 million)
- scuttling of the former HMAS *Hobart* as a dive wreck, which occurred in November ($750 000)
- development of infrastructure facilities and services at the Coorong ($200 000)
- end of the General Infrastructure Fund, which will finish in 2002-03 ($1.6 million).

Funding will also be received for the following existing projects:

- increase in event funding ($200 000)
- increase in funding for the third and final year of the $6.7 million Outback Infrastructure Fund ($700 000).

In addition, the Commission is expecting an increase in government revenue of $1.785 million to account for wage increases, inflation and other base funding changes.

Operating expenditure

Operating expenses are expected to decrease from $53.883 million in 2002-03 to $48.244 million in 2003-04.

The decrease mostly represents the net decrease in revenue listed above of $2.885 million in government revenue and $1.1 million in operating revenue, plus changes in carryovers of $1.642 million.

Statement of Financial Position — Controlled

Net assets of the Commission are expected to decrease by $361 000 from $4.134 million in 2002-03 to $3.773 million in 2003-04. This decrease is mostly attributable to a decrease in the cash balance as a result of the carryover of funds from 2002-03 to 2003-04.

Statement of Cash Flows — Controlled

The projected closing cash balance at 30 June 2003 of $4.1 million is estimated to decrease by $361 000 in 2003-04. The decrease in cash reflects timing differences associated with the approved carryover of unspent international funds from 2002-03 to 2003-04.

Auditor-General's Department

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Agency: Auditor-General's Department

Objective

To contribute as an important body to the accountability of the Executive Government and public sector agencies to Parliament by the provision of independent reports on matters concerning public sector finance, use of public resources and the probity and lawfulness of matters associated with public administration.

2003-04 Targets / 2002-03 Highlights

Targets 2003-04	Highlights 2002-03
• Present the Auditor-General's Annual Report to Parliament as prescribed by the *Public Finance and Audit Act 1987* • Identify and undertake as a priority, a program of reviews of specific issues of importance and interest in the public sector, aimed at improving processes and/or maintaining accountability in public sector agencies • Implement a revised robust quality assurance framework for all financial attest and controls opinion audit work • Improve the quality of the presentation of information in reports to Parliament	• Presented the Auditor-General's Annual Report to Parliament as prescribed by the *Public Finance and Audit Act 1987* • Presented the Auditor-General's Interim and Final Reports on the examination of the Port Adelaide Waterfront Redevelopment – Misdirection of Bid Documents to Parliament as requested • Implemented a revised performance management system for all employees • Initiated a program of reviews of specific issues of importance and interest in the public sector, aimed at improving processes and/or maintaining accountability in public sector agencies • Developed a new 3-year Corporate Plan for the department's operations for the period 2003-04 to 2005-06

Program net expenditure summary

Program	Net Expenditure			
	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
1. Auditing Services	9 602	9 938	9 283	9 025
Total	**9 602**	**9 938**	**9 283**	**9 025**

Investing payments summary

Investments	2003-04 Budget $000	2002-03 Estimated Result $000	2002-03 Budget $000	2001-02 Actual $000
Minor Works				
Purchase of Equipment	**318**	309	309	358
Total Investing Payments	**318**	**309**	**309**	**358**

Workforce Summary

Agency	FTEs as at 30 June		
	2003-04 Budget Estimate	2002-03 Estimated Result	2001-02 Actual
Total	**110**	**110**	**106**

Agency: Auditor-General's Department

Program Information

Program 1: Auditing Services

Description/Objective: The program relates to the provision of auditing services covering all the audit responsibilities prescribed under the *Public Finance and Audit Act 1987*.

Operating Statement

Program 1: ***Auditing Services***	**2003-04 Budget**	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
	$000	**$000**	**$000**	**$000**
Operating Expenses				
Employee entitlements	7 141	7 078	6 549	6 305
Supplies & Services	2 173	2 602	2 469	2 572
Other	338	312	312	283
Total Operating Expenses	**9 652**	**9 992**	**9 330**	**9 160**
Operating Revenue				
Other	50	54	47	135
Total Operating Revenues	**50**	**54**	**47**	**135**
Net Cost of Program	**9 602**	**9 938**	**9 283**	**9 025**

Program 1: Performance Criteria:

Sub-program: 1.1	**Prescribed audits** All audit work to be undertaken for agencies where the Auditor-General is the prescribed auditor — the department must annually conduct the audit as prescribed by the *Public Finance and Audit Act 1987*			
Performance Commentary:	There are no major variations for this department's funding for this year with the exception of the approved general increases in: • salaries and wages associated with enterprise bargaining outcomes • goods and services associated with CPI increases.			
	2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program	**$9 602 000**	**$9 458 000**	**$9 283 000**	**$8 806 000**

