2006 | 07

PORTFOLIO STATEMENT

BUDGET PAPER 4 Vol 2

Presented by the Honourable Kevin Foley MP
Deputy Premier and Treasurer of South Australia
on the Occasion of the Budget for 2006–07

Government
of South Australia

Table of Contents

VOLUME ONE

Introduction

Portfolio – Premier and Cabinet 1

Portfolio – Trade and Economic Development 2

Portfolio – Treasury and Finance 3

Portfolio – Justice 4

Accounting Standards

VOLUME TWO

Introduction

Portfolio – Primary Industries and Resources 5

Portfolio – Transport, Energy and Infrastructure 6

Portfolio – Health 7

Portfolio – Administrative and Information Services 8

Portfolio – Education and Children's Services 9

Accounting Standards

VOLUME THREE

Introduction

Portfolio – Tourism 10

Portfolio – Families and Communities 11

Portfolio – Environment and Conservation and the River Murray 12

Portfolio – Further Education, Employment, Science and Technology 13

Auditor-General 14

Accounting Standards

INTRODUCTION

The Portfolio Statements outline financial and non-financial information about the services provided to, and on behalf of, the community by each portfolio. The following discussion outlines key aspects of the Statements.

FINANCIAL STATEMENTS

The financial statements contained in the 2006-07 Portfolio Statements are special purpose financial reports. These are the first financial statements to be prepared largely in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS). Financial statements in previous portfolio statements were based on Generally Accepted Accounting Principles (GAAP).

Comparative figures (2004-05 and 2005-06) in the 2006-07 Portfolio Statements have been restated largely on an AIFRS basis.

The adoption of AIFRS has resulted in the following changes that are reflected in the Portfolio Statements:

- the introduction of a fourth financial statement (Statement of Changes in Equity);
- changes to identification and measurement rules relating to post-employment benefits;
- changes to recognition and measurement rules relating to certain intangible items; and
- changes to recognition and measurement rules relating to certain financial instruments.

The Income Statement, Balance Sheet and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with the historic cost convention, except for certain assets and liabilities that are valued in accordance with the valuation policy applicable. The Cash Flow Statement has been derived to reflect cash payments and receipts.

The financial statements for each portfolio include separate presentation of controlled and (where applicable) administered items. Portfolio statements typically reflect a consolidation of controlled items within each portfolio. Where a portfolio contains a single agency, only the agency statements are provided.

The format of the financial statements is consistent with the South Australian Government Model Financial Report, which is the preferred reporting format for South Australian general government entities.

DEFINITIONS

Portfolio

A portfolio is an entity that provides management coordination 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 programs on behalf of the Government.

Programs and sub-programs

A program is a grouping of related sub-programs or activities that contributes to the achievement of a particular agency's and, in turn, the government's 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 activity and performance for 2006-07. Each Portfolio Statement conforms to the following standard presentation structure:

Portfolio summary

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

Agency summary

- Objective
  - details of agency objectives
- Targets / Highlights
  - targets for the budget year and highlights for the prior year
- Program Cost of Services Summary
  - summary of the net cost of agency programs
- Investing Payments Summary
  - the investing payments for the agency
- Program Information
  - a description / objective and summary income statement
  - commentary and performance measures for individual agency sub-programs
- Agency Financial Statements
  - budgeted financial statements for controlled and administered items
- Agency Financial Commentary
  - commentary on variances, trends, etc in the financial statements

PRESENTATION OF CHANGES IN PROGRAM STRUCTURES

Where an agency is transferred between portfolios, program information for previous years is reflected in the current program structure of the receiving portfolio. Similarly, where programs or sub-programs are transferred between agencies information is reflected in the receiving agency's program structure.

In contrast, the agency financial statements line *net cost of providing services* (in the income statement) is based on the actual program structure for the agency as it operated or is expected to operate in each year. This distinction in treatment is drawn so that financial statements accurately reflect events while, at the same time, program information is comparable and not duplicated.

Reconciliation of the financial statements to the current program structure is contained in the program net cost of services summary located at the beginning of each agency section.

Portfolio: Primary Industries and Resources

Minister for Mineral Resources Development

Minister for Urban Development and Planning

Minister for the Southern Suburbs

Minister for Agriculture, Food and Fisheries

Minister for Forests

Minister for State/Local Government Relations

Minister for Volunteers

Government
of South Australia

PORTFOLIO SUMMARY

Ministerial Responsibilities 5.1

Workforce Summary 5.4

Ministerial Office Resources 5.4

Agency Summary

Department of Primary Industries and Resources 5.6

PORTFOLIO: PRIMARY INDUSTRIES AND RESOURCES

MINISTERIAL RESPONSIBILITIES

Minister	Agency	Programs	Sub-Programs
The Hon. Paul Holloway Minister for Mineral Resources Development Minister for Urban Development and Planning	Department of Primary Industries and Resources	1. Mineral Resources Development	1.1 Minerals 1.2 Petroleum
		2. Urban Development and Planning	2.1 Planning SA 2.2 Office of the North 2.3 Office of the North West 2.4 Regional Ministerial Offices
The Hon. John Hill Minister for the Southern Suburbs	Department of Primary Industries and Resources	3. Office for the Southern Suburbs	Nil
The Hon. Rory McEwen Minister for Agriculture, Food and Fisheries Minister for Forests	Department of Primary Industries and Resources	4. Agriculture, Food and Fisheries	4.1 Agriculture and Wine 4.2 Aquaculture 4.3 Fisheries 4.4 South Australian Research and Development Institute (SARDI) 4.5 State Food Plan 4.6 Rural Services
		5. Forestry Policy	Nil
The Hon. Jennifer Rankine Minister for State/Local Government Relations Minister for Volunteers	Department of Primary Industries and Resources	6. State/Local Government Relations 7. Volunteers	Nil

Statutory Authorities

The Hon. Paul Holloway, Minister for Urban Development and Planning, is responsible for the following Statutory Authorities.

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

Administered items

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

- Adelaide Hills Wine Industry Fund
- Apiary Industry Fund
- Aquaculture Lease Rehabilitation Fund
- Aquaculture Resource Management Fund
- Cattle Industry Fund
- Citrus Growers Fund
- Deer Industry Fund
- Development Application Fees
- Egg Industry Deregulation Fund
- Fisheries Research and Development Fund
- ForestrySA — Community Service Obligation
- Grains Industry Levy
- Gulf St Vincent Prawn Fishery Levy
- Langhorne Creek Wine Industry Fund
- Local Government Taxation Equivalent Fund
- Marine Scalefish Industry Fund
- McLaren Vale Wine Industry Fund
- Natural Disaster Relief Fund
- Outback Areas Community Development Trust
- Pig Industry Fund
- Riverland Wine Industry Fund
- Royalties
- SA Water Corporation — Community Service Obligation
- Samcor Funds Administration
- Seed Levies Fund

- Sheep Industry Fund
- South Australian Local Government Grants Commission
- West Beach Trust (trading as Adelaide Shores) — Taxation Equivalent Regime (TER)

Statutes

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

WORKFORCE SUMMARY

Agency	FTEs as at 30 June		
	2006-07 Budget Estimate	2005-06 Estimated Result	2004-05 Actual
Department of Primary Industries and Resources	1 608.2	1 571.2	1 404.6
Total	**1 608.2**	**1 571.2**	**1 404.6**

MINISTERIAL OFFICE RESOURCES

Minister	2006-07 Budget	
	Cost of provision $000	FTEs
The Hon. Paul Holloway	1 631	14.0
The Hon. Paul Holloway (Regional Ministerial Offices)	323	4.0
The Hon. Rory McEwen	1 078	9.5
The Hon. Jennifer Rankine	1 216	10.0

TABLE OF CONTENTS

AGENCY: DEPARTMENT OF PRIMARY INDUSTRIES AND RESOURCES

Objective 5.7

Targets / Highlights 5.8

Program Net Cost of Services Summary 5.10

Investing Payments Summary 5.11

Program Information

- Description / Objective 5.12
- Summary income statement 5.12
- Sub-program Statements and Performance Criteria 5.13

Financial Statements

- Income statement 5.31
- Balance sheet 5.32
- Statement of changes in equity 5.33
- Cash flow statement 5.34
- Income statement — Administered Items 5.36
- Balance sheet — Administered Items 5.37
- Statement of changes in equity — Administered Items 5.38
- Cash flow statement — Administered Items 5.39

Financial Commentary 5.41

Portfolio: Primary Industries and Resources

Agency: Department of Primary Industries and Resources

Objective

The Department of Primary Industries and Resources' (PIRSA) aim of fostering environmentally sustainable and internationally competitive industries is set in targets in *South Australia's Strategic Plan*. These targets include increasing exports to $25 billion by 2013, lifting mining exploration investment to $100 million a year by 2007, and boosting annual mineral production and processing to $4 billion by 2020. Other targets include the alignment of State and Local strategic plans, sustainable communities and increasing the level of volunteerism.

To assist in achieving *South Australia's Strategic Plan* targets, PIRSA has the following additional objectives:

- facilitating development and policy for the agriculture, forests and food industries;
- delivering fisheries and aquaculture management and industry development;
- identifying opportunities for mineral and petroleum exploration and development;
- promoting sustainable resource management, including soil, landcare and the productive use of water;
- streamlining development planning;
- delivering rural and remote community support services;
- improving State/Local Government relations;
- facilitating priorities for the use of land and planning optimal community development;
- facilitating the application of innovative new technologies, services, products and knowledge through its strong partnerships with industry sectors, market intelligence, science and regional communities; and
- providing research and development capability delivering innovation to enhance the food, fibre and bioscience industries and ecosystem sector.

2006-07 Targets / 2005-06 Highlights

Targets 2006-07	Highlights 2005-06
Mineral Resources Development • Successfully implement work programs associated with year three of the Plan for Accelerating Exploration • Maintain South Australia's share of national mineral exploration expenditure • Achieve nationally significant native title agreements in the minerals and petroleum sectors • Lead the nation in geothermal exploration investment **Urban Development and Planning** • Draft the *Development (Development Plans) Amendment Bill 2006* and introduce further legislative changes to streamline processes and improve timeliness of action • Release the *Planning Strategy for Metropolitan Adelaide Region and Outer Metropolitan Adelaide Region* to assist Local Government to incorporate policies related to *South Australia's Strategic Plan* • Establish spatial frameworks for where Adelaide and regional areas should grow in future to meet the *South Australia's Strategic Plan* population target of 2 million by 2050 • Convert 15 councils' Development Plans to the Better Development Plans format **Office for the Southern Suburbs** • Complete an investment attraction study for the southern suburbs • Complete an incubator feasibility study for the southern suburbs in partnership with the Cities of Marion and Onkaparinga • Facilitate the consultation process with Government agencies and the cities of Marion and Onkaparinga in relation to growth management in the South **Agriculture, Food and Fisheries** • Participate in the national animal and plant health biosecurity strategies with the objective of maximising market access, consumer safety and production efficiency for the State's agricultural industries • Implement the State's Biosecurity Strategy including maintaining strategies that are effective in restricting fruit fly outbreaks, and developing plant and livestock health surveillance programs to meet interstate market access requirements • Develop industry strategic plans for citrus, olives and apples/pears and greenhouse vegetables to address major structural issues and better align these industries to the State Food and *South Australia's Strategic Plan* objectives • Complete the Economic Impact Assessment of South Australia's 'Cool Climate' Wine Regions and the socio-economic study for the Riverland • Establish Food Safety Scheme Regulations under the *Primary Produce (Food Safety Schemes) Act 2004* for the seed sprout and seafood industries • Finalise the collaborative arrangements for the Wine Innovation Cluster • Complete a review of the *Aquaculture Act 2001* for efficiencies and greater investment confidence • Complete drafting the *Fisheries Management Act 2006* • Implement the new licensing management system (Primary Industries Information Management System) • Develop expertise across Government to reduce risks in food processing and handling • Conduct pilot studies to turn farm waste into resource	**Mineral Resources Development** • South Australia's share of national exploration expenditure rose to third behind Western Australia and Queensland • The Plan for Accelerating Exploration initiative was a key contributor to two significant mineral discoveries at Carrapateena and Gullivers • The international Fraser Institute 2005-06 survey shows that South Australia rose to 6th from 18th on the current Mineral Potential Index • Attracted an estimated investment of $477 million to South Australia in geothermal energy resources exploration in the term 2002-11 **Urban Development and Planning** • *Development (Miscellaneous) Amendment Act 2005* and *Development (Panels) Amendment Act 2006* passed to increase consistency and quality of decision making • *Development Regulations* amended to include System Indicators measuring number and timeliness of actions across the system in an endeavour to increase efficiency of processing • Released draft *Industrial Land Strategy for Metropolitan Adelaide* for consultation with the objective of ensuring an adequate supply of development ready industrial land • Introduced five star energy efficiency requirements for new housing to increase sustainability and reduce energy use **Office for the Southern Suburbs** • In partnership with Department of Trade and Economic Development and Invest Australia secured $17.9 million for the southern suburbs from the Structural Adjustment Fund for South Australia • Drafted the Southern Region Economic Diversification Blueprint in partnership with the Southern Suburbs Industry Working Group **Agriculture, Food and Fisheries** • Managed an emergency response to the Adelaide Plains floods in November 2005, including a flood recovery support program that was provided to affected horticulturalists along with technical support services • Significant investment in poultry production and processing facilities to enable the sector to move towards achieving its targets • The Livestock Disease Surveillance program was complemented by the rollout of the National Livestock Identification System for sheep in January 2006 • An expanded chemical education and awareness program saw a 70 per cent drop in the incidence of phenoxy herbicide damage reports and a 30 per cent drop in total chemical trespass incidents • The majority of landholders of the bushfire-affected area on Lower Eyre Peninsula participated in planning workshops as part of the assistance program • Provided a $9.5 million grant towards the Wine Innovation Cluster at the Waite Campus • Completed review of regulatory arrangements for aquaculture • Management plans were completed for the Marine Scalefish Fishery and the Sardine Fishery • Ecological assessments were completed for the Lakes and Coorong Fishery and the Marine Scalefish Fishery leading to export accreditation • Installed an inland saline aquaculture centre at Waikerie to stimulate development of a $20 million seafood industry in the Riverland

Targets 2006-07	Highlights 2005-06
• Increase food export development initiatives in 13 target countries and increase to 35 the number of buyers under the international buyers program • Increase established networks to 11 for over 600 regionally-based companies to improve business capacity and their workforce capabilities • Provide technical expertise to the Department of Water, Land and Biodiversity Conservation (DWLBC) and natural resource management projects targeting land degradation and management problems • Provide business planning and environmental management services to assist pastoralists to achieve improved sustainability (in conjunction with Curtin University WA) • Improve site security and infrastructure for two major abattoirs • Complete remote area trial of 20kW Photovoltaic solar concentrator plant jointly with Office of Energy, Electricity Trust of South Australia, Department of Trade and Economic Development and a major mining company • Support implementation of a formal Regional Project Case Management approach and processes across Government • Continue case management support of regional development projects: Penola Pulp Mill Pty Ltd, Adelaide Blue Gum Pty Ltd and Inghams Chicken Processing Expansion **Forestry Policy** • Lead the program to establish six priority biodiversity corridors to link remnant native forests in the Lower Limestone Coast • Provide the policy and legislative tools to facilitate the growth of a value added and sustainable forest industry **State/Local Government Relations** • Review 2006 Local Government election outcomes to inform the development of strategies to increase voter turnout in Local Government elections to 50 per cent by 2014 • Provide statutory and administrative support for key Local Government financial governance reform measures, and foster sustained education and support for elected members • Identify and support Local Government best practice in civic engagement and community communication **Volunteers** • Maintain the volunteer participation rate above 50 per cent • Implement outcomes of Advancing Community Together Partnership review	• Successfully adapted DNA profiling to monitor changes in the seabed under tuna cages • Developed a treatment and protected $60 million export-quality citrus industry from a peel pest • Expanded sales of seafood (blue fin tuna, oysters) and citrus products into Japan following a mission of South Australian food producers to Aichi World Expo, Japan • Estimated $38 million in direct export sales generated by 58 South Australian companies exhibiting at international trade shows managed through Food SA • Nine networks established for 550 regionally-based companies to improve business capacity and their workforce capabilities • Undertook the on ground assessment of rangeland Pastoral Lease condition on behalf of DWLBC • Continued joint leadership of a cross agency team boosting grain infrastructure on Eyre Peninsula by $40 million • Provided advice to Inghams Pty Ltd for the proposed $255 million expansion of chicken production and processing facilities • Provided case management support to Penola Pulp Mill Pty Ltd for a proposed $650 million pulp mill development and Adelaide Blue Gum Pty Ltd for a $70 million tree farming project • Primary Industries National Research and Development Vision (2005-2015) — led development of a vision to guide national and State Government investments **Forestry Policy** • Provided financial support towards the establishment of a National Genetic Research Centre for plantation and farm forestry at Mt Gambier • Developed biodiversity management plans for 13 Native Forest Reserves located in the Mount Lofty Ranges **State/Local Government Relations** • The national *Inter-Governmental Agreement Establishing Principles to Guide Inter-Governmental Relations on Local Government Matters* was ratified • With the Local Government Association, completed a review of the framework for external review of councils' administrative decisions and financial management • Through the Minister's Local Government Forum a 30 year funding and governance agreement was made for stormwater management and flood mitigation **Volunteers** • Achieved the highest rate in Australia with 51 per cent of the South Australian population participating in volunteering, reaching *South Australia's Strategic Plan* target four years ahead of schedule • Developed a system for management of people who spontaneously volunteer following disasters

Program net cost of services summary

Program	Net Cost of Services			
	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
1. Mineral Resources Development	18 441	20 735	20 481	20 846
2. Urban Development and Planning	13 969	12 725	16 428	18 022
3. Office for the Southern Suburbs	693	679	658	348
4. Agriculture, Food and Fisheries	87 572	99 010	94 014	97 005
5. Forestry Policy	2 178	2 103	2 103	1 604
6. State/Local Government Relations	3 476	3 629	2 590	2 578
7. Volunteers	1 754	1 427	1 426	1 392
Total	**128 083**	**140 308**	**137 700**	**141 795**
Reconciliation to net cost of providing services (as per agency Income statement)				
Add: *net cost of programs/functions transferred out*				
Energy SA to Transport, Energy and Infrastructure	n.a.	n.a.	n.a.	11 598
Subtotal	**128 083**	**140 308**	**137 700**	**153 393**
Less: *net cost of programs/functions transferred in*				
Forestry Policy from ForestrySA	n.a.	2 103	2 103	1 604
Volunteers from the Department of the Premier and Cabinet	n.a.	1 410	1 426	1 392
Equals: **Net cost of providing services (as per agency Income statement)**	**128 083**	**136 795**	**134 171**	**150 397**

Notes: During 2005-06 the number of ministerial offices for which PIRSA has financial administration increased from one to three. The associated changes in ministerial office costs have been attributed to the respective programs under the ministerial responsibilities within the Primary Industries and Resources Portfolio. The 2006-07 Budget and 2005-06 Estimated Result incorporate this change.

For comparability across years, the 2004-05 financial statement and program summary actuals for PIRSA include Planning SA, the Office for State/Local Government Relations and the Offices for Sustainable Social, Environmental and Economic Development although these entities were not transferred from the Department for Transport, Energy and Infrastructure (DTEI) until 1 July 2005. Similarly, 2004-05 Actuals for PIRSA Administered Items include Planning SA Administered Items, Office for State/Local Government Relations Administered Items, the South Australian Local Government Grants Commission and the Outback Areas Community Development Trust that were also transferred from DTEI on 1 July 2005.

Investing payments summary

Investments	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Works in Progress				
Brukunga Mine Rehabilitation	3 440	275	1 600	547
Offshore Fisheries Patrol Vessel	—	600	600	2 027
West Beach SA Aquatic Sciences Centre Seawater Intake Pipe Rectification	—	1 144	537	93
Electronic Plan Amendment Report	484	100	510	125
Marine Innovation SA	800	—	—	—
Total Works in Progress	**4 724**	**2 119**	**3 247**	**2 792**
Minor Works	5 554	5 544	5 459	11 067
Total Minor Works	**5 554**	**5 544**	**5 459**	**11 067**
Other Investing Payments				
Rural Finance — Loans to Cooperatives	1 000	1 000	1 000	130
Rural Finance — Other Loans	218	250	250	75
Other	—	—	—	638
Total Other Investing Payments	**1 218**	**1 250**	**1 250**	**843**
Total Investing Payments	**11 496**	**8 913**	**9 956**	**14 702**

Agency: Department of Primary Industries and Resources

Program Information

Program 1: Mineral Resources Development

Description/Objective: The vision of the Mineral Resources program is to make South Australia a favoured mineral investment destination for private investment with mineral exploration expenditure to reach a sustainable, ongoing target of $100 million per annum by 2007 and mineral production and processing to reach $4 billion by 2020. The Mineral Resources Development program will also lead the nation in attracting geothermal resource investment with a target of $800 million of investment to establish geothermal energy resources in the 10 year term 2007–16.

Summary income statement

Program 1: ***Mineral Resources Development***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	13 997	13 357	12 110	12 540
Supplies and services	9 339	6 840	9 215	9 265
Depreciation and amortisation	234	233	204	982
Grants and subsidies	1 559	6 538	4 068	4 354
Other	79	1	176	55
Total expenses	**25 208**	**26 969**	**25 773**	**27 196**
Income				
Fees, fines and penalties	6 011	5 625	4 911	5 426
Grants and subsidies	125	341	—	153
Sale of goods and services	165	224	265	322
Other	466	44	116	449
Total income	**6 767**	**6 234**	**5 292**	**6 350**
Net cost of providing services	**18 441**	**20 735**	**20 481**	**20 846**

Program 1: Performance Criteria:

Sub-program: 1.1	**Minerals** Manage the State's mineral resources by regulating mining operations; implementing significant exploration initiatives; providing comprehensive, high quality geoscientific data and advice; developing sustainable practices for exploration and mining; facilitating mineral resource projects through approval processes; developing an effective and efficient policy and legislative framework; and collecting mineral royalties and fees.

	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$17 254 000**	**$19 565 000**	**$18 595 000**	**$19 468 000**

Performance Commentary

In the year to March 2006 exploration expenditure reached $110 million, 12 months ahead of schedule – representing a 76 per cent increase on the March 2005 quarter.

Minerals and Energy Resources Division has assisted to increase South Australia's share of the national exploration expenditure to levels only surpassed by Western Australia and Queensland.

The Plan for Accelerating Exploration (PACE) initiative, in particular the collaborative drilling project, has been a major driver in achieving this result. Two significant mineral discoveries at Carrapateena and Gulliver's are directly attributable to PACE funding.

The Fraser Institute of Canada 2005-06 survey of mining companies shows South Australia has risen from 18th to 6th on the Current Mineral Potential Index.

The PACE initiative has received overwhelming endorsement by the exploration community.

Nine major mineral projects currently in various stages of permitting or construction with a similar number of projects at advanced exploration stage.

Support was provided to the establishment of the Australian Minerals Science Research Institute in Adelaide.

Sub-program: 1.2	**Petroleum** To maximise the community's net benefits from the State's ownership of the rights to petroleum and geothermal resources. Manage the State's petroleum, gas and geothermal resources by regulating operations; providing comprehensive, high quality geoscientific data and advice; developing sustainable practices for exploration and development, facilitating projects through approval processes; developing an effective and efficient policy and legislative framework and collecting royalties and fees.

	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$1 187 000**	**$1 170 000**	**$1 886 000**	**$1 378 000**

Performance Commentary

Indigenous Land Use Agreement (ILUA) Main Table Committee was established through the Attorney-General. A process commenced in February 2006 to establish a conjunctive petroleum ILUA over the Cooper Basin.

An effective legislative framework has attracted an estimated investment of $477 million to establish geothermal energy resources in 87 exploration licences in the term 2002–11.

PIRSA's Petroleum and Geothermal Group was rated best in Australia by the 2005 Petroleum Industry Survey.

371 exploration and production licences represent a historical high with more than 85 per cent of petroleum prospective acreage under licence or application.

The efficiency and effectiveness of co-regulation has been formalised with improved administrative arrangements between PIRSA, Department of Water, Land and Biodiversity Conservation (DWLBC), Department for Environment and Heritage and the Environment Protection Authority.

Contributed to effective consultative processes with stakeholders in regard to land access for mining, petroleum and geothermal projects.

The *Native Vegetation Act* requires significant environmental offsets for development opportunities that impact on native vegetation. Important guidelines were agreed between the Native Vegetation Council, DWLBC and PIRSA.

Agency: Department of Primary Industries and Resources

Program Information

Program 2: Urban Development and Planning

Description/Objective: Guiding and administering the South Australian Planning and Development system. Coordinating a whole of government approach to the Government's policy commitments and contributing to the State's sustainable economic development by developing strategic spatial policies to accommodate population growth and demographic change, facilitating industrial and commercial expansion, and meeting demand for housing growth and diversity.

Summary income statement

Program 2: ***Urban Development and Planning***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	12 602	12 223	11 849	11 988
Supplies and services	4 261	4 642	4 322	4 853
Depreciation and amortisation	530	530	530	559
Grants and subsidies	10 479	11 431	7 414	11 935
Other	221	215	252	1 949
Total expenses	**28 093**	**29 041**	**24 367**	**31 284**
Income				
Fees, fines and penalties	13 414	15 275	7 570	11 242
Grants and subsidies	93	287	91	—
Sale of goods and services	—	—	—	71
Other	617	754	278	1 949
Total income	**14 124**	**16 316**	**7 939**	**13 262**
Net cost of providing services	**13 969**	**12 725**	**16 428**	**18 022**

Program 2: Performance Criteria:

Sub-program: 2.1	**Planning SA** 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.

	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$13 294 000**	**$11 567 000**	**$15 270 000**	**$17 402 000**

Performance Commentary

The *Development (Miscellaneous) Amendment Bill 2005* was passed in December 2005 and made various amendments to the *Development Act*, including implementing recommendations arising from the Coroners inquest into the Riverside building collapse.

The *Development (Panels) Amendment Bill 2006* was passed in June 2006. The Bill changes the formation rules for Council Development Assessment Panels.

In June 2006, the *Development (Development Plans) Bill 2006* was introduced into Parliament. The Bill proposes changes in the areas of strategic planning, desired character policies, the Development Plan Amendment process and the Major Developments process.

The *Development Regulations* were amended to include System Indicators to measure the number and timeliness of actions taken in the State's planning and development assessment system.

Completed consultation on the draft *Planning Strategy for Metropolitan Adelaide and Outer Metropolitan Adelaide Region*. The maps, policies and strategies contained in the Planning Strategy provide direction and a resource for Councils undertaking strategic and planning processes.

A draft *Industrial Land Strategy for Metropolitan Adelaide* was released for consultation with Local Government and selected stakeholders. The draft Strategy sets out a framework of actions to ensure an immediate three to five year supply of 'development-ready' industrial land, and a rolling 15-year 'land bank' to ensure a supply for future demand.

Introduced five star energy efficiency requirements for new housing to increase sustainability and reduce energy use.

Sub-program: 2.2	**Office of the North** To assist in the realisation of the Government's policy commitments to improve economic development, social and environmental outcomes for the communities identified as being of high need in the North.

	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$227 000**	**$464 000**	**$464 000**	**$223 000**

Performance Commentary

Coordinated identification of regional projects that underpin the objectives of *South Australia's Strategic Plan*, along with the Local Government Association, Office of State/Local Government Relations, City of Playford, City of Salisbury and Gawler Council.

Established the Northern Adelaide State Secondary Schools Alliance.

Secured State Government approval for the Playford North Regeneration Project.

Developed the State/Local Government 'Greater Edinburgh Parks' strategic plan. Commencement of the health and aged care facets of the Regional Workforce Development Plan.

Regional Career Pathways to Industry was implemented by high schools with 556 students participating in vocational training.

Further building of regional industry and education partnerships through funding of the Northern Futures program.

Sub-program: 2.3	Office of the North West To assist in the realisation of the Government's policy commitments to improve economic development, social and environmental outcomes for the communities identified as being of high need in the North West.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$125 000**	**$202 000**	**$202 000**	**$112 000**

Performance Commentary

Developed further employment opportunities for local job seekers by taking advantage of the strong public and private sector capital investment planned or currently underway in the region.

Administered the State Government's *Regions at Work* program for the Western area of Adelaide.

Facilitated the introduction of Boystown Employment Services into the Parks area to assist in achieving the Social Inclusion Board's objectives in relation to severely disadvantaged youth in the region.

Developed a program for indigenous students under the Commonwealth's School Based New Apprenticeship with the cooperation of the Cities of Charles Sturt and Port Adelaide Enfield.

In cooperation with Department of Education and Children's Services, the Commonwealth Department of Education, Science and Technology's Local Community Partnership and the University of South Australia developed a strategy to deliver stronger vocational education training in the health sector for the cluster of western suburbs schools.

Developed a planning project with the cooperation of the Cities of Port Adelaide Enfield and Charles Sturt aimed at rejuvenating the Hanson Road precinct in line with other urban renewal initiatives occurring in the surrounding areas.

Sub-program: 2.4	Regional Ministerial Offices To assist in the realisation of the Government's policy commitments to improve economic development, social and environmental outcomes for the communities identified as being of high need in the following regions: • the Upper Spencer Gulf, Flinders Ranges and Outback; and • the River Murray communities.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$323 000**	**$492 000**	**$492 000**	**$285 000**

Performance Commentary

Consulted with the Leigh Creek, Copley and Lyndhurst Progress Associations on the strategy for economic development and planning, building on the Northern Flinders Regional Plan and assisted with gaining of funds for a Leigh Creek entranceway study.

Assisted in the formation of the Port Augusta Strategic Youth Partnerships (SYP). The SYP group was formed as an action from a community forum held in Port Augusta on youth.

With the Northern Regional Development Board and Department for Transport, Energy and Infrastructure managed the Declaration of the Air Route Adelaide to Port Augusta that attracted O'Connor Airlines after the collapse of Airlines of SA.

Assisted in establishing the Port Augusta Aerodrome Task Force consisting of a representative from the Port Augusta City Council, O'Connor Airlines, the Northern Regional Development Board, Department of Immigration and Multicultural Affairs, Port Augusta Aero Club, Toll Freight, Department for Environment and Heritage and the Regional Ministerial Office.

A project team involving the Regional Ministerial Office was established to oversee the involvement of the State Government in the Steamtown Peterborough redevelopment.

Established *Our Wellbeing Place,* a community mental health resource and activity centre to service the Murray Bridge and Mallee area.

Facilitated a Murray and Mallee Strategic Taskforce Future Directions scoping workshop conducted by Rural Solutions SA.

Agency: Department of Primary Industries and Resources

Program Information

Program 3: Office for the Southern Suburbs

Description/Objective: To assist in the realisation of the Government's policy commitments to improve economic development, social and environmental outcomes for the communities identified as being of high need in the Southern Suburbs.

Summary income statement

Program 3: ***Office for the Southern Suburbs***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	251	326	344	377
Supplies and services	216	178	164	174
Grants and subsidies	224	280	—	103
Other	2	2	257	26
Total expenses	**693**	**786**	**765**	**680**
Income				
Other	—	107	107	332
Total income	**—**	**107**	**107**	**332**
Net cost of providing services	**693**	**679**	**658**	**348**

Program 3: Performance Criteria:

Program: 3	**Office for the Southern Suburbs** To assist in the realisation of the Government's policy commitments to improve economic development, social and environmental outcomes for the communities identified as being of high need in the Southern Suburbs.

	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of program	**$693 000**	**$679 000**	**$658 000**	**$348 000**

Performance Commentary

Provided a coordinated approach to the development of the region encompassing the Cities of Marion and Onkaparinga through an integrated approach to economic, social and environmental priorities, encouraging partnerships between organisations and providing a whole of government focus.

In consultation with the Cities of Marion and Onkaparinga the Office identified economic development and investment, education and workforce planning, infrastructure needs, community leadership, crime prevention and community arts as strategic priorities.

The Office has undertaken a number of economic development projects including further development of the draft Southern Region Economic Diversification Blueprint.

Worked with Department of Trade and Economic Development and Invest Australia to secure Structural Adjustment Fund for South Australia funds with $17.9 million allocated to the region.

Integrated approach to workforce planning through Southern Metropolitan Employment and Skills Formation Network.

With the Cities of Marion and Onkaparinga, reduced graffiti in the Southern Suburbs, supporting initiatives for young graffiti artists including career pathways.

Contributed to master plans for Seaford Meadows and the Australian Technical College — Adelaide South.

Agency: Department of Primary Industries and Resources

Program Information

Program 4: Agriculture, Food and Fisheries

Description/Objective: To deliver specialist services and advice across the State, fostering growth and development, increasing the prosperity of South Australians, improving quality of life, while supporting environmentally sustainable development of the State's resources.

Summary income statement

Program 4: *Agriculture, Food and Fisheries*	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	89 046	87 498	77 305	76 428
Supplies and services	61 632	65 868	58 446	53 536
Depreciation and amortisation	7 514	7 292	6 601	6 388
Grants and subsidies	16 435	25 920	16 242	25 731
Other	467	622	5 061	2 964
Total expenses	**175 094**	**187 200**	**163 655**	**165 047**
Income				
Fee, fines and penalties	465	442	—	—
Grants and subsidies	49 420	50 594	39 777	39 915
Sale of goods and services	32 670	31 054	23 103	21 929
Other	4 967	6 100	6 761	6 198
Total income	**87 522**	**88 190**	**69 641**	**68 042**
Net cost of providing services	**87 572**	**99 010**	**94 014**	**97 005**

Program 4: Performance Criteria:

Sub-program: 4.1	**Agriculture and Wine** Develop and implement policies, legislation, regulatory frameworks and programs to promote an optimal business, natural and social environment within which primary industries can grow.

	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$29 875 000**	**$43 371 000**	**$38 464 000**	**$35 537 000**

Performance Commentary

Provided leadership by heading a timely and important response for the Virginia floods in November 2005.

Supported livestock disease control programs such as 'Dairy ManaJD' which aims to manage Bovine Johne's disease – 50 per cent of dairies have enrolled in the program since its commencement 18 months ago.

The livestock disease surveillance program has been complemented by the rollout of the National Livestock Identification System for sheep in January 2006.

Provided leadership for national animal health policy, particularly in the development of national performance standards, national animal welfare standards, livestock export standards, national surveillance programs and review of veterinary and diagnostic capabilities.

Significant investment in poultry production and processing facilities to enable the sector to move towards achieving its targets.

The majority of landholders of the bushfire-affected area on Lower Eyre Peninsula have participated in planning workshops as part of the assistance program.

PIRSA ran four emergency management exercises addressing a range of plant, animal and aquatic animal health issues as well as Exercise Eleusis based on Avian Influenza.

The recognition of the Riverland's fruit fly free status was a turning point for the South Australian citrus industry, which now has access to Japan and is finalising arrangements with other Asian markets such as Korea, Taiwan and China.

Established Dairy, Citrus, Meat and Seafood (shellfish) Food Safety Schemes to enhance and maintain the excellent reputation of food produced from South Australia's primary industries.

A re-vamped Horticultural Industry Development Board is having a significant role in identifying impediments to growth of the horticulture industry.

New Industry Development Boards for the Beef, Dairy, Sheep and Pork sectors have been formed to oversee the development and implementation of sector strategic plans.

Incursion management has included Citrus Canker (Queensland), European House Borer (Western Australia), Grapevine Leaf Rust (Northern Territory) and Currant Lettuce Aphid (Victoria, Tasmania, South Australia).

Continued joint leadership of a cross agency team boosting grain infrastructure on Eyre Peninsula by $40 million.

The SA Wine Industry Council's Workforce Development Task Group was established to prepare a project proposal for a South Australian Wine Industry Employment Strategy.

The Wine Innovation Cluster is a key part of the joint industry and government wine industry partnership. It will replace the existing Australian Wine Research Institute facilities at the Waite campus and include the University of Adelaide's school of Viticulture and Horticulture and the South Australian Research and Development Institute (SARDI). In 2005-06 a $9.5 million grant was provided to the project.

Delivered outcomes in chemical risk management to underpin export targets for food products while taking account of quality of life and sustainability.

Conducted a major dairy effluent management program in the South East that provided each farmer direct contact with effluent specialists.

An expanded chemical education and awareness program has seen a 70 per cent drop in the incidence of phenoxy herbicide damage reports and a 30 per cent drop in total chemical trespass incidents.

Contributed to the ecologically sustainable development focussed State Natural Resource Management Plan and the achievement of a whole of government approach to the delivery of the Natural Resource Management reform program.

FarmBis SA provided support to regional organisations including Natural Resource Management Boards, Regional Economic Development Boards, resource industry bodies and Agricultural Bureaus in skills development planning.

Sub-program: 4.2	Aquaculture Ensuring the sustainable development of the State's aquaculture industry, with a statutory and regulatory responsibility for the management of aquaculture in South Australia. These responsibilities are met through the granting and renewal of licences and leases under the *Aquaculture Act 2001.*

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$1 775 000**	**$1 773 000**	**$1 768 000**	**$2 010 000**

Performance Commentary

Maintained the necessary policy framework to facilitate aquaculture development in South Australia pursuant to the *Aquaculture Act 2001.*

Completed review of regulatory arrangements for aquaculture leading to leases with improved conditions and performance criteria.

Implemented new Regulations pursuant to *Aquaculture Act 2001* to clarify operating standards for aquaculture lease/licence holders and improved government responsiveness.

Established an Environmental Working Group (comprising Department for Environment and Heritage, Environmental Protection Authority, Department of Trade and Economic Development, Department of the Premier and Cabinet, Planning SA and PIRSA) to implement the recommendations of the Economic Development Board – in particular the Best Practice Framework for Aquaculture and identified areas for further opportunity or improvement.

Introduction of the *Development (Aquaculture Development No 2) Variation Regulations 2006* which amended the public notice categories for Anxious Bay, Port Neill and Rivoli.

Sub-program: 4.3	Fisheries The management and administration of the living marine and freshwater resources of South Australia, as required under the *Fisheries Act 1982*. This includes the development and implementation of appropriate management plans for commercial fishing, recreational fishing, and charter fishing, development of Government policy for sustainable resource access and allocation and the administration of licensing and compliance services.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$8 455 000**	**$8 295 000**	**$9 649 000**	**$14 569 000**

Performance Commentary

Management plans for the Marine Scalefish Fishery and Sardine Fishery were completed.

The Charter Fishery Management Plan was implemented and initial licences were issued.

Ecological assessments of the Lakes and Coorong Fishery and Marine Scalefish Fishery were completed under the Australian Government *Environment Protection Conservation and Biodiversity Act 1999* leading to export accreditation for these fisheries.

Ten new Fisheries Officers were trained and employed to support increased services for domestic fisheries compliance in South Australia and support for foreign fishing compliance with the Australian Fisheries Management Authority.

A new offshore patrol vessel Southern Ranger was launched and has completed a full season of patrol duties. The vessel was involved in 171 at-sea boardings resulting in five prosecution briefs and nine expiation notices issued.

The successful Fishcare Volunteer Program contributed 7162 voluntary hours and contacted 20 451 recreational fishers across South Australia broadening compliance capacity in the regions.

Performance of the Northern Zone Rock Lobster Fishery improved with the stock rebuilding strategy in place.

A Vessel Monitoring System was implemented across the Pilchard Fishery allowing for increased monitoring of the fishery fleet, leading to improved compliance.

A Code of Conduct was developed and implemented for the Sardine Fishery, reducing impacts on the marine environment, including dolphin mortalities.

A memorandum of understanding was developed between PIRSA Fisheries and the South Australia Police Force for sharing intelligence and delivering of joint operations that address organised crime in fisheries.

A total of 20 successful court prosecutions for illegal fishing activity and 314 expiation notices were issued.

The South Australian Emergency Marine Pest Plan was finalised and incorporated into the agency's Emergency Response Plan.

Restriction of the invasive weed *Caulerpa taxifolia* continued including quarantine, survey, patch control and research.

Sub-program: 4.4	South Australian Research and Development Institute (SARDI) South Australia's principal research and development capability and organisation in the primary industries and environmental related biosciences, working in collaboration with state, national and international collaborators and investors.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$29 134 000**	**$27 142 000**	**$25 801 000**	**$26 441 000**

Performance Commentary

Substantial research funding has been established to develop canola, mustard and micro-algae as a feedstock for biofuel.

Installed key infrastructure for an inland saline aquaculture centre which aims to facilitate the development of a $20 million seafood industry in the Riverland.

Accelerated research through the Marine Innovation SA initiative by commencing the Lincoln Marine Science Centre project and the release of a blueprint identifying key rate limiters and priorities to achieve *South Australia's Strategic Plan* targets.

Reinforced South Australia as a national leader in world-class bioscience capabilities through establishing operations as core partnership status in five new Cooperative Research Centres (CRC), including headquarters of the Pork CRC.

Used DNA profiling in soil analysis to measure the population of marine organisms under tuna cages to help develop the State's tuna aquaculture industry.

Protected the State's $60 million export-quality citrus industry from an unwanted peel pest in time for the winter harvest by developing an oil treatment, which enabled markets in China and Japan to be pursued while protecting the established US market.

Improved handling technologies to transport fruit and vegetables to the remote indigenous communities of north-western South Australia.

Delivered climate applications training to more than 400 primary producers and secured funding to research the management of heat stress in vines, frost stress in wheat and the application of climate risk information to the South Australia Murray-Darling Basin Natural Resource Management Group.

Developed tools and techniques to manage root zone salinity risk in order to protect the $2 billion horticulture industry in the Lower Murray Irrigation districts with funding support from federal and State sources.

Developed a web-based guide to ensure compliance with food safety residue standards, in support of seafood exporters responsible for exports worth $650 million.

Evaluated the impact of proposed US port-of-entry testing for *E.coli* contamination to inform the need for additional controls to maintain market access for Australia's $2 billion beef export industry to the USA.

Demonstrated that an extra $8 million to $21 million profit over 15 years could be made by South Australia's wool producers by using performance-based selection methods, based on results from SARDI's Merino Selection Demonstration Flocks.

Delivered scientific expertise for the Murray–Darling Basin Commission's Murray Fishway Assessment project which seeks to restore fish migration to over 2000km of the River Murray.

Demonstrated to the State's wine industry that the application of mulch can enable 30–50 per cent less water to be used while maintaining grape yields and wine styles of Cabernet at Langhorne Creek.

Negotiated leadership of a new National Pulse Germplasm Improvement Program to develop new technologies for use by the four major national plant breeding programs.

Sub-program: 4.5	State Food Plan PIRSA has principal responsibility for implementing the South Australian Food Centre as a key service delivery strategy of the *State Food Plan 2004-2007*. The South Australian Food Centre is a three way partnership between the State Government, industry food groups and Regional Development Boards to achieve the objectives of the State Food Plan through: Market Development, Capability Development and Regional Networks, Sector Development, Innovation and Communications Hub and Premier's Food Council Secretariat.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$3 801 000**	**$3 985 000**	**$4 054 000**	**$4 602 000**

Performance Commentary

Finalised the South Australian Food Centre's Operational Plan 2005–2006, which was endorsed by the Premier's Food Council and contributes to several 'triple bottom line' targets.

Fostered the development of the regional and urban food industry in South Australia through regional food groups and peer supported industry programs.

An Aichi World Expo Ministerial promotion targeted at key Japanese buyers of seafood (bluefin tuna, oysters) and citrus resulted in eight buyers visiting South Australia and meeting with 50 companies. Expanded exports resulted.

Identified the need for improved market intelligence and analysis. The research emphasised that better intelligence would lead to improved industry performance in export markets.

Estimated $38 million in direct export sales generated by 58 South Australian companies exhibiting at international trade shows managed through Food SA.

Two industry plans (the Seafood Strategic Plan and the Honeybee Strategic Plan) were finalised in partnership with industry sectors.

There have been 9 networks established for 550 regionally based companies to improve business capacity and their workforce capabilities.

Food Innovation seminars delivered in partnership with Flavour SA attracted more than 150 food industry people to discuss future market trends, challenges and opportunities.

Enquiries to the Food Centre website and its buyers hub seeking SA food information and products increased by over 300 per cent from January 2005 (3986) to March 2006 (13 765).

Sub-program: 4.6	Rural Services Provide a key service delivery role, integrating economic, environmental and social dimensions into an integrated ecologically sustainable development based service package. A diverse range of services are provided for Government agencies, natural resource management bodies, agricultural industry development organisations, food, wine, forestry and resources companies, regional bodies, primary producers and community groups.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$14 532 000**	**$14 444 000**	**$14 278 000**	**$13 846 000**

Performance Commentary

Delivered a wide range of environmental management services including revegetation, animal and plant control, land and water management, and pastoral rangeland assessment.

Assisted with the Department of Water, Land and Biodiversity Conservation (DWLBC) Revegetation Project, Glenelg Tramline redevelopment, Adelaide Blue Gums, Regional Pest Plans, Sandy Soils project, SaltSmart projects, development of irrigation management software IRES version 2, and Rangelands Monitoring program.

Provided leadership and support to increase the level of community and other stakeholder involvement in regional natural resource management programs (on behalf of DWLBC).

Delivered a wide range of services to the field crop, livestock, horticulture, fisheries and aquaculture industries aimed at improving the competitiveness of industry value chains.

Key projects delivered include 'Edge Network', Pro-graze, Grain and Graze projects, 'SA Grown' supply chain project, Sheep plan, South East Dairy Effluent project and the Marine Stewardship Assessment project.

Provided both technical and program support services to Natural Resource Management (NRM) Boards.

Undertook the on ground assessment of rangeland Pastoral Lease conditions on behalf of DWLBC.

Fulfilled a key role in responding to emergency situations across South Australia through coordination and delivery of the Lower Eyre Peninsula Bushfires Re-establishment Program and delivering key components of the Virginia Flood Recovery program.

Developed and implemented a community and regional capacity auditing process (in conjunction with DWLBC and NRM Boards).

Delivered eight cultural awareness training courses to a number of customers including fisheries compliance officers, Government officers, Greencorp members and volunteers, NRM Board members and the general community.

Provided case management support to Penola Pulp Mill Pty Ltd for a proposed $650 million pulp mill development and Adelaide Blue Gum Pty Ltd for a $70 million tree farming project.

Agency: Department of Primary Industries and Resources

Program Information

Program 5: Forestry Policy

Description/Objective: Support the sustainable development of an internationally competitive forest industry, regional development and the provision of services from State Government forest reserves.

Summary income statement

Program 5: *Forestry Policy*	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	1 310	1 262	1 262	962
Supplies and services	551	533	533	406
Depreciation and amortisation	—	—	—	—
Grants and subsidies	29	28	28	22
Other	288	280	280	214
Total expenses	**2 178**	**2 103**	**2 103**	**1 604**
Total income	—	—	—	—
Net cost of providing services	**2 178**	**2 103**	**2 103**	**1 604**

Program 5: Performance Criteria:

Program: 5	**Forestry Policy** Support the sustainable development of an internationally competitive forest industry, regional development and the provision of services from the State Government forest reserves.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$2 178 000**	**$2 103 000**	**$2 103 000**	**$1 604 000**

Performance Commentary

Provided service and advice to support the growth of a sustainable and internationally competitive forest industry, and the environmentally sustainable development of the State's resources.

Underpinned forest industry development in South Australia for public and private enterprises including farm based production for commercial diversification and environmental benefits.

Provided policy and legislation advice for forestry and natural resource management.

Developed Community Service Obligation programs, including the management of native vegetation and visitors to State Government forest reserves.

Provided financial support towards the establishment of a National Genetic Research Centre for plantation and farm forestry at Mt Gambier.

Developed biodiversity management plans for 13 native forest reserves located in the Mount Lofty Ranges.

Agency: Department of Primary Industries and Resources

Program Information

Program 6: State/Local Government Relations

Description/Objective: Provide policy and other advice to the Government on the constitution and operations of the Local Government system, including the statutory authorities for which the Minister for State/Local Government Relations is responsible; whole of government policy and legislative frameworks as they affect Local Government; and relationships between the State and Local Government, including the provision of support to the Minister's Local Government Forum.

Summary income statement

Program 6: ***State/Local Government Relations***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	2 392	1 983	1 691	1 670
Supplies and services	1 021	1 087	914	669
Grants and subsidies	69	564	—	858
Other	4	5	—	—
Total expenses	**3 486**	**3 639**	**2 605**	**3 197**
Income				
Other	10	10	15	619
Total income	**10**	**10**	**15**	**619**
Net cost of providing services	**3 476**	**3 629**	**2 590**	**2 578**

Program 6: Performance Criteria:

Program: 6	**State/Local Government Relations** Provide policy and other advice to the Government on the constitution and operations of the Local Government system, including the statutory authorities for which the Minister for State/Local Government Relations is responsible; whole of government policy and legislative frameworks as they affect Local Government; and relationships between the State and Local Government, including the provision of support to the Minister's Local Government Forum.

	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of program	**$3 476 000**	**$3 629 000**	**$2 590 000**	**$2 578 000**

Performance Commentary

Promotion of council elections to encourage nominations in regional areas, to increase representation and participation from under-represented groups and improve data collection and analysis, post election.

Established the Inter Departmental Reference Group utilising existing State agency information networks and assisted with the development and implementation of joint projects consistent with strategic directions and key electoral dates.

Continued support to the Minister's Local Government Forum that deals with strategic issues of importance to State and Local Government and reinforces the relationship between the Local Government Association (LGA) and the State Government.

Contributed significantly to the work of developing the national *Inter-Governmental Agreement Establishing Principles to Guide Inter-Governmental Relations on Local Government Matters*.

Progressed major infrastructure issues considered by the Minister's Local Government Forum. The Government of South Australia and the LGA entered into a 30 year funding and governance agreement for stormwater management and flood mitigation.

Revised the annual *Schedule of Priorities for 2005-06*, signed by the Premier and President of the LGA in November 2005.

Continued the alignment of State and Local Government strategic plans by providing support to the LGA project, Making the Connections, and promoting full participation by the Local Government sector.

Completed a review of the framework for external review of councils' administrative decisions and financial management.

Produced a guide to assist councils in the development of service agreements. *The Local Government/Aboriginal Service Agreement Case Study Guide* features a checklist for councils.

Coordinated the provision of supporting funds towards Local Government recovery efforts on the Adelaide Plains following devastating floods that occurred in November 2005.

Agency: Department of Primary Industries and Resources

Program Information

Program 7: Volunteers

Description/Objective: Provision of services that facilitate the implementation of the 'Advancing the Community Together' partnership in order to build stronger communities and increase volunteer rates in accordance with *South Australia's Strategic Plan*; provision of policy and strategic advice that enhances the Government's capacity to identify, prioritise and respond appropriately to the needs of the volunteer community in South Australia; and initiate programs that support and promote volunteering.

Summary income statement

Program 7: ***Volunteers***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	817	606	595	585
Supplies and services	489	383	377	388
Depreciation and amortisation	—	—	—	—
Grants and subsidies	448	438	454	417
Other	—	—	—	2
Total expenses	**1 754**	**1 427**	**1 426**	**1 392**
Total income	**—**	**—**	**—**	**—**
Net cost of providing services	**1 754**	**1 427**	**1 426**	**1 392**

Program 7: Performance Criteria:

Program: 7	**Volunteers** Provision of services that facilitate the implementation of the 'Advancing the Community Together' partnership in order to build stronger communities and increase volunteer rates in accordance with *South Australia's Strategic Plan*; provision of policy and strategic advice that enhances the Government's capacity to identify, prioritise and respond appropriately to the needs of the volunteer community in South Australia; and initiate programs that support and promote volunteering.

	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$1 754 000**	**$1 427 000**	**$1 426 000**	**$1 392 000**

Performance Commentary

Achieved highest rate in Australia with 51 per cent of the South Australian population participating in volunteering, reaching *South Australia's Strategic Plan* target four years ahead of schedule.

Reviewed Office for Volunteers grant process to align outcomes to *South Australia's Strategic Plan* objectives. The Office led a process that enabled State Government agencies to simplify the processes for small grants.

Developing the Volunteer Emergency Recovery Information System to enable management of people who spontaneously volunteer following disasters.

Completed review of Advancing the Community Together Partnership and the findings are under consideration, including recommendations to update governance and communication structures.

Developed the Community Webs Program, in partnership with University of South Australia, to provide free websites to community organisations.

Delivery of free training programs conducted by volunteering organisations, Volunteering SA, Southern Volunteering, Northern Volunteering and regional Volunteer Resource Centres.

Continued development of information resources for community organisations, including risk management, valuing volunteers, dispute resolution and engaging people with disabilities.

Free police checks were introduced for volunteers working with incorporated, not-for-profit, non-government organisations that provide services to vulnerable groups such as children, the aged and people with disabilities.

A website was launched with consolidated information on State Government grant programs.

PRIMARY INDUSTRIES AND RESOURCES

Income statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Expenses				
Employee benefits and costs —				
Salaries, wages, annual and sick leave	**101 316**	95 908	86 178	89 060
Long service leave	**3 073**	3 124	2 847	2 973
Payroll tax	**5 555**	5 642	5 042	5 663
Superannuation	**10 109**	10 149	8 867	10 228
Other	**362**	691	365	525
Supplies and services —				
General supplies and services	**76 667**	77 954	72 312	72 833
Consultancy expenses	**842**	850	749	459
Depreciation and amortisation	**8 278**	8 055	7 335	7 929
Borrowing costs	**311**	435	460	526
Grants and subsidies	**28 463**	41 049	27 279	48 600
Intra government transfers	**780**	3 723	700	342
Other expenses	**750**	410	5 031	4 346
Total expenses	**236 506**	247 990	217 165	243 484
Income				
Commonwealth revenues	**5 326**	6 962	4 023	4 132
Intra government transfers	**16 623**	17 555	13 290	20 182
Other grants	**27 689**	27 043	22 555	20 236
Fees, fines and penalties	**19 890**	21 342	12 481	16 668
Sales of goods and services	**32 835**	31 278	23 368	22 322
Interest revenues	**2 450**	3 502	3 772	4 925
Net gain or loss from disposal of assets	**40**	—	—	-327
Resources received free of charge	**—**	—	—	491
Other income	**3 570**	3 513	3 505	4 458
Total income	**108 423**	111 195	82 994	93 087
Net cost of providing services	**128 083**	136 795	134 171	150 397
Income from / Expenses to SA Government				
Income —				
Appropriation	**130 773**	136 713	134 914	145 403
Other income	**—**	2 042	—	3 615
Expenses —				
Cash alignment	**—**	349	349	—
Net income from / expenses to SA Government	**130 773**	138 406	134 565	149 018
Net result before restructure(s)	**2 690**	1 611	394	-1 379
Net income from / expenses from administrative restructure(s)	**—**	8 447	8 642	—
Net result after restructure(s)	**2 690**	10 058	9 036	-1 379

PRIMARY INDUSTRIES AND RESOURCES

Balance sheet

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and cash equivalents	**78 526**	74 740	78 781	69 685
Receivables	**17 529**	19 559	12 997	21 581
Inventories	**825**	825	49	825
Other current assets	**443**	443	624	443
Total current assets	**97 323**	95 567	92 451	92 534
Non current assets				
Financial assets	**3 299**	3 148	2 549	3 330
Land and improvements	**76 098**	79 129	81 189	82 903
Plant and equipment	**34 434**	28 758	29 236	30 385
Intangible assets	**6 726**	7 434	1 018	4 436
Other non-current assets	**1 901**	1 901	2 385	1 901
Total non-current assets	**122 458**	120 370	116 377	122 955
Total assets	**219 781**	215 937	208 828	215 489
Liabilities				
Current liabilities				
Payables	**10 901**	11 105	8 506	11 231
Short-term borrowings	**454**	466	430	466
Employee benefits —				
Salaries and wages	**1 869**	1 637	1 225	1 455
Annual leave	**6 640**	6 640	5 904	6 912
Long service leave	**676**	683	646	710
Short-term provisions	**330**	330	496	346
Other current liabilities	**3 931**	3 931	2 457	3 983
Total current liabilities	**24 801**	24 792	19 664	25 103
Non current liabilities				
Long-term borrowings	**3 003**	5 006	4 919	6 623
Long-term employee benefits —				
Long service leave	**25 784**	22 949	23 156	21 105
Long-term provisions	**862**	862	1 160	887
Other non-current liabilities	**1 225**	1 225	1 696	1 225
Total non-current liabilities	**30 874**	30 042	30 931	29 840
Total liabilities	**55 675**	54 834	50 595	54 943
Net assets	**164 106**	161 103	158 233	160 546
Equity				
Contributed capital	**4 116**	3 803	3 803	3 754
Retained earnings	**137 447**	134 757	125 614	134 249
Asset revaluation reserve	**20 855**	20 855	20 855	20 855
Other reserves	**1 688**	1 688	7 961	1 688
Total equity	**164 106**	161 103	158 233	160 546

Balances as at 30 June end of period.