Sub-program: 1.2	**Special Investigations** All work defined within the *Public Finance and Audit Act 1987* that is specifically requested by either the Parliament, Treasurer or Minister to be undertaken and reported to Parliament by the Auditor-General				
Performance Commentary:	During 2002-03 the department sought and obtained additional funding of $480 000 from the Treasurer to fund special investigations (refer Financial Commentary for details).				
		2003-04 Budget	**2002-03 Estimated Result**	**2002-03 Budget**	**2001-02 Actual**
Net cost of sub-program		**—**	**$480 000**	**—**	**$219 000**

AUDITOR-GENERAL'S DEPARTMENT

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Other revenue	**50**	54	47	135
Total operating revenue	**50**	54	47	135
Revenue from Government				
State Government — Appropriation	**9 682**	9 283	9 283	9 231
Other Government revenue	**—**	655	—	1
Total revenue from Government	**9 682**	9 938	9 283	9 232
Total revenue from ordinary activities	**9 732**	9 992	9 330	9 367
Expenses				
Employee entitlements —				
Employee entitlements	**5 851**	5 790	5 401	5 201
Other employee entitlements	**1 290**	1 288	1 148	1 104
Supplies and services —				
Consultancy expenses	**310**	589	300	356
Other supplies and services	**1 863**	2 013	2 169	2 216
Depreciation and amortisation	**327**	301	301	279
Other expenses	**11**	11	11	5
Total expenses from ordinary activities	**9 652**	9 992	9 330	9 161
Operating result before tax	**80**	—	—	206
Net revenue from asset disposal	**—**	—	—	1
Operating result after restructuring and asset disposal	**80**	—	—	207
Operating result after income tax	**80**	—	—	207
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	—
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	—
Total amounts recognised directly in equity	**—**	—	—	—
Total non-owner changes in equity	**80**	—	—	207

AUDITOR-GENERAL'S DEPARTMENT

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and deposits at call	**1 219**	990	674	940
Receivables	**119**	152	116	116
Total current assets	**1 338**	1 142	790	1 056
Non current assets				
Plant and equipment	**387**	447	422	489
Total assets	**1 725**	1 589	1 212	1 545
Liabilities				
Current liabilities				
Employee entitlements	**642**	611	660	586
Payables	**208**	201	154	188
Borrowings	**3**	3	3	3
Total current liabilities	**853**	815	817	777
Non current liabilities				
Employee entitlements	**1 161**	1 143	1 044	1 136
Payables	**147**	147	74	148
Total non current liabilities	**1 308**	1 290	1 118	1 284
Total liabilities	**2 161**	2 105	1 935	2 061
Net assets	**-436**	-516	-723	-516
Equity				
Accumulated surplus	**-436**	-516	-723	-516
Total equity	**-436**	-516	-723	-516

AUDITOR-GENERAL'S DEPARTMENT

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Fees and commissions	**2**	2	2	—
Net GST received	**298**	271	258	270
State Government — Appropriation	**9 682**	9 283	9 283	9 231
Other Government revenue	**—**	655	—	1
Other receipts	**48**	52	45	135
Total operating receipts	**10 030**	10 263	9 588	9 637
Payments				
Employee entitlements	**7 085**	7 011	6 527	6 116
Supplies and services	**2 173**	2 625	2 492	2 873
Net GST paid	**265**	307	259	—
Other payments	**7**	7	7	5
Total operating payments	**9 530**	9 950	9 285	8 994
Net cash provided by operating activities	**500**	313	303	643
Investing activities				
Receipts				
Sale of property, plant and equipment	**47**	46	46	59
Payments				
Purchase of property, plant and equipment	**318**	309	309	358
Net cash provided by investing activities	**-271**	-263	-263	-299
Net increase (+) / decrease (-) in cash held	**229**	50	40	344
Opening cash balance as at 1 July	**990**	940	634	596
Closing cash balance as at 30 June	**1 219**	990	674	940

ADMINISTERED ITEMS FOR THE AUDITOR-GENERAL'S DEPARTMENT

Statement of financial performance

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Revenue				
Operating revenue				
Other revenue	**8 423**	8 291	8 291	8 470
Revenue from Government				
State Government — Appropriation	**975**	1 026	1 020	934
Total revenue from ordinary activities	**9 398**	9 317	9 311	9 404
Expenses				
Employee entitlements	**224**	224	215	207
Supplies and services — Other	**766**	754	754	—
Other expenses	**8 423**	8 291	8 291	9 248
Total expenses from ordinary activities	**9 413**	9 269	9 260	9 455
Operating result after income tax	**-15**	48	51	-51
Increase (+) / decrease (-) in asset revaluation reserve	**—**	—	—	—
Increase (+) / decrease (-) in retained surplus on adoption of new standard	**—**	—	—	—
Total amounts recognised directly in equity	**—**	—	—	—
Total non-owner changes in equity	**-15**	48	51	-51