PRIMARY INDUSTRIES AND RESOURCES

Statement of changes in equity

	Contributed capital	Asset revaluation reserve	Retained earnings	Total
	$000	$000	$000	$000
Balance at 30 June 2005	3 446	20 855	136 245	160 546
Adjustments	—	—	—	—
Restated balance at June 2005	3 446	20 855	136 245	160 546
Net gain/loss on revaluation of property, plant and equipment during 2005-06	—	—	—	—
Net changes in reserves	—	—	-9 858	-9 858
Net income/expense recognised directly in equity for 2005-06	—	—	-9 858	-9 858
Net result after restructure for 2005-06	—	—	10 058	10 058
Total recognised income and expense for 2005-06	**—**	**—**	**200**	**200**
Equity contributions from SA Government	357	—	—	357
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2006	**3 803**	**20 855**	**136 445**	**161 103**
Net gain/loss on revaluation of property, plant and equipment during 2006-07	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2006-07	—	—	—	—
Net result after restructure for 2006-07	—	—	2 690	2 690
Total recognised income and expense for 2006-07	**—**	**—**	**2 690**	**2 690**
Equity contributions from SA Government	313	—	—	313
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2007	**4 116**	**20 855**	**139 135**	**164 106**

PRIMARY INDUSTRIES AND RESOURCES

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
OPERATING ACTIVITIES:				
Cash outflows				
Employee payments	**117 355**	112 075	99 860	106 379
Supplies and services	**77 710**	78 963	73 220	69 703
Borrowing costs	**311**	435	460	572
Grants and subsidies	**28 463**	41 049	27 279	49 792
Net GST paid	**—**	—	—	27 752
Intra government transfers	**780**	3 723	700	342
Other payments	**753**	513	5 134	5 533
Cash used in operations	**225 372**	236 758	206 653	260 073
Cash inflows				
Intra government transfers	**16 623**	17 555	13 290	20 182
Commonwealth receipts	**5 326**	6 962	4 023	24 368
Other grants	**27 689**	27 043	22 555	—
Fees, fines and penalties	**19 890**	21 342	12 481	16 673
Sales of goods and services	**32 217**	30 660	22 750	17 315
Interest received	**2 885**	4 047	3 772	5 036
Net GST received	**—**	—	—	25 868
Other receipts	**3 193**	2 941	3 478	5 893
Cash generated from operations	**107 823**	110 550	82 349	115 335
SA GOVERNMENT:				
Appropriation	**130 773**	136 713	134 914	145 403
Other receipts	**—**	2 042	—	3 615
Payments —				
Cash alignment	**—**	349	349	—
Net cash provided by Government	**130 773**	138 406	134 565	149 018
Net cash provided by (+) / used (-) in operating activities	**13 224**	12 198	10 261	4 280
INVESTING ACTIVITIES:				
Cash outflows				
Purchase of property, plant and equipment	**10 278**	7 663	8 706	13 859
Advances paid	**1 218**	1 250	1 250	—
Other payments	**—**	—	—	843
Cash used in investing activities	**11 496**	8 913	9 956	14 702
Cash inflows				
Proceeds from sale of property, plant and equipment	**100**	500	500	706
Repayment of advances	**3 660**	3 770	3 770	—
Other receipts	**—**	—	—	3 508
Cash generated from investing activities	**3 760**	4 270	4 270	4 214
Net cash provided by (+) / used in (-) investing activities	**-7 736**	-4 643	-5 686	-10 488

PRIMARY INDUSTRIES AND RESOURCES

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
FINANCING ACTIVITIES:				
Cash outflows				
Repayment of borrowings	**3 015**	3 017	3 017	2 578
Cash used in financing activities	**3 015**	3 017	3 017	2 578
Cash inflows				
Capital contributions from Government	**313**	357	357	561
Proceeds from borrowings	**1 000**	1 400	1 400	130
Proceeds from restructuring activities	**—**	10 295	10 221	—
Cash generated from financing activities	**1 313**	12 052	11 978	691
Net cash provided by (+) / used in (-) financing activities	**-1 702**	9 035	8 961	-1 887
Net increase (+) / decrease (-) in cash equivalents	**3 786**	16 590	13 536	-8 095
Cash and cash equivalents at the beginning of the financial year	**74 740**	58 150	65 245	77 780
Cash and cash equivalents at the end of the financial year	**78 526**	74 740	78 781	69 685

ADMINISTERED ITEMS FOR THE DEPARTMENT OF PRIMARY INDUSTRIES AND RESOURCES

Income statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Income from SA Government				
Income —				
Appropriation	**145 352**	216 346	204 463	95 328
Other income	**—**	—	—	4
Net income from / expenses to SA Government	**145 352**	216 346	204 463	95 332
Income from other sources				
Taxation	**—**	—	5 426	5 355
Commonwealth revenues	**133 731**	125 930	111 727	121 540
Intra government transfers	**1 607**	1 522	1 518	1 639
Other grants	**700**	1 055	700	2 529
Fees, fines and penalties	**14 934**	14 166	13 094	14 538
Sales of goods and services	**283**	277	284	380
Interest revenues	**276**	318	301	500
Net gain or loss from disposal of assets	**—**	-432	—	21
Resources received free of charge	**—**	—	—	160
Other income	**127 671**	129 369	94 003	102 213
Total income from other sources	**279 202**	272 205	227 053	248 875
Total income	**424 554**	488 551	431 516	344 207
Expenses				
Employee benefits and costs —				
Salaries, wages, annual and sick leave	**1 209**	890	606	640
Long service leave	**10**	14	9	4
Payroll tax	**25**	31	26	36
Superannuation	**40**	52	41	52
Other	**11**	11	1	160
Supplies and services —				
General supplies and services	**4 050**	3 811	5 552	6 822
Consultancy expenses	**20**	20	5	1 909
Depreciation and amortisation	**70**	58	58	94
Grants and subsidies	**276 921**	344 258	114 260	120 887
Intra government transfers	**20 788**	16 284	216 463	105 232
Other expenses	**121 882**	124 875	94 645	104 079
Total expenses	**425 026**	490 304	431 666	339 915
Net result before restructure(s)	**-472**	-1 753	-150	4 292
Net income from / expenses from administrative restructure(s)	**—**	-179	-179	—
Net result after restructure(s)	**-472**	-1 932	-329	4 292

ADMINISTERED ITEMS FOR THE DEPARTMENT OF PRIMARY INDUSTRIES AND RESOURCES

Balance sheet

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and cash equivalents	**24 138**	25 093	14 388	30 506
Receivables	**986**	988	1 087	1 301
Other current assets	**—**	—	6	—
Total current assets	**25 124**	26 081	15 481	31 807
Non current assets				
Land and improvements	**-58**	12	12	644
Plant and equipment	**1 720**	1 720	1 897	1 578
Total non-current assets	**1 662**	1 732	1 909	2 222
Total assets	**26 786**	27 813	17 390	34 029
Liabilities				
Current liabilities				
Payables	**12 165**	12 152	2 096	12 304
Short-term borrowings	**37**	600	600	600
Employee benefits —				
Salaries and wages	**7**	7	21	7
Annual leave	**41**	39	28	37
Other current liabilities	**102**	102	103	768
Total current liabilities	**12 352**	12 900	2 848	13 716
Non current liabilities				
Long-term borrowings	**—**	37	37	637
Long-term employee benefits —				
Long service leave	**124**	94	127	64
Total non-current liabilities	**124**	131	164	701
Total liabilities	**12 476**	13 031	3 012	14 417
Net assets	**14 310**	14 782	14 378	19 612
Equity				
Retained earnings	**13 357**	13 829	13 897	18 659
Asset revaluation reserve	**953**	953	481	953
Total equity	**14 310**	14 782	14 378	19 612

Balances as at 30 June end of period.

ADMINISTERED ITEMS FOR THE DEPARTMENT OF PRIMARY INDUSTRIES AND RESOURCES

Statement of changes in equity

	Contributed capital	Asset revaluation reserve	Retained earnings	Total
	$000	$000	$000	$000
Balance at 30 June 2005	—	953	18 659	19 612
Adjustments	—	—	—	—
Restated balance at June 2005	—	953	18 659	19 612
Net gain/loss on revaluation of property, plant and equipment during 2005-06	—	—	—	—
Net changes in reserves	—	—	-2 898	-2 898
Net income/expense recognised directly in equity for 2005-06	—	—	-2 898	-2 898
Net result after restructure for 2005-06	—	—	-1 932	-1 932
Total recognised income and expense for 2005-06	**—**	**—**	**-4 830**	**-4 830**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2006	**—**	**953**	**13 829**	**14 782**
Net gain/loss on revaluation of property, plant and equipment during 2006-07	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2006-07	—	—	—	—
Net result after restructure for 2006-07	—	—	-472	-472
Total recognised income and expense for 2006-07	**—**	**—**	**-472**	**-472**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2007	**—**	**953**	**13 357**	**14 310**

ADMINISTERED ITEMS FOR THE DEPARTMENT OF PRIMARY INDUSTRIES AND RESOURCES

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
OPERATING ACTIVITIES:				
Cash inflows				
Taxation	**—**	—	5 426	5 355
Intra government transfers	**1 607**	1 522	1 518	1 639
Commonwealth receipts	**133 731**	125 930	111 727	121 440
Other grants	**700**	1 055	700	2 529
Fees, fines and penalties	**14 934**	14 166	13 094	16 010
Sales of goods and services	**283**	588	595	426
Interest received	**278**	320	303	495
Other receipts	**127 671**	128 703	94 003	100 610
Cash generated from operations	**279 204**	272 284	227 366	248 504
Cash outflows				
Employee payments	**1 263**	966	651	873
Supplies and services	**4 057**	3 983	5 709	10 079
Grants and subsidies	**276 921**	344 258	114 260	119 722
Intra government transfers	**20 788**	16 284	216 463	106 229
Other payments	**121 882**	124 875	94 645	105 531
Cash used in operations	**424 911**	490 366	431 728	342 434
SA GOVERNMENT:				
Appropriation	**145 352**	216 346	204 463	95 328
Other receipts	**—**	—	—	4
Net cash provided by Government	**145 352**	216 346	204 463	95 332
Net cash provided by (+) / used in (-) operating activities	**-355**	-1 736	101	1 402
INVESTING ACTIVITIES:				
Cash inflows				
Proceeds from sale of property, plant and equipment	**—**	200	—	227
Cash generated from investing activities	**—**	200	—	227
Cash outflows				
Purchase of property, plant and equipment	**—**	200	200	307
Cash used in investing activities	**—**	200	200	307
Net cash provided by (+) / used in (-) investing activities	**—**	—	-200	-80

ADMINISTERED ITEMS FOR THE DEPARTMENT OF PRIMARY INDUSTRIES AND RESOURCES

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
FINANCING ACTIVITIES:				
Cash inflows				
Proceeds from borrowings	**—**	—	—	50
Proceeds from restructuring activities	**—**	-1 510	-1 510	—
Cash generated from financing activities	**—**	-1 510	-1 510	50
Cash outflows				
Repayment of borrowings	**600**	600	600	600
Cash used in financing activities	**600**	600	600	600
Net cash provided by (+) / used in (-) financing activities	**-600**	-2 110	-2 110	-550
Net increase (+) / decrease (-) in cash equivalents	**-955**	-3 846	-2 209	772
Cash and cash equivalents at the beginning of the financial year	**25 093**	28 939	16 597	29 734
Cash and cash equivalents at the end of the financial year	**24 138**	25 093	14 388	30 506

Agency: Department of Primary Industries and Resources

Financial Commentary — major variations

The following commentary relates to the Agency Financial Statements presented in the previous section. The discussion relates to variations between the 2005-06 Estimated Result and the 2006-07 Budget.

From 1 April 2006 the Office for Volunteers transferred from the Department of the Premier and Cabinet and from 1 July 2006 the Forestry Policy area transferred from ForestrySA. In addition the Department assumed responsibility for two additional ministerial offices – the Office of Minister Holloway and the Office of Minister Rankine.

Variations between the years are in part due to the effects of these transfers arising from functions transferring to the Department.

Income statement — Controlled

Operating revenue is budgeted to decrease by $2.8 million, from $111.2 million in 2005-06 to $108.4 million in 2006-07. The decrease is primarily due to:

- decrease in Commonwealth revenues of $1.6 million primarily associated with the Lower Eyre Peninsula bushfires re-establishment program; and

- decrease in interest revenues of $1.1 million. The interest revenue earnings were replaced with State Government Appropriation reflecting a new policy where interest is no longer received on departmental operating accounts.

Operating expenditure is budgeted to decrease by $11.5 million, from $248.0 million in 2005-06 to $236.5 million in 2006-07. The decrease is primarily due to:

- reduction in expenditure associated with projects that occurred in 2005-06, including the Wine Innovation Cluster project ($9.5 million), the funding for the establishment of the Australian Minerals Science Research Institute ($2.5 million), Virginia Floods program ($1.1 million) and the North Terrace Redevelopment ($3.3 million); and

- offset by an increase in expenditure from functional transfers of $6.3 million. Budgets were transferred in to the Department for the Office for Volunteers ($1.4 million), Forestry Policy ($2.1 million) and Ministerial Offices ($2.8 million).

Balance sheet — Controlled

Total assets are budgeted to increase in 2006-07 by $3.8 million mainly due to an increase in non-current assets primarily associated with the capital investment program in 2006-07 ($10.3 million) offset by depreciation expenses in 2006-07 ($8.3 million).

Total liabilities are budgeted to increase in 2006-07 by $0.8 million. The increase is primarily due to an increase in employee benefits and leave liabilities ($3.1 million) but offset by a repayment of long-term borrowings ($2.0 million).

Statement of changes in equity — Controlled

The Statement of changes in equity highlights a budgeted increase in equity of $3.0 million. This is primarily due to the budgeted net result in 2006-07 of $2.7 million.

Cash flow statement — Controlled

The Cash flow statement shows a net increase in cash of $3.8 million compared to a surplus from ordinary activities of $2.7 million in the Income statement. The difference of $1.1 million reflects the impact of accrued expenditure including depreciation ($8.3 million) and accrued employee entitlements ($3.1 million) offset primarily by investing payments for property, plant and equipment ($10.3 million).

Administered

The following commentary relates to the Additional Information for Administered Items.

Total operating receipts is budgeted to decrease by $64.1 million primarily due to lower appropriation revenue. Similarly, total operating payments is budgeted to decrease by $65.5 million.

These decreases reflect the requirement for higher Community Service Obligation payments to SA Water in 2005-06, resulting from implementation of the new public non-financial corporation ownership framework.

Detailed information on Administered Items is included in the following table.

Additional Information for Administered Items
Department of Primary Industries and Resources

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Taxation —				
Agricultural Levies	—	—	5 426	5 355
Grants —				
Renewable Remote Power Generation	n.a.	n.a.	n.a.	830
Energy Management Task Force	n.a.	n.a.	n.a.	2 945
Photovoltaic Rebate Program	n.a.	n.a.	n.a.	2 191
Petroleum Products Subsidy	**208**	204	204	—
Local Government Taxation Equivalent Fund	**700**	700	700	1 049
SA Local Government Grants Commission	**133 523**	125 726	111 523	116 950
Outback Areas Community Development Trust	—	355	—	—
Other	—	—	—	4
Intra government transfers				
SA Local Government Grants Commission	**432**	377	374	365
Outback Areas Community Development Trust	**1 175**	1 145	1 144	1 274
Sales of goods and services —				
SA Local Government Grants Commission	**25**	24	31	72
Other	**258**	564	564	354
Interest —				
Various Industry Funds	**204**	246	246	386
Local Government Taxation Equivalent Fund	**10**	10	10	35
SA Local Government Grants Commission	**34**	34	17	32
Outback Areas Community Development Trust	**30**	30	30	42
Regulatory Fees —				
Fisheries Licence Fees	**12 290**	11 585	11 192	11 788
Aquaculture Licence Fees	**1 860**	1 748	1 466	1 816
Planning Fees received on behalf of Local Government	**550**	700	430	922
Citrus Growers Fund	**228**	127	n.a.	n.a.
Other Industry Funds	—	—	—	1 478
Outback Areas Community Development Trust	**6**	6	6	6
State Government – Appropriation —				
SA Water Corporation and Parliamentary Salaries and Electorate Expense Allowances	**140 242**	214 393	202 511	92 214
Forestry CSO Payment	**3 268**	n.a.	n.a.	n.a.
Office of Local Government – Administered Item	**678**	623	620	601
West Beach Trust	**898**	871	870	2 213
SA Local Government Grants Commission	—	—	3	—
Outback Areas Community Development Trust	**266**	459	459	300
Others	—	—	—	4

Additional Information for Administered Items
Department of Primary Industries and Resources

Cash flow statement

Other —				
Mining Royalties	**119 750**	121 965	94 000	101 670
Native Title Agreement — Royalty	**1 342**	1 309	—	563
Petroleum Products Subsidy	—	—	—	266
Various Industry Funds	**6 576**	5 426	—	-2 243
SA Local Government Grants Commission	—	—	—	23
Outback Areas Community Development Trust	**3**	3	3	331
Total operating receipts	**424 556**	488 630	431 829	343 836
Payments				
Employee payments —				
Parliamentary Salaries and Electorate Expense Allowances	**709**	276	224	216
Other	40	40	—	96
SA Local Government Grants Commission	**290**	284	209	272
Outback Areas Community Development Trust	**224**	366	218	289
Supplies and services —				
Energy Management Task Force	**n.a.**	n.a.	n.a.	1 841
Various Industry Funds	**3 202**	3 152	4 793	6 916
SA Local Government Grants Commission	**195**	189	254	114
Outback Areas Community Development Trust	**660**	642	662	1 208
Intra Government Transfers —				
SA Water Corporation	—	—	202 287	93 018
Regulatory Fees Transferred from Fisheries Research and Development Fund	**11 577**	11 504	10 590	9 995
Regulatory Fees Transferred from Aquaculture Resource Management Fund	**1 663**	1 485	1 198	425
Eyre Peninsula Rail Infrastructure	**900**	n.a.	n.a.	n.a.
Forestry CSO Payment	**3 268**	n.a.	n.a.	n.a.
Gulf St Vincent	—	22	n.a.	n.a.
Sheep Industry Fund	**308**	299	—	—
Cattle Industry Fund	**568**	582	—	—
Payment to Outback Areas Community Development Trust	**246**	238	238	236
Payment to SA Local Government Grants Commission	**432**	377	374	365
West Beach Trust	**898**	871	870	2 190
SA Local Government Grants Commission	**928**	906	906	—
Grants and subsidies —				
Regulatory Fees Paid from Fisheries Research and Development Fund	**713**	797	602	—
Regulatory Fees Paid from Aquaculture Resource Management Fund	**300**	669	268	—
SA Water Corporation	**139 533**	214 117	—	—
Payment to Industry Funds	**2 493**	2 373	1 499	1 413
Petroleum Products Subsidy	**208**	204	204	266
Local Government Taxation Equivalent Fund	**700**	700	700	498
SA Local Government Grants Commission	**132 595**	124 820	110 617	116 950
Outback Areas Community Development Trust	**379**	578	370	595

Additional Information for Administered Items
Department of Primary Industries and Resources

Cash flow statement

Other —				
Receipts Paid to Consolidated Account	**119 750**	122 631	94 000	102 459
Native Title Agreement — Royalty	**1 342**	1 309	n.a.	n.a.
Renewable Remote Power Generation Program	**n.a.**	n.a.	n.a.	1 274
Photovoltaic Rebate Program	**n.a.**	n.a.	n.a.	817
Planning Fees received on behalf of Local Government	**550**	700	430	924
Other	—	—	—	33
SA Local Government Grants Commission	—	—	—	4
Outback Areas Community Development Trust	**240**	235	215	20
Total operating payments	**424 911**	490 366	431 728	342 434
Net cash provided by operating activities	**-355**	-1736	101	1 402
Investing activities				
Receipts				
Proceeds from sale of property, plant & equipment	—	200	—	227
Total investing receipts	—	200	—	227
Payments				
Purchase of property, plant and equipment	—	200	200	307
Total investing payments	—	200	200	307
Net cash provided by investing activities	—	—	-200	-80
Financing activities				
Receipts				
Proceeds from borrowings	—	—	—	50
Proceeds from restructuring activities	—	-1 510	-1 510	—
Total financing receipts	—	-1 510	-1 510	50
Payments				
Repayment of Borrowings	**600**	600	600	600
Total financing payments	**600**	600	600	600
Net cash provided by financing activities	**-600**	-2 110	-2 110	-550
Net Increase (+) / decrease (-) in cash held	**-955**	-3 486	-2 209	772
Opening cash balance as at 1 July	**25 093**	28 939	16 597	29 734
Closing cash balance as at 30 June	**24 138**	25 093	14 388	30 506

Portfolio: Transport, Energy and Infrastructure

Minister for Transport

Minister for Infrastructure

Minister for Energy

Minister for Road Safety

Government of South Australia

TABLE OF CONTENTS

PORTFOLIO SUMMARY

Ministerial Responsibilities 6.1

Portfolio Net Cost of Services Summary 6.3

Investing Payments Summary 6.3

Portfolio Financial Statements

Income statement 6.4

Balance sheet 6.5

Statement of changes in equity 6.6

Cash flow statement 6.7

Workforce Summary 6.9

Ministerial Office Resources 6.9

South Australia's Strategic Plan contribution 6.10

Agency Summaries

Department for Transport, Energy and Infrastructure 6.12

TransAdelaide 6.56

PORTFOLIO: TRANSPORT, ENERGY AND INFRASTRUCTURE

MINISTERIAL RESPONSIBILITIES

Minister	Agency	Programs	Sub-Programs
The Hon. Patrick Conlon Minister for Transport Minister for Infrastructure Minister for Energy	Department for Transport, Energy and Infrastructure	1. Transport Policy and Planning	Nil
		2. Transport Infrastructure Services	2.1 Operating and Maintaining Roads 2.2 Operating and Maintaining the Marine System 2.3 Managing Rail Land and Tram Infrastructure Assets
		3. Transport Safety and Regulation Services	3.1 Driver and Vehicle Licensing 3.2 Transport Safety Regulation
		4. Public Transport Services	4.1 Asset Management 4.2 Passenger Services
		5. Energy Policy and Regulation	5.1 Energy Policy and Programs 5.2 Technical and Safety Regulation
		6. State Infrastructure Facilitation	6.1 Facilitation of Key State Projects 6.2 Information and Communications Technology Coordination
	TransAdelaide	1. Operate and Maintain Metropolitan Rail Passenger Transport Services	Nil
The Hon. Carmel Zollo Minister for Road Safety	Department for Transport, Energy and Infrastructure	7. Road Safety Policy, Planning and Services	7.1 Safer Roads 7.2 Safety and Community

Statutory Authorities

The Hon. Patrick Conlon, Minister for Transport, is responsible for the following Statutory Authority:

- TransAdelaide

Administered items

In addition to the above responsibilities the Portfolio will administer the following items on behalf of Minister(s) for 2006-07:

- Emergency Services Levy Receipts
- Expiation Receipts including the Victims of Crime Levy
- Firearm Receipts
- Flood Mitigation
- Hospital Fund — Contribution
- Lincoln Cove Marina
- Major Administered Projects
- Metropolitan (Woodville, Henley and Grange) Drainage Scheme
- Minister's Salary
- Motor Accident Commission Receipts
- Passenger Transport Research and Development Fund
- Photovoltaic Rebate Program
- Registration and Licensing Collections and Disbursements
- Renewable Remote Power Generation Program
- South Western Suburbs Drainage Scheme
- Stamp Duties Receipts

The following items were administered by the Portfolio on behalf of Minister(s) during 2005-06, but will not continue into 2006-07:

- Catchment Management Subsidy Scheme
- Natural Gas Authority of South Australia
- Ministerial Council on Energy

Statutes

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

PORTFOLIO NET COST OF SERVICES SUMMARY

Agency	2006-07 Budget $000	2005-06 Estimated Result $000	2005-06 Budget $000	2004-05 Actual $000
Department for Transport, Energy and Infrastructure[(a)]	214 829	258 817	219 257	231 861
TransAdelaide	140	-19 752	-7 193	-8 098
Total[(b)]	**214 969**	**239 065**	**212 064**	**223 763**

(a) Net cost of services reported here is based on the current program structure for the agency. Reconciliation of these amounts to the net cost of providing services (as contained in the financial statements) is contained in the program net cost of services summary located at the beginning of the Department for Transport, Energy and Infrastructure (DTEI) chapter.

(b) The net cost of services includes transactions between DTEI and TransAdelaide. These transactions are eliminated within the department's financial statements.

INVESTING PAYMENTS SUMMARY

Agency	2006-07 Budget $000	2005-06 Estimated Result $000	2005-06 Budget $000	2004-05 Actual $000
Department for Transport, Energy and Infrastructure	339 034	235 276	230 424	221 005
TransAdelaide	28 826	28 841	19 329	15 776
Total Investing Payments	**367 860**	**264 117**	**249 753**	**236 781**

TRANSPORT, ENERGY AND INFRASTRUCTURE

Income statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Expenses				
Employee benefits and costs —				
Salaries, wages, annual and sick leave	**122 895**	123 409	115 235	107 872
Long service leave	**4 007**	3 937	3 935	3 487
Payroll tax	**4 930**	4 921	4 761	6 792
Superannuation	**12 406**	12 384	11 522	11 701
Other	**39**	1 831	38	4 414
Supplies and services —				
General supplies and services	**350 897**	351 265	339 178	322 211
Consultancy expenses	**308**	260	218	293
Depreciation and amortisation	**165 207**	155 545	163 190	153 998
Borrowing costs	**15 102**	14 734	18 100	10 882
Grants and subsidies	**42 558**	33 567	29 201	23 746
Intra government transfers	**45 850**	45 764	41 957	35 707
Other expenses	**10 934**	9 843	4 245	73 924
Total expenses	**775 133**	757 460	731 580	755 027
Income				
Commonwealth revenues	**113 758**	96 320	103 897	106 347
Intra government transfers	**4 967**	4 411	3 939	23 042
Other grants	**41 252**	38 003	31	3 178
Fees, fines and penalties	**284 987**	267 183	270 787	262 253
Sales of goods and services	**91 575**	90 314	120 326	130 754
Interest revenues	**7 264**	2 623	2 050	3 873
Net gain or loss from disposal of assets	**—**	-425	—	-21 299
Resources received free of charge	**250**	—	—	4 335
Other income	**20 197**	20 466	18 486	34 300
Total income	**564 250**	518 895	519 516	546 783
Net cost of providing services	**210 883**	238 565	212 064	208 244
Income from / Expenses to SA Government				
Income —				
Appropriation	**347 907**	382 781	337 660	275 498
Other income	**—**	4 578	—	3 107
Expenses —				
Tax equivalent	**768**	1 272	1 262	3 239
Cash alignment	**56 440**	6 680	31 876	—
Other	**5 401**	34 757	7 751	2 736
Net income from / expenses to SA Government	**285 298**	344 650	296 771	272 630
Net result before restructure(s)	**74 415**	106 085	84 707	64 386
Net income from / expenses from administrative restructure(s)	**—**	-6 921	-6 921	—
Net result after restructure(s)	**74 415**	99 164	77 786	64 386

TRANSPORT, ENERGY AND INFRASTRUCTURE

Balance sheet

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and cash equivalents	**274 605**	371 337	234 600	210 268
Receivables	**35 177**	35 220	36 494	35 201
Inventories	**11 642**	11 597	8 603	10 698
Other current assets	**12 034**	12 034	424	11 962
Total current assets	**333 458**	430 188	280 121	268 129
Non current assets				
Financial assets	**200**	200	200	200
Land and improvements	**591 591**	575 361	507 851	586 428
Plant and equipment	**5 406 103**	5 205 359	5 097 323	5 100 627
Other non-current assets	**19 628**	19 628	21 646	19 628
Total non-current assets	**6 017 522**	5 800 548	5 627 020	5 706 883
Total assets	**6 350 980**	6 230 736	5 907 141	5 975 012
Liabilities				
Current liabilities				
Payables	**88 698**	88 677	71 254	88 302
Short-term borrowings	**5 629**	5 629	5 732	5 629
Employee benefits —				
Salaries and wages	**1 986**	2 022	1 814	2 008
Annual leave	**11 312**	11 312	10 800	10 924
Long service leave	**2 872**	2 766	3 498	2 646
Other	**1 425**	1 425	706	1 425
Short-term provisions	**5 008**	5 008	2 442	4 992
Other current liabilities	**16 974**	16 975	5 064	2 925
Total current liabilities	**133 904**	133 814	101 310	118 851
Non current liabilities				
Long-term borrowings	**111 955**	117 336	119 337	124 821
Long-term employee benefits —				
Annual leave	**1 476**	1 476	500	1 476
Long service leave	**38 535**	38 423	35 702	37 178
Other	**72**	71	126	70
Long-term provisions	**11 698**	11 698	10 750	11 669
Other non-current liabilities	**114 877**	119 177	13 476	19 177
Total non-current liabilities	**278 613**	288 181	179 891	194 391
Total liabilities	**412 517**	421 995	281 201	313 242
Net assets	**5 938 463**	5 808 741	5 625 940	5 661 770
Equity				
Contributed capital	**232 941**	216 195	213 257	196 195
Retained earnings	**3 920 463**	3 846 048	3 868 182	3 758 961
Asset revaluation reserve	**1 785 059**	1 746 498	1 544 501	1 706 614
Total equity	**5 938 463**	5 808 741	5 625 940	5 661 770

Balances as at 30 June end of period.

TRANSPORT, ENERGY AND INFRASTRUCTURE

Statement of changes in equity

	Contributed capital	Asset revaluation reserve	Retained earnings	Total
	$000	$000	$000	$000
Balance at 30 June 2005	196 195	1 706 614	3 758 961	5 661 770
Adjustments	—	—	-20 873	-20 873
Restated balance at June 2005	196 195	1 706 614	3 738 088	5 640 897
Net gain/loss on revaluation of property, plant and equipment during 2005-06	—	39 884	—	39 884
Net changes in reserves	—	—	8 796	8 796
Net income/expense recognised directly in equity for 2005-06	—	39 884	8 796	48 680
Net result after restructure for 2005-06	—	—	99 164	99 164
Total recognised income and expense for 2005-06	**—**	**39 884**	**107 960**	**147 844**
Equity contributions from SA Government	20 000	—	—	20 000
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2006	**216 195**	**1 746 498**	**3 846 048**	**5 808 741**
Net gain/loss on revaluation of property, plant and equipment during 2006-07	—	38 561	—	38 561
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2006-07	—	38 561	—	38 561
Net result after restructure for 2006-07	—	—	74 415	74 415
Total recognised income and expense for 2006-07	**—**	**38 561**	**74 415**	**112 976**
Equity contributions from SA Government	16 746	—	—	16 746
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2007	**232 941**	**1 785 059**	**3 920 463**	**5 938 463**

TRANSPORT, ENERGY AND INFRASTRUCTURE

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
OPERATING ACTIVITIES:				
Cash outflows				
Employee payments	**144 094**	146 426	135 435	129 176
Supplies and services	**355 830**	356 916	339 399	311 367
Borrowing costs	**15 102**	14 734	18 100	10 933
Grants and subsidies	**37 957**	29 078	29 201	23 210
Net GST paid	**—**	—	—	68 573
Intra government transfers	**45 850**	45 764	41 957	34 931
Other payments	**9 705**	9 524	4 245	31 328
Cash used in operations	**608 538**	602 442	568 337	609 518
Cash inflows				
Intra government transfers	**4 967**	4 411	3 939	18 479
Commonwealth receipts	**113 758**	96 320	103 897	109 777
Other grants	**36 952**	152 233	31	—
Fees, fines and penalties	**284 987**	267 183	270 787	262 253
Sales of goods and services	**91 620**	90 009	120 021	100 530
Interest received	**7 264**	2 623	2 050	3 865
Net GST received	**—**	—	—	68 776
Other receipts	**20 150**	20 697	18 789	21 071
Cash generated from operations	**559 698**	633 476	519 514	584 751
SA GOVERNMENT:				
Appropriation	**347 907**	382 781	337 660	275 498
Other receipts	**—**	4 578	—	2 355
Payments —				
Tax equivalents	**768**	1 272	1 262	5 057
Cash alignment	**56 440**	6 680	31 876	—
Other	**5 401**	34 757	7 751	2 768
Net cash provided by Government	**285 298**	344 650	296 771	270 028
Net cash provided by (+) / used (-) in operating activities	**236 458**	375 684	247 948	245 261
INVESTING ACTIVITIES:				
Cash outflows				
Purchase of property, plant and equipment	**365 741**	243 652	249 753	236 781
Cash used in investing activities	**365 741**	243 652	249 753	236 781
Cash inflows				
Proceeds from sale of property, plant and equipment	**21 186**	15 134	18 336	9 952
Other receipts	**—**	—	—	751
Cash generated from investing activities	**21 186**	15 134	18 336	10 703
Net cash provided by (+) / used in (-) investing activities	**-344 555**	-228 518	-231 417	-226 078

TRANSPORT, ENERGY AND INFRASTRUCTURE

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
FINANCING ACTIVITIES:				
Cash outflows				
Repayment of borrowings	**5 381**	7 485	5 381	6 130
Cash used in financing activities	**5 381**	7 485	5 381	6 130
Cash inflows				
Capital contributions from Government	**16 746**	20 000	20 000	19 457
Proceeds from restructuring activities	**—**	-7 400	-7 400	—
Cash generated from financing activities	**16 746**	12 600	12 600	19 457
Net cash provided by (+) / used in (-) financing activities	**11 365**	5 115	7 219	13 327
Net increase (+) / decrease (-) in cash equivalents	**-96 732**	152 281	23 750	32 510
Cash and cash equivalents at the beginning of the financial year	**371 337**	219 056	210 850	177 758
Cash and cash equivalents at the end of the financial year	**274 605**	371 337	234 600	210 268

WORKFORCE SUMMARY

Agency	FTEs as at 30 June		
	2006-07 Budget Estimate	2005-06 Estimated Result	2004-05 Actual
Department for Transport, Energy and Infrastructure	2 020.7	1 991.7	2 056.9
TransAdelaide	524.4	524.4	538.4
Total	**2 545.1**	**2 516.1**	**2 595.3**

MINISTERIAL OFFICE RESOURCES

Minister	2006-07 Budget	
	Cost of provision $000	FTEs
The Hon. Patrick Conlon	1 469	10.0

South Australia's Strategic Plan contribution

South Australia's Strategic Plan			Sub-Programs														
Objectives	**Targets**		1.0 Transport Policy and Planning	2.1 Operating and Maintaining Roads	2.2 Operating and Maintaining the Marine System	2.3 Managing Rail Land and Tram Infrastructure Assets	3.1 Driver and Vehicle Licensing	3.2 Transport Safety Regulation	4.1 Asset Management	4.2 Passenger Services	5.1 Energy Policy and Programs	5.2 Technical and Safety Regulation	6.1 Facilitation of Key State Projects	6.2 Information and Communications Technology Coordination	7.1 Safer Roads	7.2 Safety and Community	8.0 Operate and Maintain Metropolitan Rail Passenger Transport Services
Growing Prosperity	1.4	Competitive Business Climate	✓								✓		✓	✓			
	1.10	Productivity	✓	✓				✓									
	1.12	Exports	✓	✓	✓								✓				
	1.13	Tourism Industry	✓	✓	✓					✓							
	1.16	Strategic Infrastructure	✓	✓	✓	✓			✓				✓	✓			✓
	1.18	Performance Improvement in the SA Public Sector — Productivity					✓			✓				✓			
	1.19	Performance Improvement in the SA Public Sector — Quick Decision Making	✓											✓			
Improving Wellbeing	2.1	Quality of Life	✓	✓						✓							✓
	2.2	Healthy South Australians						✓		✓		✓				✓	
	2.6	Overweight								✓						✓	
	2.7	Sport and Recreation			✓		✓									✓	
	2.8	Crime Rates					✓										
	2.9	Road Safety	✓	✓			✓	✓		✓					✓	✓	
Attaining Sustainability	3.2	Energy Consumption — Government									✓						
	3.3	Greenhouse Emissions	✓	✓						✓	✓					✓	✓
	3.5	Marine Biodiversity						✓									
	3.9	Use of Public Transport	✓			✓			✓	✓						✓	✓
	3.10	Ecological Footprint	✓							✓	✓						✓
Foster Creativity	4.7	Internet Usage												✓			
Building Communities	5.6	Volunteering								✓						✓	
	5.7	State and Local Government	✓														
	5.11	Regional Infrastructure	✓	✓	✓	✓				✓	✓		✓	✓	✓		
Expanding Opportunities	6.5	Disability		✓						✓			✓		✓		✓

TABLE OF CONTENTS

AGENCY: DEPARTMENT FOR TRANSPORT, ENERGY AND INFRASTRUCTURE

Objectives 6.13

Targets / Highlights 6.14

Program Net Cost of Services Summary 6.16

Investing Payments Summary 6.17

Program Information

- Description / Objective 6.19
- Summary income statement 6.19
- Sub-program Statements and Performance Criteria 6.20

Financial Statements

- Income statement 6.39
- Balance sheet 6.40
- Statement of changes in equity 6.41
- Cash flow statement 6.42
- Income statement — Administered Items 6.44
- Balance sheet — Administered Items 6.45
- Statement of changes in equity — Administered Items 6.46
- Cash flow statement — Administered Items 6.47

Financial Commentary 6.49

Agency: Department for Transport, Energy and Infrastructure

Objectives

The Department for Transport, Energy and Infrastructure (DTEI) has diverse responsibilities in relation to transport systems and services, energy policy and regulation, and infrastructure planning for South Australia.

The department's objectives include:

- providing leadership in the development of transport solutions by providing policy, planning and investment advice to assist government to achieve its strategic objectives;

- delivering and supporting safe, sustainable and secure transport that underpins the economic and social growth of South Australia;

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

- providing policy advice on energy issues, and delivering energy programs and regulatory services for the competitive, safe and reliable supply and use of energy, for the benefit of the South Australian community, including an efficient transition towards a sustainable energy future; and

- identifying strategic infrastructure priorities for the State, coordinating infrastructure planning and development across government and facilitating the timely delivery of key projects that support the economic and social development of the State.

2006-07 Targets / 2005-06 Highlights

Targets 2006-07	Highlights 2005-06
Transport • Increase the number of vouchers and levels of subsidies under the South Australian Transport Subsidy Scheme (SATSS) • Invest in a number of roads in the State's Outback rural area under the Rural Road Improvement Program • Complete two cycle paths – from Willunga to Marino and along the Glenelg Tram Line • Infrastructure improvements to meet *Disability Discrimination Act 1992* compliance requirements • Public Transport customer satisfaction survey to be conducted • Implement Public Transport service changes and improvements • Achieve Public Transport patronage growth of 4% • Progress implementation of the Heavy Vehicle Access Framework • Progress the AusLink corridor strategies in South Australia • Continue further detailed planning for the upgrading of South Road • Complete an investigation into the extension of the Noarlunga rail line to Seaford • Commence implementation of the model national Rail Safety (Reform) Bill • Continue development of regional freight strategies focusing on higher growth regional areas • Construct the Maslin Beach overtaking lane on the Noarlunga to Cape Jervis Road • Undertake detailed planning for the upgrade of the Sturt Highway (Gawler to Nuriootpa) • Complete refurbishment of the in-shore section of the Beachport Jetty • Complete installation of 25 road safety cameras • Undertake road infrastructure improvements at 38 rural and 26 urban black spot locations under the State and AusLink Black Spot programs • As part of the Roads to Recovery program: – construct and seal town streets in Yunta, Copley, Marree and Parachilna – sheet town streets in Mannahill – construct and seal 5km of Blinman – Wilpena Road – rehabilitate 48km of Strzelecki Track • In conjunction with local councils, undertake 33 cycling safety projects resulting in an additional 8km of shared use path and 25km of bicycle lanes • Improve road surface skid resistance at up to 39 locations across the State **Energy** • Progress as lead legislator agreed changes to national energy legislation and associated changes to South Australian energy legislation arising from the Ministerial Council of Energy's reform program • Effective management, reporting and implementation of Energy Division Strategic Plan targets • Deliver safe, reliable, affordable and sustainable electricity to 2600 customers in 13 remote townships • Deliver 2500 Solar Hot Water Rebates • Process and approve at least 350 applications under the Photovoltaic Rebate Program • Effective and efficient enforcement, compliance and promotion of technical and safety regulation	**Transport** • Achieved public transport patronage growth of 4.5% • Major passenger transport service changes implemented in August 2005 • Expanded the eligibility criteria for members of SATSS • Reopening of the upgraded tram corridor and commissioning of new trams • Introduced Plus One Companion card for use on public transport • Developed business cases for upgrading of key freight routes, in particular, a plan for freight transport for the South East/Limestone Coast region of South Australia • Heavy Vehicle Access Framework approved following extensive industry consultation • Facilitated implementation of South Australia's Transport Security Strategy across government and industry • Conducted work on studies for electrification of Adelaide's passenger rail network and improved transport movements • Investigated opportunities for transit oriented development at key public transport interchanges, in conjunction with the Land Management Corporation, Planning SA and other government agencies • As part of the Rural Overtaking Lane program, constructed a new overtaking lane on the Noarlunga–Cape Jervis Road and an extension to an existing overtaking lane on the Noarlunga–Victor Harbor Road • Upgraded 12 level crossings to reduce the risk of queuing across the level crossings • Constructed additional 55 parking spaces at the Klemzig and Paradise interchanges • Completed Stage 2 of the upgrade of the Dukes Highway from Bordertown to the South Australian and Victorian border • Completed duplication of the Riddoch Highway between Wireless Road and Pinehall Avenue, Mount Gambier • Completed construction between Henley Beach Road and Sir Donald Bradman Drive as part of the City West Connector • Completed construction of the Mawson Interchange and the connector between Salisbury Highway and Main Street • Completed construction of the first replacement ferry for River Murray crossings • Completed 25 projects under the AusLink (federally funded) and State Black spot programs to treat hazardous road locations • Undertook 25 projects under the Responsive Road Safety program to address road safety issues at specific locations within metropolitan Adelaide and rural areas • Widened the last 22km of the Lincoln Highway • Resealed 851 lane kms and rehabilitated 204 lane kms **Energy** • Delivered home energy audits via the Energy Efficiency Program for Low Income Households • Provided support for the implementation of the *Energy Efficiency Action Plan* • Delivered 2600 Solar Hot Water Rebates that will result in around 7000 tonnes of greenhouse gas emissions being saved • Approved 393 rebates valued at $1.6 million under the photovoltaic rebate program. Total installed capacity 600 kW. Will save over 900 tonnes of CO_2 per annum • Safe, reliable and affordable electricity supplies provided to 13 communities in rural and remote South Australia through the Remote Areas Energy Supplies Scheme • Implemented national energy market reforms, such as the *Gas Pipelines Access (South Australia) Act 1997*

Targets 2006-07	Highlights 2005-06
Infrastructure • Effective management of a number of major transport projects including: – South Road/Anzac Highway Underpass – Bakewell Bridge replacement project – Northern Expressway – Port River Expressway Bridges – LeFevre Peninsula Transport Corridor Upgrade – Tramline extension and City West project – South Road upgrade (Grange to Torrens Road) • Advance upgrade works on Eyre Peninsula Grain Logistics Transport Plan **Office of the Chief Information Officer** • Publish an overall South Australian Government Information and Communication Technology (ICT) Strategy • Implement an ICT Project Portfolio Governance Framework • Publish a Telecommunications Strategy and a Public Safety Telecommunications Strategy • Publish an Identity and Access Management Framework **Safety and Regulation** • Implement training and policy in regards to the Compliance and Enforcement Act in consultation with SAPOL and the Heavy Vehicle Industry • Development of State Oil Spill Investigation plan between Environment Protection Authority and DTEI • Introduce the regression component of the Graduated Licensing Scheme for novice drivers • Identify options for greater community involvement in and commitment to road safety including the development of a regional road safety strategy	• No electrocutions were recorded this year. This is the first time in more than 15 years that there were no electrocutions recorded in South Australia • Increased by 20 per cent the number of energy safety seminars presented to industry by the Office of the Technical Regulator **Infrastructure** • Implemented infrastructure priorities through the State Infrastructure Plan's strategic capital investment process • Completed the deepening of the Outer Harbor Shipping Channel to 14.2 metres to enable the Port of Adelaide to accommodate larger vessels • Developed and implemented a funding package to upgrade Eyre Peninsula Grain logistics • Developed and implemented a stormwater agreement with local government to fund stormwater works • Commenced construction of the Port River Expressway Stages 2 and 3 — Road and Rail Bridges and commenced works on the Le Fevre Peninsula Transport Corridor Upgrade • Completed a preliminary design and undertook community engagement to replace the Bakewell Bridge with an underpass • Continued planning investigations to define a proposed route for the Northern Expressway, linking the Sturt Highway at Gawler to the recently opened Port River Expressway Stage 1 **Office of the Chief Information Officer** • Developed the ICT Principles as an enduring doctrine for the use of ICT in government • Commenced initiatives to streamline ICT procurement • Developed and implemented the ICT Investment Prioritisation Framework • Developed the ICT Governance and Planning Frameworks **Safety and Regulation** • Introduced the Graduated Licensing Scheme for novice drivers • Introduced immediate loss of licence for high level speeding and drink driving offences and introduced random roadside drug testing • Commenced operations at the new Vehicle Identity Assessment Station at Naweena Road Regency Park • Reduced fatalities by 4% compared to the five year average

Program net cost of services summary

Program	Net Cost of Services			
	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
1. Transport Policy and Planning	14 927	17 025	16 736	17 030
2. Transport Infrastructure Services	145 054	225 349	198 783	245 472
3. Transport Safety and Regulation Services	-224 624	-210 455	-214 973	-215 709
4. Public Transport Services	190 544	190 095	185 332	169 549
5. Energy Policy and Regulation	14 198	17 617	13 728	14 348
6. State Infrastructure Facilitation	23 954	19 186	19 651	1 171
7. Road Safety Policy, Planning and Services	50 776	—	—	—
Total	**214 829**	**258 817**	**219 257**	**231 861**
Reconciliation to agency net cost of providing services (as per Income statement)				
***Less**: net cost of programs/functions transferred in*				
Energy & Infrastructure Policy from the Department of Treasury and Finance	—	—	—	2 750
Energy from the Department of Primary Industries and Resources	—	—	—	11 598
Infrastructure from the Department for Administrative and Information Services	—	—	—	1 171
Equals: **Net cost of providing services (as per agency Income statement)**	**214 829**	**258 817**	**219 257**	**216 342**

Investing payments summary

Investments	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
New Works				
ATTAINING SUSTAINABILITY				
Connect Light Rail to City West Campus	24 200	—	—	—
Disability Discrimination Act (DDA) Compliance Act	2 700	—	—	—
BUILDING COMMUNITIES				
Rural Road Improvements	600	—	—	—
GROWING PROSPERITY				
Northern Expressway	14 200	—	—	—
Waterloo Corner Road, Heaslip Road Junction	3 100	—	—	—
IMPROVING WELLBEING				
Green Cycle Paths – Safe Crossings of Arterials	500	—	—	—
Total New Works	**45 300**	**—**	—	—
Works in Progress				
ATTAINING SUSTAINABILITY				
Bus Fleet Replacement Program	21 160	19 833	20 620	17 277
Adelaide Light Rail	6 500	45 201	30 100	31 439
Tram Related Infrastructure Assets Transfer	1 414	9 184	—	—
Essential Public Transport Infrastructure Upgrade	525	1 025	1 025	—
Public Transport – Minor Works	520	210	210	206
Connect Light Rail to Adelaide Railway Station	—	1 800	4 400	—
Public Transport Infrastructure Upgrade	—	300	300	1 354
Light Rail Extension to Brougham Place	—	300	300	—
Metropolitan Traffic Management Program	—	—	—	472
BUILDING COMMUNITIES				
Rural and Remote – Minor Works	9 496	9 946	9 946	6 789
Shoulder Sealing Program	7 600	1 075	3 675	8 000
Overtaking Lanes Program	3 825	2 675	3 000	6 349
Unsealed Rural Arterial Program	—	—	—	1 007
GROWING PROSPERITY				
Port River Expressway (Road and Rail Bridge)	85 500	49 938	70 000	6 700
South Road Underpass of Anzac Highway	40 000	4 600	5 130	—
Bakewell Bridge[(a)] (includes AusLink funded rail realignment)	27 600	4 040	2 600	360
South Road Upgrade, Grange Road to Torrens Road	19 400	6 300	5 130	—
AusLink Programs (excluding Port River & Northern Expressways)	27 140	19 596	21 010	37 874
Long Life Roads	7 000	5 000	5 000	—
Mawson Lakes Development[(b)]	8 178	14 510	13 080	11 831
Transport Regulation and User Management Processing System	3 401	4 013	2 811	3 948
Transport System Responsiveness - Minor Works	1 149	1 262	1 555	2 231
Eyre Peninsula Grain Logistics Transport Plan	755	2 563	2 563	—
Unkerbed Urban Arterial Roads	1 100	170	1 650	3 458

Investing payments summary

Investments	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Annual Program – Energy	515	190	565	—
Fishing Industries Facilities Upgrade – Minor Works	400	396	396	—
Commercial Road, Port Noarlunga	60	1 800	—	4 406
Mount Gambier Duplication	—	2 050	—	—
City West Connector	—	1 987	—	7 707
Port River Expressway (Stage 1)	—	689	—	34 384
Deflectograph Pavement Evaluation Vehicle	—	248	—	283
Brittania Roundabout	—	100	5 100	288
Walkerville Building Upgrade	—	—	—	3 022
Lincoln Highway	—	—	—	665
Southern Expressway	—	—	—	562
Urban Road Improvements for Freight	—	—	—	44
IMPROVING WELL-BEING				
State Black Spot Program	5 118	4 488	4 488	5 563
Road Safety – Reaching the Target	3 850	1 750	3 750	—
Level Crossing Safety Upgrade	3 010	2 665	2 665	—
Upgrade Vehicle Inspection Facilities and Checking Stations	2 000	—	—	142
Responsive Road Safety Program	2 956	2 480	1 893	2 100
National Black Spot Program	1 690	1 989	1 989	2 807
ICT – Information and Communication Technology	937	784	—	—
Transport Security	800	3 680	—	—
Marine Safety – Provision of a Marine Radio Service for South Australia	135	—	118	—
Wallaroo to Port Wakefield – Kulpara to Port Wakefield	—	2 300	—	—
National Environment Protection Measure (NEPM)	—	1 600	—	—
Mass Action	—	1 000	3 500	—
DV Fleming Bridges	—	795	1 855	—
Safety Camera Enhancement Program	—	419	—	2 551
Long Term Plant Requirements	—	—	—	15 176
Underdale Campus Redevelopment	—	—	—	—
Heavy Vehicle Safety Initiative	—	—	—	1 494
Safety Driven Improvements	—	—	—	516
Various Initiatives	—	—	—	—
Andamooka Water Supply	—	—	—	—
Electronic Plan Amendment Report	—	—	—	—
Other	—	325	—	—
Total Works in Progress	293 734	235 276	230 424	221 005
Total Investing Payments	**339 034**	**235 276**	**230 424**	**221 005**

(a) This includes $2.5 million from the Australian Government under the AusLink Investment Programme for the realignment of railway lines beneath the Bakewell Bridge.

(b) 2006-07 Budget includes the completion of Salisbury Highway to Main Street section and Public Transport Interchange.

Agency: Department for Transport, Energy and Infrastructure

Program Information

Program 1: Transport Policy and Planning

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

Summary income statement

Program 1: ***Transport Policy and Planning***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	8 262	8 693	8 558	11 119
Supplies and services	5 215	6 841	6 687	4 102
Other	1 655	1 691	1 691	2 155
Total expenses	**15 132**	**17 225**	**16 936**	**17 376**
Income				
Sale of goods and services	205	200	200	—
Other	—	—	—	346
Total income	**205**	**200**	**200**	**346**
Net cost of providing services	**14 927**	**17 025**	**16 736**	**17 030**

Program 1: Performance Criteria:

Program: 1	**Transport Policy and Planning**			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Expenditure	$15 132 000	$17 225 000	$16 936 000	$17 376 000
Revenue	$205 000	$200 000	$200 000	$346 000
Net cost of sub-program	**$14 927 000**	**$17 025 000**	**$16 736 000**	**$17 030 000**

Reason for variance

The 2006-07 Budget for expenditure reflects the transfer of safety related functions and activities to the Road Safety Policy, Planning and Services Program, which is now under the responsibility of the Minister for Road Safety.

Performance Commentary

In 2006-07 the department will continue to develop strategies for road safety, public transport patronage and mitigating transport impacts on the environment and transport security.

Agency: Department for Transport, Energy and Infrastructure

Program Information

Program 2: Transport Infrastructure Services

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

Summary income statement

Program 2: ***Transport Infrastructure Services***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	51 433	54 408	52 078	45 059
Supplies and services	98 738	107 418	102 869	127 758
Depreciation and amortisation	123 595	116 446	123 607	115 071
Other	10 253	58 358	44 156	101 982
Total expenses	**284 019**	**336 630**	**322 710**	**389 870**
Income				
Sale of goods and services	3 233	3 928	3 266	7 576
Fees, fines and penalties	7 867	7 416	7 533	9 044
Commonwealth revenue	110 049	86 579	102 079	106 347
Other	17 816	13 358	11 049	21 431
Total income	**138 965**	**111 281**	**123 927**	**144 398**
Net cost of providing services	**145 054**	**225 349**	**198 783**	**245 472**

Program 2: Performance Criteria:

Sub-program: 2.1	**Operating and Maintaining Roads** Provision of services to efficiently and effectively maintain and operate the department's controlled road and bridge infrastructure, including road lighting, traffic signals and management systems and ferries.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Expenditure	$264 630 000	$302 111 000	$307 178 000	$367 184 000
Revenue	$114 958 000	$86 495 000	$99 341 000	$114 478 000
Net cost of sub-program	**$149 672 000**	**$215 616 000**	**$207 837 000**	**$252 706 000**

Reason for variance

The 2006-07 Budget for expenditure reflects the transfer of safety related functions and activities to the Road Safety Policy, Planning and Services Program, which is now under the responsibility of the Minister for Road Safety. This reduction is offset by an increase in network depreciation and cost escalation associated with road maintenance contracts.

The 2006-07 Budget includes additional revenue from the Commonwealth for Major Projects and interest on funds received in advance from the Commonwealth for the Sturt Highway under the AusLink program.

Performance Commentary

The department is responsible for maintaining and operating 26 483 lane kms of sealed road network and 20 270 lane kms of unsealed road network. This infrastructure includes 647 bridges (including busway structures), 748 major culverts, 12 in-service ferries operating at 11 locations along the River Murray, 439 signalised traffic intersections and 255 pedestrian crossings. A further 96 signalised traffic intersections within the Adelaide City Council are also linked and operated by the department.

Four new 5-year long term contracts have commenced in 2006-07 for the routine maintenance of approximately 50% of the sealed road network. These contracts will provide an improved focus on the routine maintenance of higher traffic roads.

Resurfacing and rehabilitation works continue to be of highest priority. Increased expenditure on these activities throughout 2005-06 resulted in increased coverage in both urban and rural areas compared to original estimates. A total of 850 lane kms of road were resealed and 187 lane kms of road were rehabilitated in 2005-06. A further 17 kms of rehabilitation of the Dukes Highway was completed with the aid of AusLink funding.

Performance Indicators	**2006-07 Target[(a)]**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
% length of rural sealed network rehabilitated	0.4%	0.4%	0.1%	0%
% length of rural sealed network resealed	3.0%[(a)(b)]	3.4%	2.8%	3.2%
% length of urban sealed network resealed	1.5%[(a)(b)]	1.7%	1.0%	0.8%
% length of urban sealed network rehabilitated	2.2%[(a)]	2.5%	2.0%	2.2%
Actual travel speed (average speed to travel on arterial roads in Adelaide)	41 kph	41 kph	42 kph	42 kph
Variability of travel speed (% variability caused by traffic controls and conditions)	11.5%	11.1%	9.6%	11.5%
$/km to maintain busway	$45 000[(c)]	$54 150[(d)]	$60 300	$59 600

Footnotes

(a) Targeted coverage rates for 2006-07 are slightly down on 2005-06 Estimated Results due to an expected reduced coverage of works on the AusLink National network. 2006-07 coverage rates on the State funded network are expected to be comparable or slightly higher than 2005-06.

(b) 2006-07 coverage rates include impact of skid treatments funded under Program 7.1 Safer Roads.

(c) Decrease in target due to reduced horticulture costs.

(d) Less horticulture maintenance was required due to a drier season.

Sub-program: 2.2	Operating and Maintaining the Marine System Provision of services to efficiently and effectively maintain and operate the department's controlled marine infrastructure.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Expenditure	$14 223 000	$14 721 000	$10 387 000	$18 789 000
Revenue	$9 006 000	$8 274 000	$8 274 000	$7 146 000
Net cost of sub-program	**$5 217 000**	**$6 447 000**	**$2 113 000**	**$11 643 000**

Reason for variance

The 2004-05 Actual includes the recognition of future remediation costs for the Ex Ports Corporation land site.

The 2005-06 Budget includes a reduction in costs due to the transfer of sand management activities to the Department for Environment and Heritage.

The 2005-06 Estimated Result includes the Indentured Ports dividend payment previously shown under financing activities.

Performance Commentary

The transfer of marine facilities to local councils, private sector or commercial fishing industry will be facilitated where appropriate.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
Number of recreational jetties managed[a] comprising of:	51[b]	52	50	51
• non divested recreational jetties managed	15[b]	17	15[b]	16
• divested recreational jetties managed	36[b]	35	35	35
Number of fishing industry facilities managed	31	33	32[c]	33[c]

Footnotes

(a) In previous years this indicator has included only non-divested recreational jetties. The indicator has been changed to include both divested and non-divested recreational jetties to more adequately reflect the sub-program expenditure.

(b) Proposed changes in 2006-07 are due to the demolition of one jetty and the transfer (divestment) of another jetty to council.

(c) Figures differ to those reported in the 2005-06 Budget Papers due to clarification of definitions.

Sub-program: 2.3	Managing Rail Land and Tram Infrastructure Assets Provision of services to efficiently and effectively manage rail land and tram infrastructure assets, including disposal of rail property.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Expenditure	$5 166 000	$19 798 000	$5 145 000	$3 897 000
Revenue	$15 001 000	$16 512 000	$16 312 000	$22 774 000
Net cost of sub-program	**-$9 835 000**	**$3 286 000**	**-$11 167 000**	**-$18 877 000**

Reason for variance

The 2004-05 Actual includes additional revenue from the Commonwealth for the Eyre Peninsula Grain Logistics Transport Plan.

The 2005-06 Estimated Result for expenditure includes an increase in payments to TransAdelaide resulting from the purchase of tram related infrastructure by the department in 2005-06.

Performance Commentary

The department continues the sale of rail land surplus to government requirements. There is a gradual reduction in the number of the high value land parcels within the portfolio. The portfolio is currently being managed on a self-funded basis with a net return to the Rail Facilitation Fund.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
Hectares of railway land managed[(a)]	42 000	42 000	42 000	42 000
Cost per hectare to manage railway land[(b)]	$104[(c)]	$110[(d)]	$115[(e)]	$90
No. of parcels disposed	90	72	not available	not available

Footnotes

(a) Despite pursuing a rail land disposal program, Australian Rail Track Corporation and Genesee & Wyoming Aust Pty Ltd (formerly Australian Railroad Group) returned surplus land to the department for disposal (in accordance with their agreement). Accordingly, disposal is off-set by newly identified surplus land.

(b) Cost includes remediation costs but excludes income from sales and lease fees.

(c) Continuing improvement in the management of the rail program will see further reductions in cost per hectare. Significant remediation of ground water at Islington workshops will be undertaken in 2006-07.

(d) The reduction in the cost per hectare to manage railway land is a direct result of programmed maintenance and more efficient management methods being implemented.

(e) 2005-06 Target included significant remediation at Cockburn railway station and significant structural changes to building at the Port Pirie plastic recycle site.

Agency: Department for Transport, Energy and Infrastructure

Program Information

Program 3: Transport Safety and Regulation Services

Description/Objective: Provision of services that regulate access to the transport system under legislation committed to the Minister and to provide advice on transport safety matters.

Summary income statement

Program 3: ***Transport Safety and Regulation Services***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	21 887	23 840	22 597	31 692
Supplies and services	30 638	30 256	30 295	23 561
Depreciation and amortisation	—	—	—	312
Other	14 892	13 933	13 933	8 877
Total expenses	**67 417**	**68 029**	**66 825**	**64 442**
Income				
Sale of goods and services	15 411	16 262	16 262	24 973
Fees, fines and penalties	275 961	259 767	263 254	253 209
Commonwealth revenue	—	1 778	1 605	—
Other	669	677	677	1 969
Total income	**292 041**	**278 484**	**281 798**	**280 151**
Net cost of providing services	**-224 624**	**-210 455**	**-214 973**	**-215 709**

Program 3: Performance Criteria:

Sub-program: 3.1	**Driver and Vehicle Licensing** Provision of efficient and effective services for the registration of vehicles and the licensing of vehicle users.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Expenditure	$45 456 000	$46 773 000	$46 608 000	$46 648 000
Revenue	$282 032 000	$269 004 000	$270 827 000	$272 924 000
Net cost of sub-program	**-$236 576 000**	**-$222 231 000**	**-$224 219 000**	**-$226 276 000**

Reason for variance

The 2006-07 Budget for expenditure reflects the transfer of safety related functions and activities to the Road Safety Policy, Planning and Services Program, which is now under the responsibility of the Minister for Road Safety.

The 2005-06 Budget and 2006-07 Budget include revenue from an increase in Motor Registration and Drivers Licence fees.

Performance Commentary

In 2006-07, Driver and Vehicle Licensing will focus on an improved service delivery both in terms of quality and turn around time.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
% licence examinations audited	5%	4%	5%	3%
Average cost per transaction (Registration and Licensing/Customer Services)	$6.45	$6.45[(a)]	$6.31	$6.57[(b)]

Footnotes

(a) The increase in the 2005-06 estimated result is due to the change in methodology and reallocation of corporate charges associated with the transfer of Customer Service Offices to Service SA.

(b) The 2004-05 Actual included one-off additional security costs incurred at Customer Services Offices.

Sub-program: 3.2	Transport Safety Regulation Provision of efficient and effective regulatory services for the safety, behaviour and security of transport system users and rail safety and rail access regulation services.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Expenditure	$21 961 000	$21 256 000	$20 217 000	$17 794 000
Revenue	$10 009 000	$9 480 000	$10 971 000	$7 227 000
Net cost of sub-program	**$11 952 000**	**$11 776 000**	**$9 246 000**	**$10 567 000**

Reason for variance

From 2005-06 this sub-program included additional costs associated with diesel vehicles emission testing, strengthening drink driving provisions and interventions to prevent the re-registration of stolen vehicles.