ADMINISTERED ITEMS FOR THE AUDITOR-GENERAL'S DEPARTMENT

Statement of financial position

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Receivables	**564**	564	590	564
Total assets	**564**	564	590	564
Liabilities				
Current labilities				
Employee entitlements	**94**	91	98	88
Payables	**694**	694	711	760
Total current liabilities	**788**	785	809	848
Non current liabilities				
Employee entitlements	**197**	185	180	170
Total liabilities	**985**	970	989	1 018
Net assets	**-421**	-406	-399	-454
Equity				
Accumulated surplus	**-421**	-406	-399	-454
Total equity	**-421**	-406	-399	-454

ADMINISTERED ITEMS FOR THE AUDITOR-GENERAL'S DEPARTMENT

Statement of cash flows

	2003-04 Budget	2002-03 Estimated Result	2002-03 Budget	2001-02 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Net GST received	**766**	754	754	—
State Government — Appropriation	**975**	1 026	1 020	934
Other receipts	**7 657**	7 537	7 537	8 505
Total operating receipts	**9 398**	9 317	9 311	9 439
Payments				
Employee entitlements	**209**	206	200	199
Net GST paid	**766**	820	820	735
Other payments	**8 423**	8 291	8 291	8 505
Total operating payments	**9 398**	9 317	9 311	9 439
Net increase (+) / decrease (-) in cash held	**—**	—	—	—

Further details on receipts and payments relating to Administered items can be found in the Notes to the Portfolio Statement.

Agency: Auditor General

Financial Commentary — Major resource variations

The following commentary relates to the Programs Net Expenditure Statement and the Budgeted Financial Statements presented in the previous sections.

Statement of Financial Performance — Controlled

The variations for this department's funding for the 2003-04 year relate to the approved general increases for 2003-04, namely the:

- salaries and wages increases associated with enterprise bargaining outcomes
- goods and services increases associated with CPI increases.

In addition, the estimated result for 2002-03 includes one-off specific purpose funding totalling $655 000 received by the department in 2002-03. That specific purpose funding comprised $480 000 to fund the conduct of four special investigations; and $175 000 to alleviate cost pressures associated with the department's salaries and wages budget.

The main variations for this department's estimated result reflects the requirement for the Auditor-General to undertake certain special investigation work, and cost pressures associated with the department's salaries and wages budget.

During the year the Auditor-General was requested to undertake four special investigations, namely to:

- review 'Certain Matters Associated with the Administration of the Emergency Services Budget'
- review 'Certain Matters Associated with Funding provided to the Basketball Association of South Australia'
- examine and report on the 'Port Adelaide Waterfront Redevelopment – Misdirection of Bid Documents'
- examine and report on the 'Acquisition of a Magnetic Resonance Imaging Machine at the Queen Elizabeth Hospital'.

No funding was originally budgeted for this sub-program for the 2002-03 year. During the year the department sought and obtained additional funding of $480 000 to complete these investigations.

During the year the Auditor-General's Department experienced significant cost pressures associated with the department's salaries and wages budget as a result of a temporary overstaffing position arising from graduate recruitment to replace traditional employee turnover rates which did not eventuate, and the introduction of a new organisational structure. The department implemented a number of strategies to make savings in the 2002-03 financial year including deferral of the commencement of certain specialised contracted out audit work to the early part of 2003-04. It is important to note that the deferral of that work did not adversely impact on the department's outcomes for the 2002-03 financial year. As a result of those strategies, the department identified savings of $354 000 in its supplies and services budget to partially fund the additional salaries and wages costs. In addition, the department sought and obtained additional funding of $175 000 to alleviate the cost pressures.

ACCOUNTING STANDARDS

ACCOUNTING STANDARDS

Estimates have been prepared in accordance with generally accepted accounting principles, except where these notes indicate otherwise.

Estimated results for 2002-03 are based on projected outcomes and information available at the time of preparation.

Basis of Measurement

In accordance with Government policy, one or more of the following measurement bases have been adopted for assets of an agency recognised in the financial statements:

- deprival value—assets are valued with reference to the current cost of replacing the future economic benefits that can be obtained from the remaining useful lives of the assets
- fair value – means the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction (in many cases agencies use written-down current cost as a proxy for fair value).
- acquisition cost
- written-down historical cost
- an amount recognised in the accounts of a transferor entity upon a restructure.

From 1 July 2002 all non-current assets, with a cost of acquisition greater than $1 million and a useful life of more than three years, are required to be valued at fair value unless excluded from the scope of Australian Accounting Standard AASB 1041 *Revaluation of Non-Current Assets* or an alternative valuation is specified by another accounting standard.