Performance Commentary

In 2006-07 there will be a focus on an improved transparent and service-focused regulation environment, with improved service both in terms of quality and turn around times.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of recreational vessels checked per annum for compliance with safety requirements	3 500	2 300	4 000	3 100
% of recreational vessels meeting safety requirements	80%	64%	80%	76%
No. of driver accreditations processed	4 600	4 799	4 500	4 219
No. of expiations issued for fare evasion	7 000	7 150	n.a.	n.a.
No. of passenger complaints investigated	1 300	1 198	n.a.	n.a.
No. of vehicle inspections	17 000	16 221	17 000	16 500
No. of vehicle ID inspections	34 500	37 607[(a)]	32 000	35 000
No. of prosecutions for breaches under the *Road Traffic Act*, *Motor Vehicles Act* and the *Passenger Transport Act*.	900	807	700	645
No. of expiations for breaches under the *Road Traffic Act*, *Motor Vehicles Act* and the *Passenger Transport Act*.	1 800	1 740	2 500	2 100
No. of permits for over dimensional loads issues	18 800[(b)]	20 876	21 000	20 500
% of valid existing applications to vary accreditation that are processed within six weeks	100%	100%	100%	100%
% of rail organisations accredited in South Australia audited during the year	100%	100%	100%	100%

Footnotes

(a) The significant increase in ID inspections in 2005-06 over the numbers forecast was due to an increase in demand for Tier 1 and Tier 2 identity inspections (inspections of second hand vehicles that were being registered in South Australia for the first time).

(b) Permit demand in 2006-07 is anticipated to reduce due to further gazettal of routes (thereby negating the need for permits) and permits charges being introduced on 1 July 2006, therefore eliminating many of the contingency (or 'just in case') permits.

Agency: Department for Transport, Energy and Infrastructure

Program Information

Program 4: Public Transport Services

Description/Objective: Provision of efficient, equitable and accessible public transport services in Metropolitan Adelaide and assisting regional councils and communities to deliver diverse passenger transport services to meet local needs.

Summary income statement

Program 4: ***Public Transport Services***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	10 393	10 769	10 496	8 628
Supplies and services	241 627	238 604	231 429	220 590
Depreciation and amortisation	19 773	18 258	18 258	17 169
Other	30 431	22 470	24 421	20 028
Total expenses	**302 224**	**290 101**	**284 604**	**266 415**
Income				
Sale of goods and services	70 639	62 904	98 731	96 133
Fees, fines and penalties	—	—	—	—
Other	41 041	37 102	541	733
Total income	**111 680**	**100 006**	**99 272**	**96 866**
Net cost of providing services	**190 544**	**190 095**	**185 332**	**169 549**

Program 4: Performance Criteria:

Sub-program: 4.1	**Asset Management** Provision of services for effective and efficient management of public transport infrastructure, including vehicles.

	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Expenditure	$35 206 000	$35 073 000	$35 024 000	$29 881 000
Revenue	—	—	—	—
Net cost of sub-program	**$35 206 000**	**$35 073 000**	**$35 024 000**	**$29 881 000**

Reason for variance

From 2005-06 this sub-program included Ticketing System depreciation and expenditure on the South Australian Government Radio Network.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
No. of buses used for metroticket services	809	808	810	807
No. of new buses introduced	45 rigid diesel	15 articulated diesel	16 articulated diesel	35 articulated diesel
		29 rigid diesel	26 rigid diesel	1 rigid CNG
				1 rigid diesel
No. of buses refurbished	45 floors	14 full, 28 floors	20 full	31 full
% of buses air-conditioned	76%	70%	69%	65%
% of low floor/wheelchair accessible buses	60%	55%	54%	49%
Average age of buses	11.1	11.5	11.7	11.5
% of diesel or biodiesel powered buses	74%	74%	74%	73%
% of Compressed Natural Gas (CNG) fuelled buses	26%	26%	26%	27%
Cost to run ticketing system per 10 000 ticket validations	$1 000	$970	$1 100	$1 000

Sub-program: 4.2	Passenger Services The development and management of contracted passenger transport services within the metropolitan area and regional South Australia. The regulation of public transport services, transport initiatives, concessions and subsidy schemes.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Expenditure	$267 018 000	$255 028 000	$249 580 000	$236 534 000
Revenue	$111 680 000	$100 006 000	$99 272 000	$96 866 000
Net cost of sub-program	**$155 338 000**	**$155 022 000**	**$150 308 000**	**$139 668 000**

Reason for variance

The 2005-06 Budget for expenditure included an increase in bus contract payments, a grant payment to TransAdelaide for the Marion Interchange and an additional cost to fund expanded membership of the SA Transport Subsidy Scheme.

The 2005-06 Estimated Result for expenditure includes increases in metropolitan bus and rail contract payments resulting from escalating diesel fuel costs and transport security measures. These are partially offset by a reduced grant payment to TransAdelaide for the Marion Interchange, transferred to 2006-07.

The 2006-07 Budget for expenditure includes an annual allowance for cost indexation.

The 2006-07 Budget for revenue includes the sale of additional taxi licences and an allowance for an increase in Metroticket and Concession reimbursement revenue resulting from a July 2006 fare increase.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
Metropolitan Public Passenger Services:				
• Total service kilometres (million)	43.5	43.5	43.6	43.3
• Total boardings (million)	66.8	63.9	63.3	60.9
• % of on-time running for metropolitan bus, tram and train services[(a)]	99.1%	99.1%	99.5%	99.2%
• Average contract cost per service kilometre	$4.82	$4.97	$4.60	$4.48
• % weekday travel (passenger kms) by public transport	7.0%	6.8%	6.6%	6.3%
Passenger journeys in regional areas:	1 510 000	1 490 000	1 460 000	1 392 000
% of fully accessible vehicles by:				
• Bus	60%	55%	57%	49%
• Train	100%	100%	100%	100%
• Taxi	8%	8%	8%	8%
• Tram	98.5%	15%	15%	15%
% of bookings responded to within 30 minutes:				
• Access Cabs	97%	97%	97%	96%
• Regular Cabs	97%	97%	98%	97%
No. of stops provided with information	4 000	3 000	3 500	3 000
Passenger Transport InfoLine response times	20 seconds	25 seconds	25 seconds	30 seconds

Footnote

(a) As reported by Service Contractors.

Agency: Department for Transport, Energy and Infrastructure

Program Information

Program 5: Energy Policy and Regulation

Description/Objective: Provision of policy advice on energy issues, energy program delivery and regulatory services for the competitive, sustainable, safe and reliable supply and use of energy, for the benefit of the South Australian community.

Summary income statement

Program 5: ***Energy Policy and Regulation***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	6 639	6 835	6 554	5 938
Supplies and services	6 498	8 679	6 000	7 126
Depreciation and amortisation	329	237	237	242
Other	5 666	6 673	5 602	5 775
Total expenses	**19 132**	**22 424**	**18 393**	**19 081**
Income				
Sale of goods and services	1 192	1 300	1 158	1 134
Commonwealth revenue	219	213	213	264
Other	3 523	3 294	3 294	3 335
Total income	**4 934**	**4 807**	**4 665**	**4 733**
Net cost of providing services	**14 198**	**17 617**	**13 728**	**14 348**

Program 5: Performance Criteria:

Sub-program: 5.1	**Energy Policy and Programs** Provision of policy advice and coordination of energy market reforms, including national reforms, sustainability and energy efficiency. Management of energy programs for the delivery of services to remote areas and in support of renewable energy.

	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Expenditure	$15 816 000	$19 422 000	$15 398 000	$16 156 000
Revenue	$1 504 000	$1 547 000	$1 502 000	$1 875 000
Net cost of sub-program	**$14 312 000**	**$17 875 000**	**$13 896 000**	**$14 281 000**

Reason for variance

The 2005-06 Estimated Result includes additional costs to the Remote Areas Energy Supply Scheme resulting from increased diesel fuel costs for both State and privately owned power stations.

The 2006-07 Budget reduction reflects the removal of the excise on diesel by the Commonwealth Government.

Performance Commentary

The Energy Division will continue to provide economic, strategic and regulatory policy advice to the Minister for Energy on matters related to greenhouse gas abatement and renewable generation technologies, market reform and the operation of the energy markets, including access to network industries and application of regulatory frameworks for transmission and distribution as well as advice on policy options to improve energy efficiency and better manage peak energy demands in South Australia.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
Number of applications under the Photovoltaic Rebate Program (PVRP)	350	393	no target[(a)]	591
Number of Solar Hot Water rebates approved	2 500	2 600	2 600	2 600

Footnote

a) No target set for number of rebates in 2005-06 Budget. Significant variation in demand for PVRP between years (eg 2003-04 only 318 rebates).

Sub-program: 5.2	Technical and Safety Regulation Enforcement, compliance and promotion of technical and safety regulation. Monitoring and management of emergency events, for example shortages of supply.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Expenditure	$3 316 000	$3 002 000	$2 995 000	$2 925 000
Revenue	$3 430 000	$3 260 000	$3 163 000	$2 858 000
Net cost of sub-program	**-$114 000**	**-$258 000**	**-$168 000**	**$67 000**

Performance Commentary

The Office of the Technical Regulator will continue to meet its regulatory responsibilities under the *Electricity Act 1996*, the *Gas Act 1997* and the *Electrical Products Act 2000*.

For the first time in more than 15 years, no member of the general public has received a fatal electric shock in South Australia. In addition, it has been four years since an electrical contractor has received a fatal electric shock in South Australia, which is an indication of improved work practices resulting, in part, from an increased number of worker safety seminars.

Only one gas related fatality was recorded this year. The fatality was as a result of the misuse of a gas cooking appliance.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
Number of safety presentations to key stakeholders in 2006-07	198	187	189	163
Number of proactive technical and safety audits in 2006-07	2 310	1 796	2 200	2 631

Agency: Department for Transport, Energy and Infrastructure

Program Information

Program 6: State Infrastructure Facilitation

Description/Objective: Review of infrastructure needs and provision of services in relation to prioritisation of across government infrastructure development and the delivery of key projects for the State Government.

Summary income statement

Program 6: ***State Infrastructure Facilitation***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	2 490	2 800	2 634	859
Supplies and services	10 443	18 593	17 692	341
Depreciation and amortisation	32	32	32	27
Other	11 719	7 752	2	—
Total expenses	**24 684**	**29 177**	**20 360**	**1 227**
Income				
Sale of goods and services	730	2 209	709	—
Commonwealth revenue	—	7 750	—	—
Other	—	32	—	56
Total income	**730**	**9 991**	**709**	**56**
Net cost of providing services	**23 954**	**19 186**	**19 651**	**1 171**

Program 6: Performance Criteria:

Sub-program: 6.1	**Facilitation of Key State Projects** Development and provision of processes to improve analysis, prioritisation and across government reporting on progress of State infrastructure projects and facilitation of infrastructure investment.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Expenditure	$22 969 000	$28 114 000	$19 307 000	$1 227 000
Revenue	$730 000	$9 991 000	$709 000	$56 000
Net cost of sub-program	**$22 239 000**	**$18 123 000**	**$18 598 000**	**$1 171 000**

Reason for variance

The 2005-06 Budget for expenditure included costs associated with the Outer Harbor Channel Deepening.

The 2005-06 Estimated Result includes additional revenue and grant expenditure for the Stormwater Support Fund – Gawler River Flood Mitigations Scheme.

The 2006-07 Budget for expenditure includes costs associated with the Eyre Peninsula Grain Logistics Transport Plan, offset by reduced Outer Harbor Channel Deepening costs (completed in 2005-06).

Performance Commentary

Through the Office of Major Projects and Infrastructure (OMPI), the department will continue to identify the State's infrastructure priorities, coordinate activities across government agencies and facilitate infrastructure investment. It will also facilitate delivery of a number of key major infrastructure projects, including a number a major transport projects.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
No. of projects managed	20	10	10	10
% of projects delivered within cost and quality parameters	100%	100%	100%	100%
% of projects delivered within agreed time schedules	100%	100%	100%	100%
Annual value of projects managed[(a)]	$13m	$15m	$20m	$21m

Footnote

(a) This relates to operating projects funded within OMPI. This does not equal project values where there are contributions by other parties to projects. Major infrastructure capital projects managed by OMPI are funded through other divisions.

Sub-program: 6.2	**Information and Communications Technology Coordination** Identification and co-ordination of the State's Information Technology infrastructure priorities and activities across government agencies.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Expenditure	$1 715 000	$1 063 000	$1 053 000	—
Revenue	—	—	—	—
Net cost of sub-program	**$1 715 000**	**$1 063 000**	**$1 053 000**	—

Reason for variance

The Office of the Chief Information Officer (CIO) was established during 2005-06.

Performance Commentary

The principal objective of the Office of the CIO relates to increasing the overall efficiency and effectiveness of the Government's current and future ICT investments. It will achieve this objective by, amongst other things, developing and implementing ICT strategic plans, advising on the prioritisation of ICT investments, overseeing major ICT procurements and collaborating with agencies in the adoption of leading practices in ICT-enabled service delivery.

The Office of the CIO has three principal responsibilities in fulfilling its objectives, improving ICT planning and investment, coordinating across-government ICT initiatives and advising Cabinet, the Minister for Infrastructure, Chief Executives and senior management in relation to ICT.

The Office of the CIO will continue in the development of whole of government ICT strategies and frameworks.

Agency: Department for Transport, Energy and Infrastructure

Program Information

Program 7: Road Safety Policy, Planning and Services

Description/Objective: Provision of policy, planning and services to improve road safety in South Australia.

Summary income statement

Program 7: *Road Safety Policy, Planning and Services*	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Expenses				
Employee benefits and costs	4 687	—	—	—
Supplies and services	13 985	—	—	—
Other	37 369	—	—	—
Total expenses	**56 041**	**—**	**—**	**—**
Income				
Sale of goods and services	616	—	—	—
Fees, fines and penalties	1 159	—	—	—
Commonwealth revenue	3 490	—	—	—
Total income	**5 265**	**—**	**—**	**—**
Net cost of providing services	**50 776**	**—**	**—**	**—**

Program 7: Performance Criteria:

Sub-Program: 7.1	**Safer Roads** Provision of efficient and effective services to improve the safety performance of the Road Network.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Expenditure	$7 950 000	—	—	—
Revenue	$3 490 000	—	—	—
Net cost of sub-program	**$4 460 000**	—	—	—

Reason for variance

The 2006-07 Budget reflects a transfer of safety related functions and activities to the Road Safety Policy, Planning and Services Program, which is now under the responsibility of the Minister for Road Safety.

Performance Commentary

Program of works in 2006-07 will include:

- Road infrastructure improvements at 38 rural and 26 urban black spot locations under the State and AusLink Black Spot programs (including investing and operating projects) on both arterial and local roads;
- Ongoing development of the cycling network in conjunction with local Councils including 22 cycling safety projects under the State Black Spot Program and 11 projects under the State Bicycle Fund resulting in an additional 8km of shared use path and 25km of bicycle lanes; and
- Improving road surface skid resistance at up to 39 locations across the State.

Sub-program: 7.2	**Safety and Community** Provision of policy and investment advice, and community information on road safety and cycling and the provision of services on safe and sustainable road use and travel behaviour.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Expenditure	$48 091 000	—	—	—
Revenue	$1 775 000	—	—	—
Net cost of sub-program	**$46 316 000**	—	—	—

Reason for variance

The 2006-07 Budget reflects a transfer of safety related functions and activities to the Road Safety Policy, Planning and Services Program, which is now under the responsibility of the Minister for Road Safety.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
Contribute to a reduction in the 12 month number of road fatalities per 100 000 population to 7.4 or lower (at the end of June 2007)	7.4	9.4	8.0	9.4
Contribute to a reduction in the 12 month number of serious injuries to at least 1200 (at the end of June 2007)	1 215	1 300 (Mar 05–Feb 06)	1 275	1 265
No. of schools participating in the Safe Routes to School program	178	153	150	125

DEPARTMENT FOR TRANSPORT, ENERGY AND INFRASTRUCTURE

Income statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Expenses				
Employee benefits and costs —				
Salaries, wages, annual and sick leave	**84 565**	84 628	82 725	77 866
Long service leave	**4 007**	3 937	3 935	2 827
Payroll tax	**4 930**	4 921	4 761	4 905
Superannuation	**12 250**	12 211	11 458	8 662
Other	**39**	1 648	38	2 238
Supplies and services —				
General supplies and services	**406 836**	410 131	394 754	375 765
Consultancy expenses	**308**	260	218	246
Depreciation and amortisation	**143 729**	134 973	142 134	132 552
Borrowing costs	**8 964**	8 745	8 745	4 737
Grants and subsidies	**42 558**	33 567	29 201	23 746
Intra government transfers	**51 350**	60 494	47 697	35 707
Other expenses	**9 113**	8 071	4 162	68 852
Total expenses	**768 649**	763 586	729 828	738 103
Income				
Commonwealth revenues	**113 758**	96 320	103 897	106 347
Intra government transfers	**4 967**	4 411	3 939	13 196
Other grants	**41 252**	38 003	31	—
Fees, fines and penalties	**284 987**	267 183	270 787	262 253
Sales of goods and services	**92 026**	86 803	120 326	128 682
Interest revenues	**5 700**	1 097	482	3 047
Net gain or loss from disposal of assets	**—**	-425	—	-22 585
Resources received free of charge	**250**	—	—	4 235
Other income	**10 880**	11 377	11 109	26 586
Total income	**553 820**	504 769	510 571	521 761
Net cost of providing services	**214 829**	258 817	219 257	216 342
Income from / Expenses to SA Government				
Income —				
Appropriation	**345 205**	379 994	334 873	272 707
Other income	**—**	4 395	—	3 107
Expenses —				
Cash alignment	**56 440**	6 680	31 876	—
Other	**—**	—	3 688	440
Net income from / expenses to SA Government	**288 765**	377 709	299 309	275 374
Net result before restructure(s)	**73 936**	118 892	80 052	59 032
Net income from / expenses from administrative restructure(s)	**—**	-6 921	-6 921	—
Net result after restructure(s)	**73 936**	111 971	73 131	59 032

DEPARTMENT FOR TRANSPORT, ENERGY AND INFRASTRUCTURE

Balance sheet

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and cash equivalents	**263 146**	349 687	223 030	195 770
Receivables	**24 618**	24 661	32 816	24 659
Inventories	**5 708**	5 708	5 286	5 780
Other current assets	**11 951**	11 951	376	11 879
Total current assets	**305 423**	392 007	261 508	238 088
Non current assets				
Land and improvements	**353 335**	341 914	339 908	350 942
Plant and equipment	**4 975 691**	4 775 381	4 692 108	4 659 822
Total non-current assets	**5 329 026**	5 117 295	5 032 016	5 010 764
Total assets	**5 634 449**	5 509 302	5 293 524	5 248 852
Liabilities				
Current liabilities				
Payables	**70 426**	70 405	60 587	70 019
Short-term borrowings	**248**	248	351	248
Employee benefits —				
Salaries and wages	**1 267**	1 303	1 069	1 289
Annual leave	**8 427**	8 427	6 959	8 039
Long service leave	**2 109**	2 003	2 398	1 883
Short-term provisions	**1 935**	1 935	932	1 919
Other current liabilities	**1 413**	1 413	3 379	1 621
Total current liabilities	**85 825**	85 734	75 675	85 018
Non current liabilities				
Long-term borrowings	**47 512**	47 512	48 728	48 831
Long-term employee benefits —				
Long service leave	**29 447**	29 335	26 924	28 090
Other	**2**	1	—	—
Long-term provisions	**2 411**	2 411	2 167	2 382
Other non-current liabilities	**100 755**	105 055	—	5 055
Total non-current liabilities	**180 127**	184 314	77 819	84 358
Total liabilities	**265 952**	270 048	153 494	169 376
Net assets	**5 368 497**	5 239 254	5 140 030	5 079 476
Equity				
Contributed capital	**232 941**	216 195	213 257	196 195
Retained earnings	**3 815 227**	3 741 291	3 751 999	3 641 397
Asset revaluation reserve	**1 320 329**	1 281 768	1 174 774	1 241 884
Total equity	**5 368 497**	5 239 254	5 140 030	5 079 476

Balances as at 30 June end of period.

DEPARTMENT FOR TRANSPORT, ENERGY AND INFRASTRUCTURE

Statement of changes in equity

	Contributed capital	Asset revaluation reserve	Retained earnings	Total
	$000	$000	$000	$000
Balance at 30 June 2005	196 195	1 241 884	3 641 397	5 079 476
Adjustments	—	—	-20 873	-20 873
Restated balance at June 2005	196 195	1 241 884	3 620 524	5 058 603
Net gain/loss on revaluation of property, plant and equipment during 2005-06	—	39 884	—	39 884
Net changes in reserves	—	—	8 796	8 796
Net income/expense recognised directly in equity for 2005-06	—	39 884	8 796	48 680
Net result after restructure for 2005-06	—	—	111 971	111 971
Total recognised income and expense for 2005-06	**—**	**39 884**	**120 767**	**160 651**
Equity contributions from SA Government	20 000	—	—	20 000
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2006	**216 195**	**1 281 768**	**3 741 291**	**5 239 254**
Net gain/loss on revaluation of property, plant and equipment during 2006-07	—	38 561	—	38 561
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2006-07	—	38 561	—	38 561
Net result after restructure for 2006-07	—	—	73 936	73 936
Total recognised income and expense for 2006-07	**—**	**38 561**	**73 936**	**112 497**
Equity contributions from SA Government	16 746	—	—	16 746
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2007	**232 941**	**1 320 329**	**3 815 227**	**5 368 497**

DEPARTMENT FOR TRANSPORT, ENERGY AND INFRASTRUCTURE

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
OPERATING ACTIVITIES:				
Cash outflows				
Employee payments	**105 608**	107 289	102 861	92 742
Supplies and services	**411 724**	414 811	394 975	364 915
Borrowing costs	**8 964**	8 745	8 745	4 720
Grants and subsidies	**37 957**	29 078	29 201	23 210
Net GST paid	**—**	—	—	58 201
Intra government transfers	**51 350**	60 494	47 697	34 931
Other payments	**7 883**	7 752	4 162	26 305
Cash used in operations	**623 486**	628 169	587 641	605 024
Cash inflows				
Intra government transfers	**4 967**	4 411	3 939	13 259
Commonwealth receipts	**113 758**	96 320	103 897	106 347
Other grants	**36 952**	138 003	31	—
Fees, fines and penalties	**284 987**	267 183	270 787	262 253
Sales of goods and services	**92 071**	86 498	120 021	95 966
Interest received	**5 700**	1 097	482	3 047
Net GST received	**—**	—	—	58 261
Other receipts	**10 833**	11 608	11 412	19 322
Cash generated from operations	**549 268**	605 120	510 569	558 455
SA GOVERNMENT:				
Appropriation	**345 205**	379 994	334 873	272 707
Other receipts	**—**	4 395	—	2 355
Payments —				
Tax equivalents	**—**	—	—	5 057
Cash alignment	**56 440**	6 680	31 876	—
Other	**—**	—	3 688	472
Net cash provided by Government	**288 765**	377 709	299 309	269 533
Net cash provided by (+) / used (-) in operating activities	**214 547**	354 660	222 237	222 964
INVESTING ACTIVITIES:				
Cash outflows				
Purchase of property, plant and equipment	**339 034**	235 276	230 424	221 005
Cash used in investing activities	**339 034**	235 276	230 424	221 005
Cash inflows				
Proceeds from sale of property, plant and equipment	**21 200**	14 464	18 305	8 750
Cash generated from investing activities	**21 200**	14 464	18 305	8 750
Net cash provided by (+) / used in (-) investing activities	**-317 834**	-220 812	-212 119	-212 255

DEPARTMENT FOR TRANSPORT, ENERGY AND INFRASTRUCTURE

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
FINANCING ACTIVITIES:				
Cash outflows				
Repayment of borrowings	**—**	1 319	—	749
Cash used in financing activities	**—**	1 319	—	749
Cash inflows				
Capital contributions from Government	**16 746**	20 000	20 000	19 457
Proceeds from restructuring activities	**—**	-7 400	-7 400	—
Cash generated from financing activities	**16 746**	12 600	12 600	19 457
Net cash provided by (+) / used in (-) financing activities	**16 746**	11 281	12 600	18 708
Net increase (+) / decrease (-) in cash equivalents	**-86 541**	145 129	22 718	29 417
Cash and cash equivalents at the beginning of the financial year	**349 687**	204 558	200 312	166 353
Cash and cash equivalents at the end of the financial year	**263 146**	349 687	223 030	195 770

ADMINISTERED ITEMS FOR THE DEPARTMENT FOR TRANSPORT, ENERGY AND INFRASTRUCTURE

Income statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Income from SA Government				
Income —				
Appropriation	**4 427**	13 931	13 968	9 129
Net income from / expenses to SA Government	**4 427**	13 931	13 968	9 129
Income from other sources				
Taxation	**28 000**	27 716	27 600	27 048
Commonwealth revenues	**—**	1 083	1 083	—
Intra government transfers	**239 026**	228 823	229 055	211 583
Other grants	**—**	782	782	1 049
Fees, fines and penalties	**—**	—	—	922
Sales of goods and services	**—**	58 000	58 000	—
Interest revenues	**232**	226	226	275
Other income	**472 999**	457 909	457 909	447 915
Total income from other sources	**740 257**	774 539	774 655	688 792
Total income	**744 684**	788 470	788 623	697 921
Expenses				
Employee benefits and costs —				
Salaries, wages, annual and sick leave	**227**	201	201	173
Supplies and services —				
General supplies and services	**2 057**	59 575	61 632	—
Consultancy expenses	**19**	5	24	—
Borrowing costs	**207**	226	226	217
Grants and subsidies	**70**	6 497	4 248	6 632
Intra government transfers	**276 081**	261 591	261 512	235 388
Other expenses	**472 999**	457 709	457 709	455 588
Total expenses	**751 660**	785 804	785 552	697 998
Net result before restructure(s)	**-6 976**	2 666	3 071	-77
Net income from / expenses from administrative restructure(s)	**—**	7 647	7 647	—
Net result after restructure(s)	**-6 976**	10 313	10 718	-77

ADMINISTERED ITEMS FOR THE DEPARTMENT FOR TRANSPORT, ENERGY AND INFRASTRUCTURE

Balance sheet

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and cash equivalents	**1 370**	8 346	8 994	2 749
Receivables	**3 214**	3 375	3 361	3 215
Total current assets	**4 584**	11 721	12 355	5 964
Non current assets				
Plant and equipment	**—**	—	3 100	—
Total non-current assets	**—**	—	3 100	—
Total assets	**4 584**	11 721	15 455	5 964
Liabilities				
Current liabilities				
Payables	**2 695**	2 695	1 063	2 530
Short-term borrowings	**172**	161	161	151
Total current liabilities	**2 867**	2 856	1 224	2 681
Non current liabilities				
Long-term borrowings	**2 547**	2 719	2 719	2 880
Total non-current liabilities	**2 547**	2 719	2 719	2 880
Total liabilities	**5 414**	5 575	3 943	5 561
Net assets	**-830**	6 146	11 512	403
Equity				
Retained earnings	**-830**	6 146	11 512	403
Total equity	**-830**	6 146	11 512	403

Balances as at 30 June end of period.

ADMINISTERED ITEMS FOR THE DEPARTMENT FOR TRANSPORT, ENERGY AND INFRASTRUCTURE

Statement of changes in equity

	Contributed capital	Asset revaluation reserve	Retained earnings	Total
	$000	$000	$000	$000
Balance at 30 June 2005	—	—	403	403
Adjustments	—	—	—	—
Restated balance at June 2005	—	—	403	403
Net gain/loss on revaluation of property, plant and equipment during 2005-06	—	—	—	—
Net changes in reserves	—	—	-4 570	-4 570
Net income/expense recognised directly in equity for 2005-06	—	—	-4 570	-4 570
Net result after restructure for 2005-06	—	—	10 313	10 313
Total recognised income and expense for 2005-06	**—**	**—**	**5 743**	**5 743**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2006	**—**	**—**	**6 146**	**6 146**
Net gain/loss on revaluation of property, plant and equipment during 2006-07	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2006-07	—	—	—	—
Net result after restructure for 2006-07	—	—	-6 976	-6 976
Total recognised income and expense for 2006-07	**—**	**—**	**-6 976**	**-6 976**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2007	**—**	**—**	**-830**	**-830**

ADMINISTERED ITEMS FOR THE DEPARTMENT FOR TRANSPORT, ENERGY AND INFRASTRUCTURE

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
OPERATING ACTIVITIES:				
Cash inflows				
Taxation	**28 000**	27 716	27 600	27 048
Intra government transfers	**239 026**	228 823	229 055	211 583
Commonwealth receipts	**—**	1 083	1 083	—
Other grants	**—**	782	782	1 049
Sales of goods and services	**—**	58 000	58 000	—
Interest received	**232**	226	226	275
Other receipts	**472 999**	457 909	457 909	485 251
Cash generated from operations	**740 257**	774 539	774 655	725 206
Cash outflows				
Employee payments	**227**	201	201	173
Supplies and services	**2 076**	59 580	61 656	—
Borrowing costs	**207**	226	226	217
Grants and subsidies	**70**	6 497	4 248	6 632
Intra government transfers	**276 081**	261 591	261 512	235 388
Other payments	**472 999**	457 709	457 709	490 380
Cash used in operations	**751 660**	785 804	785 552	732 790
SA GOVERNMENT:				
Appropriation	**4 427**	13 931	13 968	9 125
Net cash provided by Government	**4 427**	13 931	13 968	9 125
Net cash provided by (+) / used in (-) operating activities	**-6 976**	2 666	3 071	1 541
INVESTING ACTIVITIES:				
Cash inflows				
Repayment of advances	**161**	151	151	—
Cash generated from investing activities	**161**	151	151	—
Cash outflows				
Purchase of property, plant and equipment	**—**	—	3 000	—
Cash used in investing activities	**—**	—	3 000	—
Net cash provided by (+) / used in (-) investing activities	**161**	151	-2 849	—

ADMINISTERED ITEMS FOR THE DEPARTMENT FOR TRANSPORT, ENERGY AND INFRASTRUCTURE

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
FINANCING ACTIVITIES:				
Cash inflows				
Proceeds from restructuring activities	**—**	1 434	7 178	—
Cash generated from financing activities	**—**	1 434	7 178	—
Cash outflows				
Repayment of borrowings	**161**	151	151	—
Cash used in financing activities	**161**	151	151	—
Net cash provided by (+) / used in (-) financing activities	**-161**	1 283	7 027	—
Net increase (+) / decrease (-) in cash equivalents	**-6 976**	4 100	7 249	1 541
Cash and cash equivalents at the beginning of the financial year	**8 346**	4 246	1 745	1 208
Cash and cash equivalents at the end of the financial year	**1 370**	8 346	8 994	2 749

Agency: Department for Transport, Energy and Infrastructure

Financial Commentary — Major variations

The following commentary relates to the Agency Financial Statements presented in the previous section. The discussion relates to the variations between the 2005-06 Estimated Result and the 2006-07 Budget.

Income statement — Controlled

Expenses

Operating expenses are budgeted to increase by $5.0 million from $763.6 million to $768.6 million.

This increase is predominantly due to:

- $13.4 million in increased expenditure related to specific 2006-07 operating projects, including Le Fevre Pensinsula works and the Eyre Peninsula Grain Logistics Transport Plan;
- $8.8 million budgeted increase in depreciation due to a scheduled revaluation of assets;
- $3.4 million associated with road maintenance contracts; and
- the impact of inflation on expenditure.

Offset by:

- a reduction of $16.5 million related to Outer Harbor Channel Deepening works completed in 2005-06;
- once-off payment to TransAdelaide of $14.2 million in 2005-06 resulting from the transfer of tram related infrastructure to the department; and
- departmental efficiencies of $1.5 million.

Income

Operating income is budgeted to increase by $49.0 million, from $504.8 million to $553.8 million.

This variation is predominantly due to an increase of:

- $17.8 million in motor vehicle registrations, drivers licence and other regulatory fees resulting from fee increases;
- Commonwealth grants of $17.4 million for projects such as the Northern Expressway, Port River Expressway Stages 2 and 3 and the Sturt Highway Upgrade package;
- $9.9 million from Metroticket and concession reimbursement revenue resulting from a fare increase from July 2006;
- $5.7 million interest on Commonwealth AusLink funding for the Sturt Highway Upgrade package; and

- $1.7 million for the sale of additional taxi licences.

Offset by:

- a reduction of $2.4 million for specific revenue related items received in 2005-06, including a reimbursement from Flinders Ports for the Outer Harbor Channel Deepening project; and

- a reduction of $1.1 million for interest no longer being receivable on the department's deposit account balances with the Treasurer.

Income from/Expenses to SA Government

Income from/Expenses to SA Government is budgeted to decrease by $88.9 million from $377.7 million to $288.8 million.

This decrease is predominantly due to cash alignment adjustments and the completion in 2005-06 of the Glenelg to Adelaide tramway infrastructure upgrade and the Outer Harbor Channel Deepening works.

This is offset by additional funding received for the Community Road Safety Fund and the Port River Expressway – Stages 2 & 3 (road and rail bridge), funding for the Connect Light Rail to City West Campus project and carryover funding for various major projects from 2005-06 to 2006-07.

Balance sheet — Controlled

Current assets have decreased by $86.6 million from $392 million to $305.4 million, predominantly as a result of the application of cash balances to an increased capital program in 2006-07 and cash alignment adjustments.

The increase in non-current assets of $212 million is predominantly due to the 2006-07 Capital program of $339 million, offset by depreciation of $144 million.

Statement of changes in equity — Controlled

The variance commentary provided for the Balance sheet applies equally to the Statement of changes in equity.

Cash flow statement — Controlled

The Cash flow statement shows a net cash inflow from operations of $214.5 million, compared to a surplus from ordinary activities of $73.9 million. The difference of $140.6 million reflects the impact of non-cash expenditure, including depreciation.

Administered Items

Income statement — Administered Items

The 2006-07 Budget decreases are predominately due to the expiry of the contract for the provision of gas by the Natural Gas Authority of South Australia and the transfer of responsibility for the Catchment Management Subsidy Scheme from Department of Water, Land, Biodiversity and Conservation to the Department for Transport, Energy and Infrastructure. This is in part offset by expenditure carried-over from 2005-06 for the Glenelg West Beach project and transfer payment increases for Consumer Price Index on Motor Accident Commission third party insurance and Stamp Duties.

Balance sheet — Administered Items

The 2006-07 Budget decrease in Net Assets is due to cash provided for the Outer Harbor Headworks being transferred from DTEI Administered Items to Port Adelaide Maritime Corporation.

Statement of changes in equity — Administered Items

The variance commentary provided for the Balance sheet applies equally to the Statement of changes in equity.

Cash flow statement — Administered Items

The variance commentary provided for the Income statement applies equally to the Cash flow statement.

Additional Information for Administered Items

Detailed information on Administered Items is included in the following table.

Additional Information for Administered Items
Department for Transport, Energy and Infrastructure

Cash flow statement

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
OPERATING ACTIVITIES:				
Cash inflows				
Taxation —				
Emergency Services Levy	**28 000**	27 716	27 600	27 048
Grants —				
Local Government Taxation Equivalent Fund	—	—	—	1 049
Renewable Remote Power Generation Program	—	300	300	—
Ministerial Council on Energy	—	1 565	1 565	—
Intra-sector Grants Received —				
Department of Water, Land and Biodiversity Conservation — Catchment Management Subsidy Scheme	—	3 743	3 975	3 700
Flood Mitigation	**70**	68	68	144
Courts Administration Authority	**1 100**	800	800	671
Hospital Fund — Contribution	**57 662**	56 500	56 500	55 315
PT— Accreditation Authority	**977**	1 465	1 465	35
SAPOL — Expiation Notices	**14 755**	9 156	9 156	10 304
SAPOL — Firearms	**2 758**	2 691	2 691	2 109
State Taxation Office — Stamp Duties	**161 704**	154 400	154 400	139 305
Regulatory Fees, Fines and Penalties —				
Planning Fees received on behalf of local Government	—	—	—	922
Sale of Goods & Services —				
Natural Gas Authority SA	—	58 000	58 000	—
Ministerial Council on Energy	—	—	—	—
Interest —				
Metropolitan (Woodville, Henley and Grange) Drainage Scheme	**25**	25	25	29
South Western Suburbs Drainage Scheme	**207**	201	201	188
PT Research and Development	—	—	—	23
Local Government Taxation Equivalent Fund	—	—	—	35
Other —				
Motor Accident Commission	**451 974**	438 384	438 384	418 244
Other Minor Contributions	**21 025**	19 025	19 025	66 085
Major Administered Projects	—	500	500	—
Total operating receipts	**740 257**	774 539	774 655	725 206
Cash outflows				
Employee payments —				
Parliamentary Salaries and Electorate and Expense Allowances	**227**	201	201	173

Additional Information for Administered Items
Department for Transport, Energy and Infrastructure

Cash flow statement

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Supplies and services —				
Parliamentary Electorate and Expense Allowances	—	—	—	—
Natural Gas Authority SA	—	58 000	58 000	—
Ministerial Council on Energy	—	1 565	1 565	—
Major Administered Project	**2 076**	15	2 091	—
Interest and Other Financial Payments —				
Metropolitan (Woodville, Henley and Grange) Drainage Scheme	—	25	25	29
South Western Suburbs Drainage Scheme	**207**	201	201	188
Grants and subsidies —				
Department of Water, Land and Biodiversity Conservation — Catchment Management Subsidy Scheme	—	3 743	3 975	3 700
Ministerial Council on Energy	—	2 481	—	—
Flood Mitigation	**70**	68	68	144
PT Research and Development	—	205	205	100
West Beach Trust	—	—	—	2 190
Local Government Taxation Equivalent Fund	—	—	—	498
Intra-sector Grants Expenditure —				
Courts Administration Authority	**1 100**	800	800	671
Emergency Services Levy	**37 100**	36 579	36 500	27 048
Hospital Fund — Contribution	**57 687**	56 500	56 500	55 315
PTD — Accreditation Authority	**977**	1 465	1 465	35
SAPOL — Expiation Notices	**14 755**	9 156	9 156	10 304
SAPOL — Firearms	**2 758**	2 691	2 691	2 109
State Taxation Office — Stamp Duties	**161 704**	154 400	154 400	139 305
Outback Areas Community Development Trust	—	—	—	236
Local Government Grants Commission	—	—	—	365
Fees and Commissions —				
Planning Fees received on behalf of local Government	—	—	—	922
Other —				
Motor Accident Commission	**451 974**	438 384	438 384	418 244
Other Minor Contributions	**21 025**	19 025	19 025	71 214
Renewable Remote Power Generation Program	—	300	300	—
Total operating payments	**751 660**	785 804	785 552	732 790
SA GOVERNMENT:				
Appropriation for Administered Expenses	**4 427**	13 931	13 968	9 125
Payments	—	—	—	—
Net cash provided by Government	**4 427**	13 931	13 968	9 125
Net cash provided by (+)/ used in (-) operating activities	**-6 976**	2 666	3 071	1 541

Additional Information for Administered Items
Department for Transport, Energy and Infrastructure

Cash flow statement

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
INVESTING ACTIVITIES:				
Cash inflows				
Metropolitan (Woodville, Henley and Grange) Drainage Scheme	**8**	8	8	—
South Western Suburbs Drainage Scheme	**153**	143	143	—
Total investing receipts	**161**	151	151	—
Cash outflows				
Major Administered Projects	—	—	3 000	—
Total investing payments	—	—	3 000	—
Net cash provided by (+)/ used in (-) investing activities	**161**	151	-2 849	—
FINANCING ACTIVITIES:				
Cash inflows				
Net cash from restructure	—	1 434	7 178	—
Total financing receipts	—	1 434	7 178	—
Cash outflows				
Metropolitan (Woodville, Henley and Grange) Drainage Scheme	**8**	8	8	—
South Western Suburbs Drainage Scheme	**153**	143	143	—
Total financing payments	**161**	151	151	—
Net cash provided by (+)/ used in (-) financing activities	**-161**	1 283	7 027	—
Net Increase (+) / decrease (-) in cash held	**-6 976**	4 100	7 249	1 541
Opening cash balance as at 1 July	**8 346**	4 246	1 745	1 208
Closing cash balance as at 30 June	**1 370**	8 346	8 994	2 749

Note: 2004-05 Actual presented as the former Department of Transport and Urban Planning inclusive of Planning SA and the Office of Local Government.

TABLE OF CONTENTS

AGENCY: TRANSADELAIDE

Objective 6.57

Targets / Highlights 6.57

Program Net Cost of Services Summary 6.58

Investing Payments Summary 6.58

Program Information

- Description / Objective 6.59
- Summary income statement 6.59
- Sub-program Statements and Performance Criteria 6.60

Financial Statements

- Income statement 6.61
- Balance sheet 6.62
- Statement of changes in equity 6.63
- Cash flow statement 6.64

Financial Commentary 6.66

Portfolio: Transport, Energy and Infrastructure

Agency: TransAdelaide

Objective

To operate and maintain metropolitan passenger transport services.

2006-07 Targets / 2005-06 Highlights

Targets 2006-07	Highlights 2005-06
• Achieve 4% annual patronage growth on train and tram • Improve customer satisfaction achieved with services, security and safety • Achieve a 3% increase in operational efficiencies relating to utilisation of railcar drivers and Passenger Service Assistants, and a reduction in dead running kilometres • Complete future stations study • Achieve certification of an integrated quality, safety and environmental management system • Achieve a safety performance that exceeds interstate suburban rail operators	• 4.5% growth in train patronage achieved • Enhanced security features including CCTV cameras and help phones • Achievement of continued compliance with statutory and regulatory requirements for passenger and employee safety • Achieved contract criteria and key performance indicators as set by the Minister for Transport • Enhanced Centralised Train Control system implemented • Achievement of Registered Training Organisation status

Program net cost of services summary

Program	Net Cost of Services			
	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
1. Operate and Maintain Metropolitan Rail Passenger Transport Services	140	-19 752	-7 193	-8 098
Total	**140**	**-19 752**	**-7 193**	**-8 098**

Investing payments summary

Investments	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
New Works				
ATTAINING SUSTAINABILITY				
Railcar Half Life Upgrading	5 700	—	—	—
Total New Works	**5 700**	**—**	**—**	**—**
Works in Progress				
ATTAINING SUSTAINABILITY				
Bridge Upgrading	—	—	—	—
Centralised Train Control System Upgrade	—	848	257	3 658
Commercial Road Viaduct	—	—	—	—
Computer Systems and Equipment	—	—	—	—
Critical Replacement of Rail Track Points and Crossings	3 465	1 246	3 180	175
Goodwood Junction Remodelling	—	—	—	351
Marion Interchange	5 500	500	5 740	—
Plant and Equipment	—	—	—	—
Rail Track Strengthening (Resleepering)	—	—	—	—
Rail Track Upgrading	—	—	—	—
Rail Business — Minor Projects	—	—	—	—
Railway Stations Upgrading	—	—	—	—
Remedial work on cuttings and embankments on the Noarlunga Centre railway line	2 460	900	2 000	19
Safe Railway Pedestrian Crossing	2 700	300	1 500	—
Security	780	3 171	—	—
Track Shunt Reliability Improvements	—	—	—	—
Tram Infrastructure Upgrade	—	14 230	—	3 730
Tram Upgrades	—	—	—	213
Upgrade/replacement of critical bridges on the TransAdelaide rail network	2 221	677	800	203
Annual Capital Program	6 000	5 852	—	—
Total Works in Progress	**23 126**	**27 724**	**13 477**	**8 349**
52 Minor Works	**—**	**1 117**	**5 852**	**7 427**
Total Investing Payments	**28 826**	**28 841**	**19 329**	**15 776**

Agency: TransAdelaide

Program Information

Program 1: Operate and Maintain Metropolitan Rail Passenger Transport Services

Description/Objective: The delivery and maintenance of rail passenger transport services within the metropolitan area and the maintenance and management of associated rail infrastructure.

Summary income statement

Program 1: ***Operate and Maintain Metropolitan Rail Passenger Transport Services***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	38 486	39 137	32 574	37 768
Supplies and services	39 330	34 943	32 840	33 213
Depreciation and amortisation	21 478	20 572	21 056	21 446
Other	7 959	7 761	9 438	11 217
Total expenses	**107 253**	**102 413**	**95 908**	**103 644**
Income				
Sale of goods and services	94 818	97 320	88 416	88 792
Fees, fines and penalties	—	—	—	—
Commonwealth revenue	—	—	—	—
Other	12 295	24 845	14 685	22 950
Total income	**107 113**	**122 165**	**103 101**	**111 742**
Net cost of providing services	**140**	**-19 752**	**-7 193**	**-8 098**

Program 1: Performance Criteria:

Program: 1	**Operate and Maintain Metropolitan Rail Passenger Transport Services**			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Expenditure	$107 253 000	$102 413 000	$95 908 000	$103 644 000
Revenue	$107 113 000	$122 165 000	$103 101 000	$111 742 000
Net cost of sub-program	**$140 000**	**-$19 752 000**	**-$7 193 000**	**-$8 098 000**

Reason for variance

The 2004-05 Actual includes tram related infrastructure revenue, in the form of capital grant funding from DTEI.

The 2005-06 Estimated Result includes additional funding from DTEI for escalating diesel fuel costs, the implementation of transport security measures and a decrease to depreciation resulting from asset revaluations. In addition, the 2005-06 Estimated Result includes the sale of the tram related asset infrastructure to DTEI.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
Achievement of 10 out of the 12 PTD Renewal Benchmark KPIs:				
• Trains	12	11	12	11
• Trams	12	11	12	11
Increase in patronage per annum:				
• Trains	4.5%	4.5%	4.0%	-0.2%
• Trams	6.0%	-1.0%[(a)]	4.0%	-3.0%[(a)]
Compliance with *Rail Safety Act* and AS4292	100%	100%	100%	100%
Footnote	(a) Tram Patronage fell during 2005-06 and 2004-05 due to the closure of the tram line for 38 days for upgrading.			

TRANSADELAIDE

Income statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Expenses				
Employee benefits and costs —				
Salaries, wages, annual and sick leave	**38 330**	38 781	32 510	30 006
Long service leave	**—**	—	—	660
Payroll tax	**—**	—	—	1 887
Superannuation	**156**	173	64	3 039
Other	**—**	183	—	2 176
Supplies and services —				
General supplies and services	**39 330**	34 943	32 840	33 166
Consultancy expenses	**—**	—	—	47
Depreciation and amortisation	**21 478**	20 572	21 056	21 446
Borrowing costs	**6 138**	5 989	9 355	6 145
Other expenses	**1 821**	1 772	83	5 072
Total expenses	**107 253**	102 413	95 908	103 644
Income				
Intra government transfers	**1 414**	14 230	5 740	9 846
Other grants	**—**	—	—	3 178
Sales of goods and services	**94 818**	97 320	88 416	88 792
Interest revenues	**1 564**	1 526	1 568	826
Net gain or loss from disposal of assets	**—**	—	—	1 286
Resources received free of charge	**—**	—	—	100
Other income	**9 317**	9 089	7 377	7 714
Total income	**107 113**	122 165	103 101	111 742
Net cost of providing services	**140**	-19 752	-7 193	-8 098
Income from / Expenses to SA Government				
Income —				
Appropriation	**2 702**	2 787	2 787	2 791
Other income	**—**	183	—	—
Expenses —				
Tax equivalent	**768**	1 272	1 262	3 239
Other	**5 401**	34 757	4 063	2 296
Net income from / expenses to SA Government	**-3 467**	-33 059	-2 538	-2 744
Net result	**-3 607**	-13 307	4 655	5 354

TRANSADELAIDE

Balance sheet

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and cash equivalents	**11 459**	21 650	11 570	14 498
Receivables	**10 559**	10 559	3 678	10 559
Inventories	**5 934**	5 889	3 317	4 918
Other current assets	**83**	83	48	83
Total current assets	**28 035**	38 181	18 613	30 058
Non current assets				
Financial assets	**200**	200	200	200
Land and improvements	**238 256**	233 447	167 943	235 486
Plant and equipment	**417 596**	415 748	405 215	440 805
Other non-current assets	**19 628**	19 628	21 646	19 628
Total non-current assets	**675 680**	669 023	595 004	696 119
Total assets	**703 715**	707 204	613 617	726 177
Liabilities				
Current liabilities				
Payables	**18 272**	18 272	10 667	18 300
Short-term borrowings	**5 381**	5 381	5 381	5 381
Employee benefits —				
Salaries and wages	**719**	719	745	719
Annual leave	**2 885**	2 885	3 841	2 885
Long service leave	**763**	763	1 100	763
Other	**1 425**	1 425	706	1 425
Short-term provisions	**3 073**	3 073	1 510	3 073
Other current liabilities	**1 331**	1 332	1 685	1 304
Total current liabilities	**33 849**	33 850	25 635	33 850
Non current liabilities				
Long-term borrowings	**64 443**	69 824	70 609	75 990
Long-term employee benefits —				
Annual leave	**1 476**	1 476	500	1 476
Long service leave	**9 088**	9 088	8 778	9 088
Other	**70**	70	126	70
Long-term provisions	**9 287**	9 287	8 583	9 287
Other non-current liabilities	**20 122**	14 622	13 476	14 122
Total non-current liabilities	**104 486**	104 367	102 072	110 033
Total liabilities	**138 335**	138 217	127 707	143 883
Net assets	**565 380**	568 987	485 910	582 294
Equity				
Retained earnings	**100 650**	104 257	116 183	117 564
Asset revaluation reserve	**464 730**	464 730	369 727	464 730
Total equity	**565 380**	568 987	485 910	582 294

Balances as at 30 June end of period.

TRANSADELAIDE

Statement of changes in equity

	Contributed capital	Asset revaluation reserve	Retained earnings	Total
	$000	$000	$000	$000
Balance at 30 June 2005	—	464 730	117 564	582 294
Adjustments	—	—	—	—
Restated balance at June 2005	—	464 730	117 564	582 294
Net gain/loss on revaluation of property, plant and equipment during 2005-06	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2005-06	—	—	—	—
Net result after restructure for 2005-06	—	—	-13 307	-13 307
Total recognised income and expense for 2005-06	**—**	**—**	**-13 307**	**-13 307**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2006	**—**	**464 730**	**104 257**	**568 987**
Net gain/loss on revaluation of property, plant and equipment during 2006-07	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2006-07	—	—	—	—
Net result after restructure for 2006-07	—	—	-3 607	-3 607
Total recognised income and expense for 2006-07	**—**	**—**	**-3 607**	**-3 607**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2007	**—**	**464 730**	**100 650**	**565 380**

TRANSADELAIDE

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
OPERATING ACTIVITIES:				
Cash outflows				
Employee payments	**38 486**	39 137	32 574	36 434
Supplies and services	**39 375**	35 914	32 840	33 155
Borrowing costs	**6 138**	5 989	9 355	6 213
Net GST paid	**—**	—	—	10 372
Other payments	**1 822**	1 772	83	5 023
Cash used in operations	**85 821**	82 812	74 852	91 197
Cash inflows				
Intra government transfers	**1 414**	14 230	5 740	5 220
Commonwealth receipts	**—**	—	—	3 430
Other grants	**5 500**	500	—	—
Sales of goods and services	**94 818**	97 320	88 416	91 267
Interest received	**1 564**	1 526	1 568	818
Net GST received	**—**	—	—	10 515
Other receipts	**9 317**	9 089	7 377	1 749
Cash generated from operations	**112 613**	122 665	103 101	112 999
SA GOVERNMENT:				
Appropriation	**2 702**	2 787	2 787	2 791
Other receipts	**—**	183	—	—
Payments —				
Tax equivalents	**768**	1 272	1 262	—
Other	**5 401**	34 757	4 063	2 296
Net cash provided by Government	**-3 467**	-33 059	-2 538	495
Net cash provided by (+) / used (-) in operating activities	**23 325**	6 794	25 711	22 297
INVESTING ACTIVITIES:				
Cash outflows				
Purchase of property, plant and equipment	**28 826**	28 841	19 329	15 776
Cash used in investing activities	**28 826**	28 841	19 329	15 776
Cash inflows				
Proceeds from sale of property, plant and equipment	**691**	35 365	31	1 202
Other receipts	**—**	—	—	751
Cash generated from investing activities	**691**	35 365	31	1 953
Net cash provided by (+) / used in (-) investing activities	**-28 135**	6 524	-19 298	-13 823

TRANSADELAIDE

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
FINANCING ACTIVITIES:				
Cash outflows				
Repayment of borrowings	**5 381**	6 166	5 381	5 381
Cash used in financing activities	**5 381**	6 166	5 381	5 381
Net cash provided by (+) / used in (-) financing activities	**-5 381**	-6 166	-5 381	-5 381
Net increase (+) / decrease (-) in cash equivalents	**-10 191**	7 152	1 032	3 093
Cash and cash equivalents at the beginning of the financial year	**21 650**	14 498	10 538	11 405
Cash and cash equivalents at the end of the financial year	**11 459**	21 650	11 570	14 498

Agency: TransAdelaide

Financial Commentary — major variations

The sale of the tram asset infrastructure to DTEI, capital grants and asset revaluations have impacted on both the Income statement and the Balance sheet.

Various operating cost pressures have resulted in an operating result below budget. These include increased fuel costs, greater costs in relation to regulatory requirements, increases in land taxes and rates, and an increase in depreciation expense due to increased expenditure on security initiatives.

A revaluation of assets has also resulted in an increased depreciation expense.

Portfolio: Health

Minister for Health

Minister for Mental Health and Substance Abuse

Government
of South Australia

TABLE OF CONTENTS

PORTFOLIO SUMMARY

Ministerial Responsibilities 7.1

Portfolio Net Cost of Services Summary 7.4

Investing Payments Summary 7.4

Portfolio Financial Statements

Income statement 7.5

Balance sheet 7.6

Statement of changes in equity 7.8

Cash flow statement 7.9

Financial Commentary 7.11

Workforce Summary 7.13

Ministerial Office Resources 7.13

Agency Summaries

Department of Health 7.14

Health Regions and Other Health Entities 7.50

South Australian Ambulance Service 7.78

PORTFOLIO: HEALTH

MINISTERIAL RESPONSIBILITIES

Minister	Agency	Programs	Sub-Programs
The Hon. John Hill Minister for Health **The Hon. Gail Gago** Minister for Mental Health and Substance Abuse	Department of Health	1. Public Health and Clinical Coordination	1.1 Public Health 1.2 Clinical Coordination
		2. Health System Improvement and Reform	Nil
		3. Health System Management	3.1 Grants to Incorporated Metropolitan Regions and Health Units 3.2 Grants and Services to Other Metropolitan Health Services 3.3 Grants to Incorporated Country Health Services 3.4 Grants and Services to Other Country Health Services 3.5 Capital Grants to Metropolitan and Country Health Services 3.6 Shared Services
		4. Aboriginal Health Services	4.1 Grants to Incorporated Aboriginal Health Services 4.2 Grants to Aboriginal Community Controlled Health Services 4.3 Aboriginal Health Policy and Program Planning
	Health Regions and Other Health Entities	5. Metropolitan and Specialist Services	5.1 Central Northern Adelaide Health Service 5.2 Southern Adelaide Health Service 5.3 Repatriation General Hospital 5.4 Children, Youth and Women's Health Service 5.5 Institute of Medical and Veterinary Science 5.6 Metropolitan Domiciliary Care Services
		6. Country Health Services	6.1 Country Regional Health Services 6.2 Incorporated Aboriginal Primary Health Services
	South Australian Ambulance Service	7. South Australian Ambulance Service	Nil

The Department of Health, incorporated Health Regions and Other Health Entities have a dual reporting responsibility to both the Minister for Health and the Minister for Mental Health and Substance Abuse. However, mental health and substance abuse services are not separately identified as programs or sub-programs, as they are imbedded within the programs of Health.

Administered items

In addition to the above responsibilities, the portfolio administers the following items on behalf of the Ministers:

- Beyond Blue;
- the Minister for Health's salary;
- the Health, Community and Disability Services Ministerial Council Secretariat; and
- the payments of central office and board costs for regional health services (which stopped being an Administered item in 2004-05).

Statutes

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

PORTFOLIO: HEALTH

The Health Portfolio is comprised of the Department of Health, Health Regions and Other Health Entities and the South Australian Ambulance Service, with transactions occurring between these entities.

The Health Regions and Other Health Entities reporting entity is comprised of health units in both metropolitan Adelaide and country areas.

In the metropolitan area, three regions manage the provision of health services: Southern Adelaide Health Service (SAHS), Central Northern Adelaide Health Service (CNAHS) and Children, Youth and Women's Health Service (CYWHS). The individual hospitals within these regions are no longer separate legal entities. The Repatriation General Hospital and Metropolitan Domiciliary Care are separately incorporated entities. The Institute of Medical and Veterinary Science is incorporated under its own Act.

The main units in each Region are as follows:

- SAHS — Flinders Medical Centre, Noarlunga Health Service, Drug and Alcohol Services South Australia and Inner Southern Community Health Service;

- CNAHS — Royal Adelaide Hospital, St Margaret's Rehabilitation Hospital, Hampstead Rehabilitation Centre, The Queen Elizabeth Hospital, Lyell McEwin Hospital, Modbury Hospital, Central Eastern/Western Primary Health Care, North/North East Primary Health Care, Prison Health, BreastScreen SA and the South Australian Dental Service; and

- CYWHS — Women's and Children's Hospital, Child and Family Health Services and Child and Adolescent Mental Health Services.

The board of each region is responsible for the provision of health services in the region in accordance with its constitution and the Health Service Agreement with the Minister for Health.

A new single country health region, Country Health SA, was established on 1 July 2006 to replace the seven previous country regions. The intent of the new arrangements is to provide a more integrated system of care across country South Australia.

PORTFOLIO NET COST OF SERVICES SUMMARY

Agency	2006-07 Budget $000	2005-06 Estimated Result $000	2005-06 Budget $000	2004-05 Actual $000
Department of Health	1 692 416	1 562 914	1 510 557	1 456 849
Health Regions and Other Health Entities	2 287 161	2 180 380	2 066 261	2 028 756
South Australian Ambulance Service	521	-917	-1 218	n.a.[(a)]
Total of individual agencies	**3 980 098**	**3 742 377**	**3 575 600**	**3 485 605**
Intra agency receipts/accruals	-2 330 437	-2 190 068	-2 110 816	-2 083 340
Portfolio Total	**1 649 661**	**1 552 309**	**1 464 784**	**1 402 265**

(a) 2004-05 Actuals for SA Ambulance Service are not included in the portfolio total

The sum of net costs for the individual agencies exceeds the value of net cost of services for the consolidated Health Portfolio. The variance relates to intra agency receipts and accrual adjustments. All State Government appropriations and most Commonwealth receipts are received by the Department of Health and then transferred to the Health Regions and Other Health Entities. To reflect the true net cost to the Government of South Australian for the services provided by these agencies, intra agency receipts and accrual adjustments should be excluded.

The 2005-06 Budget net cost of services for the Department of Health differs from the amount reflected in the 2005-06 Portfolio Statements due to the treatment of the South Australian Ambulance Service.