Depreciation and Amortisation of Non Current Assets

All non current assets having limited useful lives are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential. The three most common methods used for calculating depreciation expense are the straight line, reducing balance and units of output methods.

Works of art are anticipated to have very long and indeterminate useful lives. Their service potential has not, in any material sense, been consumed during the reporting period. As such, no amount for depreciation has been recognised in respect of them.

Assets acquired under finance leases are amortised in a manner consistent with Australian Accounting Standard AAS 17 *Accounting for Lease*s.

Reporting entities

Reporting Entities for Budget Purposes

In accordance with Australian Accounting Standard AAS 24 *Consolidated Financial Report*s, the financial reports include all assets, liabilities, equities, revenues and expenses of individual entities and portfolio agencies (administrative groupings of entities).

In the process of reporting on portfolio agencies or other entities as single economic entities, transactions and balances between controlled entities have been eliminated.

Notes in the statements of the portfolio agencies will identify which entities have been included in the consolidated reports for that portfolio.

Separation of Disclosure

The statements provide disclosure through the separation of activities defined as agency controlled activities and administered activities.

Agency controlled activities are those which relate to the delivery of services through resources controlled by the agency.

Administered activities are those which an agency administers but for which the agency does not control the use of resources.

Employee Benefits

Employee benefits (including salaries and wages, annual leave, long-service leave, sick leave, fringe benefits and superannuation benefits) reflect those benefits accrued as a result of services provided by employees up to the reporting date.

Annual leave

From 1 July 2002 employee benefits are measured at their nominal amounts based on the remuneration rates an agency expects to pay.

Sick leave

There is no liability for non vesting sick leave (a non vesting entitlement is that which does not constitute a legal obligation of the employing agency until a valid claim is made by an employee or an event has occurred) if on average sick leave taken is less than total entitlements accruing.

Accordingly, for the majority of agencies, no liability will be recognised in respect of this item.

Vesting sick leave entitlements are rare for South Australian Government employees.

Long service leave

For long service leave the liability to be settled more than twelve months from the reporting date is measured as the present value of estimated future cash flows.

Superannuation

For South Australian Government controlled agencies, the Treasurer assumes accruing superannuation liability in return for periodic payments. Therefore, unless there are contributions due but not yet paid at the reporting date, there is no liability for the agency.

Two types of superannuation funds are in operation currently in the public sector: defined benefit plans and defined contribution plans. In a defined benefit plan a member's entitlement is determined by reference to a formula based on years of membership and/or salary levels. In a defined contribution plan a member's entitlement is determined by reference to accumulated contributions made to the plan together with investment earnings thereon. Under existing arrangements, the Treasurer is liable for any net deficiency in assets for the defined benefits plans but is not responsible for any such deficiency for defined contribution plans. Deficits in defined benefit superannuation plans are recognised as liabilities in the statement of financial position. The deficits are measured as the excess of employees' accrued benefits resulting from services up to the reporting date over the net market value of the plan's assets as at the reporting date.

Revenue recognition

Wherever possible revenue is recognised when the transaction or event giving rise to the revenue occurs. As a result, all items of revenue are normally reported in the Statement of Financial Performance when an agency is deemed to have gained control over the amounts in question. In circumstances where it is not possible to determine objectively when control over assets passes to an agency, the amounts in question are brought to account at the time at which cash is received.

For the purposes of revenue recognition, grants received by the Government or its agencies are brought to account at the time at which control over the underlying asset is achieved.

Opening balances

The opening balance for cash in 2002-03 in the Cash Flow Statement of an agency is based on the closing 2001-2002 cash balance as stated in the financial reports for the agency in the Report of the Auditor-General for 2001-2002.

Exceptions are noted in the Notes to Financial Statements of an agency where a more appropriate opening balance has been used.

Accrual appropriation

In general, the amount allocated as appropriation is intended to cover the full cost of service delivery (including depreciation but excluding provision for doubtful debts and gains/losses on disposal of assets), net of other sources of revenue.

The investment program requirements for an agency may be funded through State Government sources including depreciation, operating receipts, the proceeds of asset sales from business rationalisation, grants and through Commonwealth payments. Where the investment requirements of an agency are not funded from these sources, the State Government funding of an agency's investment program will generally be treated as an Equity Contribution from the Government, as representative owner. These contributions are treated as contributions to equity rather than operating revenue in an agency (in accordance with Treasurer's Instruction 3).

Funds appropriated, but not required to meet current year cash outflows will be deposited with the Treasurer and will show as an asset in the agency's Statement of Financial Position.

Rounding

All amounts in the financial reports have been rounded to the nearest thousand dollars unless otherwise indicated.

Due to rounding there may be instances where financial statements and tables do not add.

Presentation

The formats prescribed for general purpose financial reporting in AASB 1018 *Statement of Financial Performance* and AAS 36 *Statement of Financial Position* have been adopted.