INVESTING PAYMENTS SUMMARY

Agency	2006-07 Budget $000	2005-06 Estimated Result $000	2005-06 Budget $000	2004-05 Actual $000
Department of Health	—	40	2 968	6 319
Health Regions and Other Health Entities	109 215	90 372	111 544	119 776
South Australian Ambulance Service	20 301	17 149	21 254	n.a.[(a)]
Total Investing Payments	**129 516**	**107 561**	**135 766**	**126 095**

(a) 2004-05 Actuals for SA Ambulance Service are not included in the portfolio total

HEALTH PORTFOLIO

Income statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Expenses				
Employee benefits and costs —				
Salaries, wages, annual and sick leave	**1 621 036**	1 537 574	1 451 698	1 394 267
Long service leave	**35 406**	34 186	34 180	38 753
Payroll tax	**4 531**	4 463	4 096	3 357
Superannuation	**158 050**	147 438	140 682	131 553
Other	**61 120**	61 566	59 591	51 735
Supplies and services —				
General supplies and services	**933 373**	896 629	874 248	856 079
Consultancy expenses	**3 051**	2 976	2 976	1 925
Depreciation and amortisation	**85 462**	84 504	84 500	79 282
Borrowing costs	**10 103**	9 971	10 230	7 439
Grants and subsidies	**125 688**	117 668	122 807	141 959
Intra government transfers	**654**	7 791	2 394	—
Other expenses	**18 854**	18 116	17 601	7 824
Total expenses	**3 057 328**	2 922 882	2 805 003	2 714 173
Income				
Commonwealth revenues	**922 390**	888 150	864 229	859 020
Intra government transfers	**60 947**	64 761	51 933	74 736
Other grants	**49 763**	52 280	37 118	36 999
Fees, fines and penalties	**2 942**	2 583	3 043	460
Sales of goods and services	**326 269**	313 646	328 884	255 874
Interest revenues	**8 935**	12 937	12 937	13 974
Net gain or loss from disposal of assets	**—**	—	—	-1 802
Resources received free of charge	**2 397**	2 397	2 397	8 069
Other income	**34 024**	33 819	39 678	64 578
Total income	**1 407 667**	1 370 573	1 340 219	1 311 908
Net cost of providing services	**1 649 661**	1 552 309	1 464 784	1 402 265
Income from / Expenses to SA Government				
Income —				
Appropriation	**1 638 252**	1 474 061	1 463 809	1 415 516
Other income	**—**	58 059	—	58 607
Net income from / expenses to SA Government	**1 638 252**	1 532 120	1 463 809	1 474 123
Net result before restructure(s)	**-11 409**	-20 189	-975	71 858
Net income from / expenses from administrative restructure(s)	**—**	—	—	-72 199
Net result after restructure(s)	**-11 409**	-20 189	-975	-341

HEALTH PORTFOLIO

Balance sheet

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and cash equivalents	**225 957**	233 002	217 191	210 766
Receivables	**84 097**	88 507	72 521	95 093
Inventories	**24 180**	24 180	20 057	23 959
Financial assets	**47 343**	47 343	44 586	47 343
Other current assets	**22 160**	22 147	15 039	19 144
Total current assets	**403 737**	415 179	369 394	396 305
Non current assets				
Financial assets	**3 774**	3 802	3 109	3 774
Land and improvements	**1 577 651**	1 551 814	1 546 225	1 537 246
Plant and equipment	**243 890**	226 619	239 231	177 901
Intangible assets	**3 926**	3 926	66	3 926
Other non-current assets	**4 090**	4 090	4 306	4 090
Total non-current assets	**1 833 331**	1 790 251	1 792 937	1 726 937
Total assets	**2 237 068**	2 205 430	2 162 331	2 123 242
Liabilities				
Current liabilities				
Payables	**95 849**	96 042	102 364	100 609
Short-term borrowings	**3 379**	3 379	2 855	3 221
Employee benefits —				
Salaries and wages	**36 725**	36 402	20 745	35 004
Annual leave	**101 911**	101 339	84 823	96 263
Long service leave	**23 955**	24 023	23 436	23 750
Other	**4 550**	4 522	4 724	2 943
Short-term provisions	**19 788**	19 859	21 916	18 696
Other current liabilities	**18 903**	18 906	25 184	17 971
Total current liabilities	**305 060**	304 472	286 047	298 457
Non current liabilities				
Long-term borrowings	**97 445**	98 581	87 144	102 926
Long-term employee benefits —				
Annual leave	**3 335**	3 042	2 680	—
Long service leave	**208 070**	207 533	178 898	202 168
Other	**927**	913	715	20
Long-term provisions	**45 545**	45 545	49 697	42 751
Other non-current liabilities	**84 821**	84 821	108 318	84 821
Total non-current liabilities	**440 143**	440 435	427 452	432 686
Total liabilities	**745 203**	744 907	713 499	731 143
Net assets	**1 491 865**	1 460 523	1 448 832	1 392 099

HEALTH PORTFOLIO

Balance sheet

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Equity				
Contributed capital	**203 857**	161 106	160 786	120 039
Retained earnings	**944 936**	956 345	960 936	941 199
Asset revaluation reserve	**290 759**	290 759	269 909	285 114
Other reserves	**52 313**	52 313	57 201	45 747
Total equity	**1 491 865**	1 460 523	1 448 832	1 392 099

Balances as at 30 June end of period.

HEALTH PORTFOLIO

Statement of changes in equity

	Contributed capital	Asset revaluation reserve	Retained earnings	Total
	$000	$000	$000	$000
Balance at 30 June 2005	120 039	285 114	986 946	1 392 099
Adjustments	—	—	—	—
Restated balance at June 2005	120 039	285 114	986 946	1 392 099
Net gain/loss on revaluation of property, plant and equipment during 2005-06	—	—	—	—
Net changes in reserves	—	5 645	41 901	47 546
Net income/expense recognised directly in equity for 2005-06	—	5 645	41 901	47 546
Net result after restructure for 2005-06	—	—	-20 189	-20 189
Total recognised income and expense for 2005-06	**—**	**5 645**	**21 712**	**27 357**
Equity contributions from SA Government	58 030	—	—	58 030
Repayment of equity contributions from SA Government	-16 963	—	—	-16 963
Estimated balance at 30 June 2006	**161 106**	**290 759**	**1 008 658**	**1 460 523**
Net gain/loss on revaluation of property, plant and equipment during 2006-07	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2006-07	—	—	—	—
Net result after restructure for 2006-07	—	—	-11 409	-11 409
Total recognised income and expense for 2006-07	**—**	**—**	**-11 409**	**-11 409**
Equity contributions from SA Government	42 751	—	—	42 751
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2007	**203 857**	**290 759**	**997 249**	**1 491 865**

HEALTH PORTFOLIO

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
OPERATING ACTIVITIES:				
Cash outflows				
Employee payments	**1 878 528**	1 785 886	1 690 906	1 583 677
Supplies and services	**936 353**	899 495	877 114	880 001
Borrowing costs	**10 103**	9 971	10 230	7 474
Grants and subsidies	**125 688**	117 668	122 807	141 137
Net GST paid	**—**	—	—	143 627
Intra government transfers	**654**	7 791	2 394	—
Other payments	**4 769**	4 561	4 152	11 485
Cash used in operations	**2 956 095**	2 825 372	2 707 603	2 767 401
Cash inflows				
Intra government transfers	**60 947**	64 761	51 933	80 202
Commonwealth receipts	**922 390**	888 150	864 229	859 293
Other grants	**49 763**	52 280	37 118	34 895
Fees, fines and penalties	**2 942**	2 583	3 043	747
Sales of goods and services	**319 781**	303 477	311 683	249 577
Interest received	**8 935**	13 167	12 937	13 689
Dividends received	**—**	—	—	90
Net GST received	**—**	—	—	138 436
Other receipts	**29 570**	33 398	46 423	43 844
Cash generated from operations	**1 394 328**	1 357 816	1 327 366	1 420 773
SA GOVERNMENT:				
Appropriation	**1 638 252**	1 474 061	1 463 809	1 415 516
Other receipts	**—**	58 059	—	58 607
Net cash provided by Government	**1 638 252**	1 532 120	1 463 809	1 474 123
Net cash provided by (+) / used (-) in operating activities	**76 485**	64 564	83 572	127 495
INVESTING ACTIVITIES:				
Cash outflows				
Purchase of property, plant and equipment	**129 516**	107 561	135 766	126 095
Other payments	**—**	—	—	12 444
Cash used in investing activities	**129 516**	107 561	135 766	138 539
Cash inflows				
Proceeds from sale of property, plant and equipment	**4 343**	2 008	2 008	1 644
Other receipts	**—**	—	—	3 552
Cash generated from investing activities	**4 343**	2 008	2 008	5 196
Net cash provided by (+) / used in (-) investing activities	**-125 173**	-105 553	-133 758	-133 343

HEALTH PORTFOLIO

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
FINANCING ACTIVITIES:				
Cash outflows				
Repayment of borrowings	**802**	603	603	3 321
Repayment of SA Government contributed capital	**—**	16 963	16 963	—
Finance lease payments	**334**	312	312	—
Cash used in financing activities	**1 136**	17 878	17 878	3 321
Cash inflows				
Capital contributions from Government	**42 751**	58 030	58 030	5 472
Proceeds from borrowings	**—**	—	—	1 431
Proceeds from restructuring activities	**—**	—	—	-29 456
Cash generated from financing activities	**42 751**	58 030	58 030	-22 553
Net cash provided by (+) / used in (-) financing activities	**41 615**	40 152	40 152	-25 874
Net increase (+) / decrease (-) in cash equivalents	**-7 073**	-837	-10 034	-31 722
Cash and cash equivalents at the beginning of the financial year	**233 002**	233 839	227 225	242 488
Cash and cash equivalents at the end of the financial year	**225 929**	233 002	217 191	210 766

Financial Commentary – major variations

Income statement — Controlled

Consistent with the Government's election platform of improving the South Australian health system for all South Australians, significant additional funding has been allocated as part of the 2006-07 Budget to address all areas of the health system. The new funding is in addition to the already substantial investment made by this Government in the South Australian public health system.

Health Portfolio operating expenditure is projected to increase in 2006-07 compared with the 2005-06 Budget by $252.3 million or 9 per cent. State Government income is forecast to increase by $174.4 million. Commonwealth revenue is forecast to increase by $58 million.

The increase in expenditure in 2006-07 includes:

- an additional $15.9 million (on-going) to support activity in metropolitan public hospitals, provided as part of the 2005-06 Mid Year Budget Review;
- an additional $59.4 million for new initiatives announced as part of the 2006-07 Budget; and
- wage increases as reflected in enterprise bargaining agreements, including the nurses and salaried medical officers' agreements.

Activity in the State's metropolitan public hospitals increased in 2005-06 at a rate greater than expected, placing additional pressure on the State's medical workforce and infrastructure. Therefore, as part of the 2006-07 Budget, $400 million over four years has been provided to support the provision of statewide health services. Additional support has also been provided to increase the size of the medical workforce to meet current and future demands as well as the Elective Surgery Strategy and the restorative dental care program. From 2007-08, operational responsibility for Modbury Hospital will be returned to the public sector.

There is increased funding for the SA Ambulance Service to support a new station at McLaren Vale. Additional funding is also provided to expand mental health services in the State. This includes the Shared Care with GP program where 30 allied health workers, such as psychologists, occupational therapists, nurse practitioners and social workers will work in private GP clinics to assist people with mental illness. An additional 26 allied health and professional mental health workers will be employed under the Healthy Young Minds initiative, which seeks to improve child and adolescent mental health services in areas where there is high demand for therapy. New funding has also been approved to consolidate Drug and Alcohol Services on the Glenside Campus. A facility at Glenside will also be refurbished using existing funding, to accommodate the rural and remote mental health beds.

Funding is provided to increase the capacity of the State's primary health care sector. This will help to improve health outcomes and access to health care and reduce the demands being placed on the public hospital system. The programs funded will support other prevention, early intervention, hospital avoidance and demand management strategies currently in place and will enable South Australians, who would normally go to an emergency department, to have their health care needs met in alternative community settings. Specific initiatives include the establishment of GP Plus Health Care Centres at Aldinga, Marion and Elizabeth, 50 nurses in general practice clinics and the expansion of the Family Home Visiting Program.

Additional information concerning resource variations for the Department, Health Regions and Other Health Entities and the SA Ambulance Service is contained in the individual agency statements.

The Health Portfolio Statements also reflect a change in the treatment of the SA Ambulance Service. During 2005-06, the *Ambulance Services Act 1992* was amended and as a result the Minister for Health may exercise control by giving written directions to the Board. The implication is that the

SA Ambulance Service is no longer an Administered Item of the Department of Health and is now a controlled entity. A separate agency has been created for the SA Ambulance Service. The 2006-07 Budget, 2005-06 Estimated Result and 2005-06 Budget for the Health Portfolio includes the SA Ambulance Service. For the 2004-05 Actuals, the SA Ambulance Service is included in the Administered Items statements.

WORKFORCE SUMMARY

Agency	FTEs as at 30 June		
	2006-07 Budget Estimate	2005-06 Estimated Result	2004-05 Actual
Department of Health	780	786	813
Health Regions and Other Health Entities	21 916	21 709	20 875
South Australian Ambulance Service	976	937	856
Total	**23 672**	**23 432**	**22 544**

The 2004-05 Actual for the Department of Health includes staff of BreastScreen SA which were transferred to the Central Northern Adelaide Health Service during 2005-06. The 2005-06 Estimated Result also reflects other structural changes, including those associated with the establishment of the Office of Health Community Services Complaints Commissioner and the establishment of the Financial Management Improvement Project, which is due for completion in 2008. The increase in FTE levels for the 2005-06 Estimated Result for Health Regions and Other Health Entities is mainly related to increases in funding provided to the South Australian Health System. The increase in the 2006-07 Budget Estimate is also associated with the increased funding for health services and other specific workforce initiatives approved as part of the 2006-07 Budget.

MINISTERIAL OFFICE RESOURCES

Minister	2006-07 Budget	
	Cost of provision $000	FTEs
The Hon. John Hill	1 544	13.6

Details concerning ministerial office resources for the Hon. Gail Gago are contained in the Portfolio Statements of the Department for Environment and Heritage.

TABLE OF CONTENTS

AGENCY: DEPARTMENT OF HEALTH

Objective 7.15

Targets / Highlights 7.15

Program Net Cost of Services Summary 7.17

Investing Payments Summary 7.17

Program Information

- Description / Objective 7.18
- Summary income statement 7.18
- Sub-program Statements and Performance Criteria 7.19

Financial Statements

- Income statement 7.32
- Balance sheet 7.33
- Statement of changes in equity 7.34
- Cash flow statement 7.35
- Income statement — Administered Items 7.37
- Balance sheet — Administered Items 7.38
- Statement of changes in equity — Administered Items 7.39
- Cash flow statement — Administered Items 7.40

Financial Commentary 7.42

Portfolio: Health

Agency: Department of Health

Objective

The Department of Health is responsible for the policy, administration and operations of public health services, hospitals, the South Australian Ambulance Service, community health services and domiciliary care and rehabilitation services.

2006-07 Targets / 2005-06 Highlights

Targets 2006-07	Highlights 2005-06
Public Health and Clinical Coordination • Implement healthy food standards in schools and preschools • Develop Healthy Weight short course with TAFE SA • Finalise Healthy Weight Parents information package • Implement a national social marketing campaign in South Australia (through COAG — Council of Australian Governments) • Introduce food safety programs for food businesses serving vulnerable populations (hospitals, aged care facilities and child care establishments) • Review wastewater codes and aquatic (swimming pool and spa pool) standards • Develop guidelines for hygienic practices relating to keeping domestic animals and the establishment and maintenance of pet shops • Continue to prepare for an outbreak of pandemic influenza • Participate in the national Exercise Cumpston 06 to validate the capacity and capability of Australia's health response to a pandemic situation • Develop a new three year SA Strategic Directions Plan for the retention and recruitment of nursing • Implement the SA Safety and Quality Program 2006-2009 **Health System Improvement and Reform** • Reform the *Mental Health Act* as part of the broader reform agenda for the mental health system in South Australia • Release the SA Burden of Disease study report and Social Health Atlas of SA (3rd edition) • Finalise health practitioner legislation for Parliament **Health System Management** • Commence the delivery of mental health services from the Margaret Tobin Centre and the Repatriation General Hospital • Improve elective surgery performance • Finalise the Radiation Oncology Strategic Plan for SA • Complete and launch the resource kit — Providing Culturally Appropriate Palliative Care for Aboriginal People in South Australia and the companion resource • Release Mental Health Guidelines associated with the key action service improvement areas of prevention, entry and access, continuity of care and rehabilitation	**Public Health and Clinical Coordination** • Investigated 60 outbreaks of infectious diseases, including salmonella, listeria, measles, cryptosporidium and norovirus • Increased the coverage of health care worker influenza immunisation • Implemented initiatives to address recruitment and retention of nurses in the South Australian health system • Launched the 10 by10 program, which targets for at least 95% of children aged 0–4 years in the Port Pirie community to have a blood lead level of less than 10 µg/dL by the end of 2010 • Achieved 85% coverage of Year 8 students with Hepatitis B and Diphtheria Tetanus and Pertussis vaccines • Implemented the Eat Well Be Active Healthy Weight Strategy • Completed the Meningococcal C vaccination collaborative program, which is offered by local governments through schools • Undertook a range of work to prepare for an outbreak of pandemic influenza • Published the first SA Patient Safety Report • Staged the inaugural annual Medical Careers Expo and participated in the overseas recruitment drive for health professionals • Reviewed the State Safety and Quality program • Developed strategies to ensure an equitable and efficient system of clinical placements for nursing students **Health System Improvement and Reform** • Opened the Office of Health and Community Services Complaints Commissioner • Released the 'Families at Risk: the effects of chronic and multiple disadvantage' report • Coordinated two State Submissions to the Productivity Commission Review of Health Workforce • Commenced the development of a central data warehouse to improve access to corporate information for business decision making **Health System Management** • Funded a series of local Aboriginal community palliative care awareness activities across country regions • Completed an additional 2631 elective surgical procedures (98.8% of the target 2691 procedures)

Targets 2006-07	Highlights 2005-06
• Recruit 30 allied mental health workers to assist general practitioners in the delivery of frontline mental health services to the community • Recruit 26 allied health and professional mental health practitioners to provide early intervention services for children and young people to reduce the social, health and economic impact of mental illness • Implement a strategic and collaborative suicide prevention model and training program across South Australia • Establish the Expert Cancer Advisory Group to lead the implementation of the Statewide Cancer Control Plan 2006-2009 • Open the Aldinga GP Plus Health Care Centre • Commence planning for the Marion and Elizabeth GP Plus Health Care Centres • Implement initiatives relating to the employment of 50 nurses in general practice **Aboriginal Health Services** • Increase the number of Aboriginal people registered and employed to provide interpreting services to Aboriginal people in mainstream services • Develop the Our Culture, Our Babies, Our Future Framework for Action • Develop Aboriginal Perinatal Guidelines in partnership with the Child, Youth and Women's Health Service and other key stakeholders • Conduct the statewide Aboriginal and Torres Strait Islander Cancer Forum • Maintain the Perinatal Infant Mental Health Community Project and Aboriginal reference group — Feeling Attached Parent and Infant Mental Project	• Implemented the Program of Experience in the Palliative Approach • Developed the country mental health service model 'One country, one system of mental health care for country SA' • Implemented and evaluated suicide prevention initiatives, with a focus on Aboriginal and Torres Strait Islander people, living in country South Australia • Facilitated a service improvement program, the Mental Health Care Improvement Initiative, which aims to reduce demand on emergency departments, tackle drug and alcohol co-morbidity and enhance the retention and recruitment of staff • Commenced implementation of seven community based suicide prevention initiatives targeting young males in rural and remote areas • Completed the Statewide Cancer Control Plan 2006-2009 • Managed initiatives to re-engineer patient flows across hospitals **Aboriginal Health Services** • Supported Cancer, Healing and Strategic Planning initiatives in conjunction with the Aboriginal Community Controlled sector • Published the Aboriginal Health — 'Knowing the Business' SA Aboriginal Health Indicators 2005 • Developed and signed the SA Aboriginal Health and Wellbeing Framework Agreement 2005-2010, an agreement between the State and Commonwealth Health Ministers and the Aboriginal Health Council of SA • Supported 36 students across a range of university programs as part of the Aboriginal Health Division Scholarship initiative • Developed partnerships with the Riverland region to support a range of hospital, school and community health strategies leading to funding for enrolled nurse cadets • Developed a Child, Youth and Women's Health Service Aboriginal Health Strategy 2005-2010 • Supported an Australian Government and South Australian Department of Aboriginal Affairs and Reconciliation funded project to address Indigenous family violence within the Riverland Health Region • Funded the Aboriginal Health Council of SA to deliver a certificate in Aboriginal Primary Health Care • Acknowledged the Nursing and Midwifery Excellence Awards and paid tribute to South Australia's first seven Aboriginal registered nurses

Program net cost of services summary

Program	Net Cost of Services			
	2006-07 Budget $000	2005-06 Estimated Result $000	2005-06 Budget $000	2004-05 Actual $000
1. Public Health and Clinical Coordination	96 083	66 116	60 559	18 724
2. Health System Improvement and Reform	20 962	19 269	13 110	11 248
3. Health System Management	1 566 648	1 468 429	1 427 896	1 416 655
4. Aboriginal Health Services	8 723	9 100	8 992	10 222
Total	**1 692 416**	**1 562 914**	**1 510 557**	**1 456 849**

Explanations of variations for net cost of services summaries are contained in individual sub-program sections.

Investing payments summary

Investments	2006-07 Budget $000	2005-06 Estimated Result $000	2005-06 Budget $000	2004-05 Actual $000
Works in Progress				
Noarlunga Land Purchase	—	40	—	1 027
Total Works in Progress	**—**	**40**	**—**	**1 027**
Annual Programs				
Information Communication Technology (ICT) Minor Projects	—	—	2 968	3 942
Mental Health Community Rehabilitation	—	—	—	1 350
Total Investing Payments	**—**	**40**	**2 968**	**6 319**

From 2005-06, expenditure in relation to the ICT Minor Projects annual program will be recognised as an operating expense rather than being capitalised or treated as an investing payment. During 2004-05, expenditure was incurred by the Department for Mental Health Community Rehabilitation facilities, while expenditure from 2005-06 is recognised in the Health Regions and Other Health Entities agency.

Agency: Department of Health

Program Information

Program 1: Public Health and Clinical Coordination

Description/Objective: Public Health and Clinical Coordination is responsible for the development and implementation of policy and programs in relation to health protection and promotion and illness prevention as well as the provision of high level clinical advice to enhance departmental decision making.

Summary income statement

Program 1: *Public Health and Clinical Coordination*	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Expenses				
Employee benefits and costs	12 738	13 379	11 589	15 453
Supplies and services	20 223	16 984	16 011	21 716
Grants and subsidies	85 012	57 648	53 593	11 130
Depreciation and amortisation	175	172	176	602
Other	—	—	—	1
Total expenses	**118 148**	**88 183**	**81 369**	**48 902**
Income				
Sale of goods and services	24	30	30	1 457
Fees, fines and penalties	422	408	392	269
Commonwealth revenue	21 515	21 529	20 144	27 840
Other	104	100	244	612
Total income	**22 065**	**22 067**	**20 810**	**30 178**
Net cost of providing services	**96 083**	**66 116**	**60 559**	**18 724**

Note: The reason for the significant increase in expenditure from 2004-05 mainly relates to the recognition of payments to the SA Ambulance Service by the Department of Health. During 2005-06 the treatment of funding to the SA Ambulance Service changed whereby the payment is now from the Department of Health as opposed to an Administered items payment. This is offset by the transfer of BreastScreen SA and the Tobacco Unit from the Department of Health to Health Regions and expenditure incurred in 2004-05 for the Meningococcal C vaccination program.

The variation in expenditure between the 2005-06 Estimated Result and the 2006-07 Budget also relates to a change in departmental structure and mostly relates to the transfer of the National Blood Authority and nurse retention and recruitment funding to Public Health and Clinical Coordination. Other factors contributing to variations are contained in the individual sub-programs. The 2005-06 Budget amounts also differ from those contained in the 2005-06 Portfolio Statements to reflect changes in Portfolio functions and structures. The 2005-06 Budget figures in these statements have been changed for comparison purposes.

Program 1: Performance Criteria:

Sub-program: 1.1	**Public Health** The development and delivery of policy and programs in relation to health protection and promotion and illness prevention as well as the provision of high level clinical advice to enhance departmental decision making.

	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$10 451 000**	**$9 372 000**	**$8 921 000**	**$15 042 000**

Performance Commentary

The variance between the 2004-05 Actual and the 2005-06 Budget is mainly related to the transfer of funding relating to BreastScreen SA and the Tobacco Unit to the Central Northern Adelaide Health Service (sub-program 5.1) and the Southern Adelaide Health Service (sub-program 5.2) respectively. In addition, expenditure was incurred in 2004-05 on the meningococcal vaccination program and this was offset by additional Commonwealth funding in that year. Commonwealth funding was also provided for other vaccine programs for which expenditure will be incurred in future years.

The increase in the net cost of the sub-program for the 2006-07 Budget reflects additional funding of $1.3 million for the whole of government strategy to prepare the State for an outbreak of pandemic influenza.

For blood supply related new initiatives and programs:

- a new policy of access to 'product of choice' for haemophilia sufferers in 2005-06 will be fully implemented. Factor VIII recombinant (non-plasma derived) usage increased from 84 per cent of total Factor VIII product use in 2004-05 to an estimated 96% in 2005-06. Higher than target use of Factor VIII products in 2005-06 was also experienced due to new high usage patients being treated in South Australia; and
- intravenous immunoglobulin usage was low in 2004-05 during a period of national product shortage. Strong growth in demand was experienced in 2005-06, which is expected to be contained in 2006-07 through the efforts of a funded dedicated intravenous immunoglobulin (IVIG) nurse. The 2005-06 Estimated Result also reflects a request to the National Blood Authority to fast track the supply of Octagam (an imported IVIG product) to SA stocks in June 2006.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
Disease Prevention and Management				
No. of vaccines dispensed	700 000[(a)]	678 129	645 000[(b)]	766 686
No. of providers participating in the Australian Childhood Immunisation register	1 640[(c)]	1 614	1 550	1 606
% of children fully immunised at age 12 months	93%	91%	92%	91%
% of children fully immunised at age 2 years	95%	92%	93%	92%
No. of women screened for cervical cancer	153 500	145 358[(d)]	169 500	153 240
% of women screened for cervical cancer in target population (aged 20-69 years) every 24 months	66%	66%	68%	67%
Environmental Health Management				
No. of children tested for blood lead level in Port Pirie	1 000[(e)]	1 300	1 100	1 270
Average time for blood level results to be available	1 week	1 week	1 week	1 week
No. of licenses issued for poisons[(f)]	1 450	1 500	1 640	1 561
Proportion of licenses issued for poisons subject to review, inspection and/or investigation to establish compliance	3%	1%	5%[(g)]	0.1%
No. of licenses issued for pest controllers	1 575	1 500	1 460	1 508
Proportion of licenses issued for pest controllers subject to review, inspection and/or investigation to establish compliance	3%	1%	5%[(h)]	5%
Proportion of pest control license exemptions reviewed	100%	100%	70%	n.a.

continued

Sub-program: 1.1	Public Health continued			
Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
Environmental Health Management (continued)				
No. of food samples analysed	600	816	600	631
No. of complaints investigated under *Tobacco Products Regulation Act 1997*	n.a.[(i)]	119	100	n.a.
% of complaints investigated under *Tobacco Products Regulation Act 1997*	100%	100%	100%	n.a.
% of water quality Type 1 incidents reported within 24 hours	100%	92%	100%	96%
% of health risk assessments finalised within 2 months of receipt of soil contamination data from the Environment Protection Authority[(j)]	20%	16%	80%	n.a.
Health Promotion				
No. of health campaigns conducted	6	6	6	6
No. of health promotion seminars/education programs conducted [(k)]	56	54	80	117
No. of health promotion initiatives funded	108[(l)]	108[(l)]	100	99
No. of health promotion initiatives implemented	108	108	100	99
% compliance with legislative standards for tobacco: metropolitan	90%	90%	90%	85%
% compliance with legislative standards for tobacco: country	90%	90%	90%	82%
Proportion of health promotion initiatives evaluated within six months of completion	95%	90%	95%	95%
Blood Supply				
No. of red blood cell packs issued to SA	71 850[(m)]	70 211[(n)]	73 308[(o)]	69 830
No. of therapeutic platelet doses issued to SA	8 400[(m)]	8 988[(n)]	8 300[(o)]	8 414
No. of Factor VIII international units issued	9 963 632[(m)]	10 624 750[(n)]	9 260 000[(o)]	8 955 500
Grams of Intravenous Immunoglobulin issued	120 000[(m)]	124 815[(n)]	122 497[(o)]	104 200
% of red cell packs leucocyte-depleted	28%[(m)]	24%[(n)]	28%[(o)]	17%
% of therapeutic platelet doses leucocyte-depleted	100%[(m)]	93%[(n)]	100%[(o)]	63%

Footnotes

(a) The increase in the 2006-07 Target is based on the prediction that newly registered Rotavirus vaccine will be on the funded schedule.

(b) The 2005-06 Target reflects the conclusion of the Meningococcal C school program in late 2005. The increase in 2005-06 Estimated Result reflects new vaccine programs added in 2005-06 including Pneumococcal for both children and adults.

(c) The success of the Department's campaigns to expand immunisation services in the local government sector will be reflected in a small increase in the number of providers sending information to the Australian Childhood Immunisation Register.

(d) The 2005-06 Estimated Result is lower than the 2005-06 Target due to fewer women undergoing screening, which reflects the nature of the two year screening cycle. The 2005-06 Target includes non-SA residents, which is another factor for the variance. Data for all years, apart from the 2005-06 Target, reflects services to South Australian residents only.

(e) The target group has been narrowed to children under four years of age with a particular focus on 'at risk' children. Therefore the program will not be pursuing those children who for four successive tests conducted at 6, 12, 24 and 36 months returned a result of less than 10 µg/dL, nor will there be further bi-annual or tri-annual screenings of the Port Pirie primary schools.

(f) The decreases in 2005-06 and 2006-07 reflect consolidation within the industry.

(g) The 2005-06 Portfolio Statements should have reflected 5% as opposed to 50%.

(h) The 2005-06 Portfolio Statements should have reflected 5% as opposed to 50%.

(i) No target has been set for 2006-07 given the difficulties in estimating the number of complaints likely to be received.

continued

Sub-program: 1.1	Public Health continued
Footnotes continued	(j) The 80 per cent target in 2005-06 was based on the assumption that investigations would take no more than two months to complete. However, some investigations are more extensive and require more time to complete. The 2005-06 Estimated Result and 2006-07 Target reflect this. (k) Reduced number of seminars and education programs provided due to health regions now undertaking this task. Total includes Cervix Screening program. (l) Increased number of health promotion initiatives funded due to inclusion of Cervix Screening program. (m) 2006-07 blood targets are based on the national supply plan submitted to Health Ministers in July 2006. (n) The 2005-06 Estimated Result is based on the June 2006 National Blood Authority distribution report. (o) The 2005-06 Target is based on the original 2005-06 national supply plan.

Sub-program: 1.2	**Clinical Coordination** This sub program includes: • medical professional policy advice, workforce planning and recruitment; • the development, management and promotion of the statewide strategic Patient Safety Framework; • the provision and management of grants for the delivery of ambulatory services by the South Australian Ambulance Service; and • the provision and management of grants for the delivery of blood and blood products for South Australia.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$85 632 000**	**$56 744 000**	**$51 638 000**	**$3 682 000**

Performance Commentary

The reason for the significant increase in expenditure from 2004-05 predominantly relates to the recognition of payments ($46.6 million) to the SA Ambulance Service by the Department of Health. The payment is now treated as a payment via the Department of Health as opposed to an Administered items payment. Additional funding to the SA Ambulance Service of $4.4 million was allocated in 2005-06 for the Ambulance Officers' enterprise bargaining agreement.

The variation in the net cost of this sub-program between the 2005-06 Estimated Result and the 2006-07 Budget mostly relates to the transfer of National Blood Authority funding ($21 million) and nurse recruitment and retention funding ($2 million) from sub-program 3.2 Grants and Services to Other Metropolitan Health Services. The impact of delayed expenditure from 2005-06 is also a factor. The increase in the net cost of the sub-program for the 2006-07 Budget also reflects additional funding of $1.7 million to support the whole of government strategy to prepare the State for an outbreak of pandemic influenza.

During 2005-06 a range of strategies were implemented, based on the principle that South Australia's future medical workforce needs are best served by retaining South Australian trained medical graduates in South Australia. Strategies included:

- improved marketing;
- improved access to information via a dedicated and enhanced website;
- the central coordination of recruitment and allocation of medical graduates; and
- incentives for junior doctors (for example, 2% bonus for sign-on, relocation expenses and annual careers expo).

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of intern placements[(a)]	170[(b)]	150	167	162
% of intern placements who are South Australian graduates	85%	88%	75%	97%

Footnotes	(a) Intern placements occur over a calendar year — the data therefore relates to the calendar years 2005, 2006 and 2007. (b) The 2006-07 Target has been set at 170 due to the significant work undertaken to improve the attractiveness of South Australian internships since November 2005.

Agency: Department of Health

Program information

Program 2: Health System Improvement and Reform

Description/Objective: Health System Improvement and Reform is responsible for the provision of health intelligence, innovation, leadership, health reform, policy and planning for the health system.

Summary income statement

Program 2: *Health System Improvement and Reform*	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Expenses				
Employee benefits and costs	11 363	11 864	6 363	6 666
Supplies and services	6 264	8 347	3 075	3 867
Grants and subsidies	3 957	3 244	3 656	1 951
Depreciation and amortisation	81	81	74	10
Total expenses	**21 665**	**23 536**	**13 168**	**12 494**
Income				
Sale of goods and services	594	1 072	58	726
Commonwealth revenue	109	2 892	—	518
Other	—	303	—	2
Total income	**703**	**4 267**	**58**	**1 246**
Net cost of providing services	**20 962**	**19 269**	**13 110**	**11 248**

Note: The 2005-06 Budget amounts differ from those contained in the 2005-06 Portfolio Statements to reflect changes in Portfolio functions and structures. The 2005-06 Budget figures in these statements have been changed for comparison purposes.

Program 2: Performance Criteria:

Program: 2	Health System Improvement and Reform			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of program	**$20 962 000**	**$19 269 000**	**$13 110 000**	**$11 248 000**

Performance Commentary

The variation in the net cost of the sub-program between the 2005-06 Estimated Result and the 2005-06 Budget mainly relates to the transfer of the Funding and Information Management Unit, which manages corporate and clinical information, to the Health System Improvement and Reform program.

The net cost of the sub-program in the 2005-06 Estimated Result includes one-off Commonwealth revenue relating to the HealthConnect project. Expenditure associated with this revenue will be incurred in 2005-06 and 2006-07.

The *Physiotherapy Practice Act 2005, Chiropractic and Osteopathy Practice Act 2005* and *Occupational Therapy Practice Act 2005* were passed by both Houses of Parliament in 2005.

The *Institute of Medical and Veterinary Science (Miscellaneous) Amendment Act 2006* was introduced and passed by both Houses of Parliament in 2006.

The *Health and Community Services Complaints Act 2004* came into force on 3 October 2005.

The *Transplantation and Anatomy Act* amendments were passed by both Houses of Parliament on 1 December 2005 and will be promulgated when Regulations are agreed in 2006-07.

Agency: Department of Health

Program Information

Program 3: Health System Management

Description/Objective: Health System Management is responsible for the management of the health system including funding, service level agreements, ongoing performance management and monitoring, Statewide service planning and coordination and the provision of support services.

Summary income statement

Program 3: ***Health System Management***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	28 819	31 547	41 611	43 618
Supplies and services	80 153	79 459	89 738	97 535
Grants and subsidies	2 395 716	2 278 028	2 195 907	2 210 109
Depreciation and amortisation	859	692	147	276
Other	11 314	6 216	6 475	7 244
Total expenses	**2 516 861**	**2 395 942**	**2 333 878**	**2 358 782**
Income				
Sale of goods and services	59 095	68 638	85 463	94 136
Fees, fines and penalties	—	—	—	5
Commonwealth revenue	855 859	819 461	799 718	764 396
Other	35 259	39 414	20 801	83 590
Total income	**950 213**	**927 513**	**905 982**	**942 127**
Net cost of providing services	**1 566 648**	**1 468 429**	**1 427 896**	**1 416 655**

Note: Detailed explanations of major resource variations are provided in the financial commentary of both the sub-programs and the department's financial statements.

The movement in 'Grants and Subsidies' expense and 'Other Revenue' between the 2004-05 Actuals and the 2005-06 Budget includes a change in funding arrangements for the Home and Community Care and Aged Care Assessment Programs whereby funding to the relevant health regions entities and the Royal District Nursing Service from 1 July 2005 is being received directly from the Department for Families and Communities and no longer by the Department of Health. The payment and receipt in 2004-05 was approximately $59 million. This change in funding arrangements does not however impact on the 'net cost of providing services'.

The sub-program structure of Program 3 has changed when compared with last year's statements. The 2005-06 Budget amounts also differ from those contained in the 2005-06 Portfolio Statements to reflect changes in Portfolio functions and structures. The 2005-06 Budget figures in these statements have been changed for comparison purposes.

Program 3: Performance Criteria:

Sub-program: 3.1	**Grants to Incorporated Metropolitan Regions and Health Units** This sub-program includes: • grant payments for the delivery of health services by Health Regions and Other Health Entities under the *South Australian Health Commission Act 1976;* and • grant payments for demand management and substitutive care (hospital avoidance) which includes provision and management of home supported discharge and hospital avoidance care packages to people in the Adelaide metropolitan area.

	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$1 127 330 000**	**$1 042 128 000**	**$962 306 000**	**$933 936 000**

Performance Commentary

The variance between the 2005-06 Estimated Result and 2005-06 Budget is due mainly to the allocation during 2005-06 of $15.9 million to meet activity growth in metropolitan public hospitals, $15 million to fund additional elective surgery and dental procedures, funding for various enterprise bargaining arrangements including the salaried medical officers' agreement, and the impact of delayed expenditure relating to prior year budget allocations.

The increase in the 2006-07 Budget compared with the 2005-06 Estimated Result is mainly due to the commitments approved as part of the 2006-07 Budget, for example funding to support the provision of health services, mental health reform initiatives, the medical workforce and primary health care. Other factors include 'flow on' impacts from enterprise bargaining agreements for nurses and salaried medical officers, and standard indexation. These increases are offset by expenditure that occurred in 2005-06 and is not on-going in nature, such as the impact of delayed expenditure.

In 2004-05 there were 2673 Home Supported Discharge packages provided with an average length of service of 6.7 days, and 3813 Hospital Avoidance packages provided with an average length of service of 5.1 days.

The 2005-06 Estimated Result has exceeded the 2005-06 Target for both Home Supported Discharge and Hospital Avoidance packages due to once-off funding allocated to the programs. The 2006-07 Target is expected to increase pending finalisation of Health Service Agreements with Regions.

Note that performance measures relating to metropolitan regions and other health entities are contained in Program 5 — Metropolitan and Specialist Services.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
No. of discharge packages acquitted	4 927	6 353	4 875	2 673
No. of avoidance packages acquitted	6 308	7 403	6 919	3 813

Sub-program: 3.2	Grants and Services to Other Metropolitan Health Services This sub-program includes: • management of grants by the Department of Health for the delivery of health services by Health Regions and Other Health Entities under the *South Australian Health Commission Act 1976;* and • the provision and management of grants for the delivery of health and related services by non-government organisations, for example the Royal District Nursing Service and SHine SA, support to community hospitals, and palliative and mental health services.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$65 123 000**	**$84 521 000**	**$92 730 000**	**$115 873 000**

Performance Commentary

The variation between the 2005-06 Budget and the 2004-05 Actual result relates mainly to once-off grants to non-government organisations in 2004-05 totalling $25 million for the provision of mental health services.

The reduction in the net cost of the sub-program in 2006-07 relates mainly to the transfer of the National Blood Authority and nurse retention and recruitment funding to sub-program 1.2 Clinical Coordination, totalling around $23 million.

In 2005-06, the Royal District Nursing Service exceeded target levels and this outcome may reoccur in 2006-07.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of artificial limb prescriptions funded	420	390	460	434
No. of Royal District Nursing Service home visits funded	475 000	490 000	475 000	488 000

Sub-program: 3.3	Grants to Incorporated Country Health Services Grant payments for the delivery of health and health related services by regional health services, country public hospitals, grant funded country health services and community services and domiciliary care agencies.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$212 329 000**	**$202 119 000**	**$196 204 000**	**$181 850 000**

Performance Commentary

The variance between the 2005-06 Estimated Result and Budget is mainly due to the allocation during 2005-06 of additional funding for elective surgery procedures and funding for various enterprise bargaining arrangements including the salaried medical officers' agreement.

The increase in the 2006-07 Budget compared with the 2005-06 Estimated Result includes the 'flow on' impacts from enterprise bargaining agreements including for nurses and salaried medical officers, standard indexation, and funding allocated as part of the 2006-07 Budget.

Note that performance measures relating to country health entities are contained in Program 6 — Country Health Services.

Sub-program: 3.4	Grants and Services to Other Country Health Services This sub program includes: • the management of grants by the Department of Health for the delivery of health services by Country Health SA under the *South Australian Health Commission Act 1976*; • the provision and management of grants by the Department of Health for the delivery of health and related services by non-government organisations; and • financial assistance provided to individuals through the Patient Assistance Transport Scheme .

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$26 453 000**	**$27 817 000**	**$27 522 000**	**$23 297 000**

Performance Commentary

The SA Spectacles Scheme was transferred to the Department for Families and Communities from 1 January 2006, which is reflected in the reduction in the related performance indicator for the 2005-06 Estimated Result and removal of the 2006-07 Target.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of payments made for the Patient Assistance Transport Scheme	38 000	38 000	38 000	34 000
No. of payments made for the SA Spectacles Scheme	—	24 687	57 000	55 612

Sub-program: 3.5	Capital Grants to Metropolitan and Country Health Services Capital grant payments by the Department of Health to health services to fund major project works and annual program expenditure.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$89 654 000**	**$69 954 000**	**$107 406 000**	**$101 415 000**

Performance Commentary

The variance between the 2005-06 Estimated Result and 2005-06 and 2006-07 Budgets is mainly related to the impact of delayed expenditure and the allocation of funding for new investment as part of the 2006-07 Budget. Further details of the Health Portfolio's investing program are contained in the 'Investment Payment Summary' tables in this document and in the Capital Investment Statement.

In addition, in past years the Department transferred funding for Information and Communication Technology (ICT) related expenditure to regions and other health entities. This expenditure is now being coordinated and incurred directly by the Department of Health and as such is no longer being transferred to health units. This change in practice is a contributing factor to the variations. Expenditure for ICT incurred by the Department is contained in sub-program 3.6 Shared Services.

The net cost of the sub-program also includes the impact of revenue received by the Department to fund capital works projects. For example, the 2006-07 Budget reflects approximately $10 million to be received from the Commonwealth for its Pathways Home Initiative. The 2005-06 Estimated Result reflects approximately $12 million that is mostly related to health unit contributions for capital works, for example $2.8 million for the Paediatric Intensive Care Unit at the Women's and Children's Hospital. Revenue for the 2005-06 Budget and 2004-05 Actual are $2.6 million and $6.7 million respectively.

The net cost of the sub-program excludes costs incurred directly by health units funded from either their own source revenue or cash balances.

Sub-program: 3.6	Shared Services This sub-program supports activities delivered across the portfolio that do not relate directly to the provision of services to the public.			
	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$45 759 000**	**$41 890 000**	**$41 728 000**	**$60 284 000**

Performance Commentary

As indicated under sub-program 3.5, Information and Communication Technology (ICT) project expenditure is now being coordinated and incurred directly by the Department of Health and as such is reflected under sub-program 3.6. The variance between the 2004-05 Actuals and 2005-06 Budget primarily relates to expenditure on ICT projects (approximately $24 million) including the roll-out of Open Architecture Clinical Information System to all metropolitan hospitals to provide on-line clinical records which was approximately $14 million and concluded in 2004-05. The variation between the 2005-06 Estimated Result and 2006-07 Budget predominantly relates to ICT expenditure.

The variation in net cost of services between the 2005-06 Estimated Result and the 2005-06 Budget includes the transfer of the Funding and Information Management Unit to Health System Improvement and Reform, which manages corporate and clinical information.

Agency: Department of Health

Program Information

Program 4: Aboriginal Health Services

Description/Objective: Aboriginal Health Services is responsible for policy advice, programs and services, community development, funding, monitoring and workforce development, support and advice on Aboriginal health related matters to the Department, Minister and the Aboriginal community.

Summary income statement

Program 4: ***Aboriginal Health Services***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	2 380	3 183	2 657	2 732
Supplies and services	237	317	287	924
Grants and subsidies	6 852	6 446	6 793	7 207
Depreciation and amortisation	1	2	2	2
Total expenses	**9 470**	**9 948**	**9 739**	**10 865**
Income				
Sale of goods and services	—	—	—	111
Commonwealth revenue	—	115	214	125
Other	747	733	533	407
Total income	**747**	**848**	**747**	**643**
Net cost of providing services	**8 723**	**9 100**	**8 992**	**10 222**

Note: This program does not reflect other departmental program expenditure relating to the provision of mainstream services to the Aboriginal community, which is managed by other divisions of the Department of Health. Variance explanations are included in the sub-programs.

The 2005-06 Budget amounts differ from those contained in the 2005-06 Portfolio Statements to reflect changes in Portfolio functions and structures. The 2005-06 Budget figures in these statements have been changed for comparison purposes.

Program 4: Performance Criteria:

Sub-program: 4.1	**Grants to Incorporated Aboriginal Health Services** Provision and management of grants for the delivery of Aboriginal health services by Incorporated Aboriginal Health Services.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$2 402 000**	**$2 202 000**	**$2 287 000**	**$2 303 000**

Performance Commentary:

The sub-program:

- provides primary health services to Aboriginal people including clinical services;
- promotes health and well being issues to Aboriginal people in a culturally appropriate fashion, including health promotion; and
- provides IT support to both Pika Wiya and Ceduna Koonibba Aboriginal Health Services.

It should be noted that programs specifically targeted for Aboriginal people are provided through other programs of the Portfolio.

The variation in the net cost of the sub-program between the 2005-06 Estimated Result and 2006-07 Budget relates to the provision of additional administration support to both Pika Wiya and Ceduna Koonibba Aboriginal Health Services.

Sub-program: 4.2	**Grants to Aboriginal Community Controlled Health Services** Provision and management of grants for the delivery of Aboriginal Health Programs within the Aboriginal community controlled sector.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$4 143 000**	**$3 833 000**	**$3 561 000**	**$4 106 000**

Performance Commentary

The sub-program:

- provides primary health services to Aboriginal people including clinical services operated by the Aboriginal Community Controlled Sector;
- promotes health and well being issues to Aboriginal people in a culturally appropriate fashion;
- provides substance misuse services to Aboriginal people; and
- supports the Aboriginal Health Worker Training Program under the auspices of the Aboriginal Health Council.

The variation in net cost of this sub-program between the 2004-05 Actuals and the 2005-06 Budget relates mainly to the transfer of the Aboriginal Step Down Unit to Central Northern Adelaide Health Service and additional grant funding in 2004-05 of around $300 000 for a variety of community organisations including the Aboriginal Health Council and Nganampa Health Council.

	2006-07 Target	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
No. of Grants to Aboriginal Community Controlled Health Services[(a)]	5	4	4	4

Footnotes	(a) Funded organisations are Nganampa Health Council, the Aboriginal Health Council, Kalparrin Inc and the Aboriginal Sobriety Group. The 2006-07 Target will also include the Ngaanyatjarra Pitjantjatjara Yankunytjatjara (NPY) Women's Council.

Sub-program: 4.3	Aboriginal Health Policy and Program Planning Policy advice and capacity building for the portfolio and relevant Ministers on Aboriginal health related matters.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$2 178 000**	**$3 065 000**	**$3 144 000**	**$3 813 000**

Performance Commentary:

The variation in the net cost of the sub-program between the 2004-05 Actual and 2005-06 Budget relates mainly to additional funding provided in 2004-05 for initiatives such as the Healthy Ways project.

The variation in the net cost of the sub-program between the 2005-06 Estimated Result and 2006-07 Budget is due mainly to once-off expenditure during 2005-06 for the South Australian Aboriginal Health Partnership and nurse recruitment and retention initiatives and delayed expenditure relating to the Healthy Ways project.

The 2006-07 financial year will see an increased focus on workforce support and development across the portfolio and on assisting health regions develop and implement their Aboriginal programs.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
No. of Aboriginal Service Initiatives implemented[(a)]	19	19	20	21
% of achievement against the policy and program performance indicators identified in the Journey Paper	85%	85%	85%	85%
% of achievement of the outcomes in the Journey Paper within agreed timelines	85%	85%	85%	85%

Footnotes

(a) The number of initiatives from 2004-05 has reduced as the management of the Adelaide Aboriginal Step Down Unit has transferred to the Central Northern Adelaide Health Service (CNAHS) from 1 July 2005 and the capacity building support from Metropolitan Aboriginal Health programs transferred to CNAHS during 2005-06.

DEPARTMENT OF HEALTH

Income statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Expenses				
Employee benefits and costs —				
Salaries, wages, annual and sick leave	**48 414**	48 442	60 438	52 972
Long service leave	**2 308**	2 256	2 304	2 516
Payroll tax	**4 207**	4 182	4 096	3 357
Superannuation	**7 157**	7 197	6 815	6 587
Other	**3 067**	3 460	3 008	3 035
Supplies and services —				
General supplies and services	**127 003**	114 624	111 275	140 981
Consultancy expenses	**696**	679	679	940
Depreciation and amortisation	**827**	827	827	889
Borrowing costs	**2 862**	3 028	3 546	3 000
Grants and subsidies	**205 832**	182 768	215 666	237 133
Intra government transfers	**2 258 558**	2 145 060	2 024 054	1 977 970
Other expenses	**5 213**	5 086	5 446	1 663
Total expenses	**2 666 144**	2 517 609	2 438 154	2 431 043
Income				
Commonwealth revenues	**877 484**	843 997	820 076	792 879
Intra government transfers	**8 236**	13 485	4 315	72 274
Other grants	**1 494**	11 525	—	6 461
Fees, fines and penalties	**732**	457	441	460
Sales of goods and services	**79 385**	77 576	94 873	96 192
Interest revenues	**—**	523	4 101	4 848
Net gain or loss from disposal of assets	**—**	—	—	-42
Resources received free of charge	**1 251**	1 251	1 251	—
Other income	**5 146**	5 881	2 540	1 122
Total income	**973 728**	954 695	927 597	974 194
Net cost of providing services	**1 692 416**	1 562 914	1 510 557	1 456 849
Income from / Expenses to SA Government				
Income —				
Appropriation	**1 638 252**	1 474 061	1 463 809	1 415 516
Other income	**—**	58 059	—	58 607
Net income from / expenses to SA Government	**1 638 252**	1 532 120	1 463 809	1 474 123
Net result before restructure(s)	**-54 164**	-30 794	-46 748	17 274
Net income from / expenses from administrative restructure(s)	**—**	—	—	-72 199
Net result after restructure(s)	**-54 164**	-30 794	-46 748	-54 925

DEPARTMENT OF HEALTH

Balance sheet

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and cash equivalents	**34 598**	40 304	38 987	30 299
Receivables	**77 680**	82 540	76 235	83 263
Inventories	**3 985**	3 985	1 798	3 985
Other current assets	**7 050**	7 050	2 757	7 050
Total current assets	**123 313**	133 879	119 777	124 597
Non current assets				
Financial assets	**—**	28	28	—
Land and improvements	**32 530**	34 070	33 204	33 606
Plant and equipment	**3 870**	3 870	2 112	3 870
Other non-current assets	**485**	485	531	485
Total non-current assets	**36 885**	38 453	35 875	37 961
Total assets	**160 198**	172 332	155 652	162 558
Liabilities				
Current liabilities				
Payables	**42 914**	42 924	43 071	43 549
Short-term borrowings	**851**	851	772	851
Employee benefits —				
Salaries and wages	**770**	770	623	786
Annual leave	**4 134**	4 134	3 807	4 118
Long service leave	**2 212**	2 212	2 531	2 212
Short-term provisions	**425**	425	—	425
Other current liabilities	**14 351**	14 351	19 932	13 698
Total current liabilities	**65 657**	65 667	70 736	65 639
Non current liabilities				
Long-term borrowings	**27 813**	28 615	29 558	29 166
Long-term employee benefits —				
Long service leave	**10 619**	10 528	8 950	10 504
Other	**—**	—	20	—
Long-term provisions	**972**	972	910	972
Other non-current liabilities	**83 007**	83 007	92 544	83 007
Total non-current liabilities	**122 411**	123 122	131 982	123 649
Total liabilities	**188 068**	188 789	202 718	189 288
Net assets	**-27 870**	-16 457	-47 066	-26 730
Equity				
Contributed capital	**203 537**	160 786	160 786	119 719
Retained earnings	**-251 404**	-197 240	-222 672	-166 446
Asset revaluation reserve	**19 997**	19 997	14 820	19 997
Total equity	**-27 870**	-16 457	-47 066	-26 730

Balances as at 30 June end of period.

DEPARTMENT OF HEALTH

Statement of changes in equity

	Contributed capital	Asset revaluation reserve	Retained earnings	Total
	$000	$000	$000	$000
Balance at 30 June 2005	119 719	19 997	-166 446	-26 730
Adjustments	—	—	—	—
Restated balance at June 2005	119 719	19 997	-166 446	-26 730
Net gain/loss on revaluation of property, plant and equipment during 2005-06	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2005-06	—	—	—	—
Net result after restructure for 2005-06	—	—	-30 794	-30 794
Total recognised income and expense for 2005-06	**—**	**—**	**-30 794**	**-30 794**
Equity contributions from SA Government	58 030	—	—	58 030
Repayment of equity contributions from SA Government	-16 963	—	—	-16 963
Estimated balance at 30 June 2006	**160 786**	**19 997**	**-197 240**	**-16 457**
Net gain/loss on revaluation of property, plant and equipment during 2006-07	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2006-07	—	—	—	—
Net result after restructure for 2006-07	—	—	-54 164	-54 164
Total recognised income and expense for 2006-07	**—**	**—**	**-54 164**	**-54 164**
Equity contributions from SA Government	42 751	—	—	42 751
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2007	**203 537**	**19 997**	**-251 404**	**-27 870**

DEPARTMENT OF HEALTH

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
OPERATING ACTIVITIES:				
Cash outflows				
Employee payments	**65 062**	65 514	76 638	65 762
Supplies and services	**127 709**	115 274	111 925	160 835
Borrowing costs	**2 862**	3 028	3 546	3 350
Grants and subsidies	**205 832**	182 768	215 666	130 488
Net GST paid	**—**	—	—	71 315
Intra government transfers	**2 258 558**	2 145 060	2 024 054	2 082 067
Other payments	**1 645**	1 605	1 965	174
Cash used in operations	**2 661 668**	2 513 249	2 433 794	2 513 991
Cash inflows				
Intra government transfers	**8 236**	13 485	4 315	72 274
Commonwealth receipts	**877 484**	843 997	820 076	792 879
Other grants	**1 494**	11 525	—	—
Fees, fines and penalties	**732**	457	441	747
Sales of goods and services	**79 385**	77 190	91 147	90 343
Interest received	**3 131**	4 072	4 101	4 775
Net GST received	**—**	—	—	69 194
Other receipts	**2 015**	2 920	6 266	7 616
Cash generated from operations	**972 477**	953 646	926 346	1 037 828
SA GOVERNMENT:				
Appropriation	**1 638 252**	1 474 061	1 463 809	1 415 516
Other receipts	**—**	58 059	—	58 607
Net cash provided by Government	**1 638 252**	1 532 120	1 463 809	1 474 123
Net cash provided by (+) / used (-) in operating activities	**-50 939**	-27 483	-43 639	-2 040
INVESTING ACTIVITIES:				
Cash outflows				
Purchase of property, plant and equipment	**—**	40	2 968	6 319
Advances paid	**—**	4 000	—	—
Other payments	**—**	—	—	1 500
Cash used in investing activities	**—**	4 040	2 968	7 819
Cash inflows				
Proceeds from sale of property, plant and equipment	**1 964**	—	—	-1
Repayment of advances	**1 292**	1 012	617	—
Other receipts	**—**	—	—	1 325
Cash generated from investing activities	**3 256**	1 012	617	1 324
Net cash provided by (+) / used in (-) investing activities	**3 256**	-3 028	-2 351	-6 495

DEPARTMENT OF HEALTH

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
FINANCING ACTIVITIES:				
Cash outflows				
Repayment of borrowings	**802**	551	551	396
Repayment of SA Government contributed capital	**—**	16 963	16 963	—
Cash used in financing activities	**802**	17 514	17 514	396
Cash inflows				
Capital contributions from Government	**42 751**	58 030	58 030	5 379
Proceeds from borrowings	**—**	—	551	—
Proceeds from restructuring activities	**—**	—	—	-29 456
Cash generated from financing activities	**42 751**	58 030	58 581	-24 077
Net cash provided by (+) / used in (-) financing activities	**41 949**	40 516	41 067	-24 473
Net increase (+) / decrease (-) in cash equivalents	**-5 734**	10 005	-4 923	-33 008
Cash and cash equivalents at the beginning of the financial year	**40 304**	30 299	43 910	63 307
Cash and cash equivalents at the end of the financial year	**34 570**	40 304	38 987	30 299

ADMINISTERED ITEMS FOR THE DEPARTMENT OF HEALTH

Income statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Income from SA Government				
Income —				
Appropriation	**505**	513	513	43 617
Net income from / expenses to SA Government	**505**	513	513	43 617
Income from other sources				
Commonwealth revenues	**—**	—	—	273
Intra government transfers	**—**	—	—	5 976
Other grants	**—**	—	—	4 255
Sales of goods and services	**—**	—	—	53 261
Interest revenues	**—**	—	—	1 349
Net gain or loss from disposal of assets	**—**	—	—	-218
Other income	**—**	—	—	2 118
Total income from other sources	**—**	—	—	67 014
Total income	**505**	513	513	110 631
Expenses				
Employee benefits and costs —				
Salaries, wages, annual and sick leave	**227**	235	235	58 367
Long service leave	**—**	—	—	1 279
Payroll tax	**—**	—	—	25
Superannuation	**—**	—	—	5 500
Other	**—**	—	—	3 692
Supplies and services —				
General supplies and services	**—**	—	—	22 656
Consultancy expenses	**—**	—	—	414
Depreciation and amortisation	**—**	—	—	7 060
Grants and subsidies	**278**	278	278	1 116
Intra government transfers	**—**	—	—	931
Other expenses	**—**	—	—	6 023
Total expenses	**505**	513	513	107 063
Net result	**—**	—	—	3 568

ADMINISTERED ITEMS FOR THE DEPARTMENT OF HEALTH

Balance sheet

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and cash equivalents	**142**	71	8 658	23 073
Receivables	**205**	205	17	7 684
Inventories	**—**	—	—	221
Other current assets	**—**	—	—	1 293
Total current assets	**347**	276	8 675	32 271
Non current assets				
Land and improvements	**—**	—	—	17 650
Plant and equipment	**11**	11	—	21 201
Total non-current assets	**11**	11	—	38 851
Total assets	**358**	287	8 675	71 122
Liabilities				
Current liabilities				
Payables	**64**	64	45	2 885
Short-term borrowings	**625**	554	8 606	483
Employee benefits —				
Salaries and wages	**—**	—	5	1 784
Annual leave	**—**	—	—	4 205
Long service leave	**—**	—	—	341
Other	**—**	—	—	1 552
Short-term provisions	**—**	—	—	1 234
Other current liabilities	**—**	—	—	157
Total current liabilities	**689**	618	8 656	12 641
Non current liabilities				
Long-term employee benefits —				
Annual leave	**—**	—	—	2 747
Long service leave	**—**	—	—	4 846
Other	**—**	—	—	879
Long-term provisions	**—**	—	—	2 794
Total non-current liabilities	**—**	—	—	11 266
Total liabilities	**689**	618	8 656	23 907
Net assets	**-331**	-331	19	47 215
Equity				
Retained earnings	**-331**	-331	19	35 004
Asset revaluation reserve	**—**	—	—	5 645
Other reserves	**—**	—	—	6 566
Total equity	**-331**	-331	19	47 215

Balances as at 30 June end of period.

ADMINISTERED ITEMS FOR THE DEPARTMENT OF HEALTH

Statement of changes in equity

	Contributed capital	Asset revaluation reserve	Retained earnings	Total
	$000	$000	$000	$000
Balance at 30 June 2005	—	5 645	41 570	47 215
Adjustments	—	—	—	—
Restated balance at June 2005	—	5 645	41 570	47 215
Net gain/loss on revaluation of property, plant and equipment during 2005-06	—	—	—	—
Net changes in reserves	—	-5 645	-41 901	-47 546
Net income/expense recognised directly in equity for 2005-06	—	-5 645	-41 901	-47 546
Net result after restructure for 2005-06	—	—	—	—
Total recognised income and expense for 2005-06	**—**	**-5 645**	**-41 901**	**-47 546**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2006	**—**	**—**	**-331**	**-331**
Net gain/loss on revaluation of property, plant and equipment during 2006-07	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2006-07	—	—	—	—
Net result after restructure for 2006-07	—	—	—	—
Total recognised income and expense for 2006-07	**—**	**—**	**—**	**—**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2007	**—**	**—**	**-331**	**-331**

ADMINISTERED ITEMS FOR THE DEPARTMENT OF HEALTH

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
OPERATING ACTIVITIES:				
Cash inflows				
Commonwealth receipts	**—**	—	—	4 323
Sales of goods and services	**—**	—	—	45 564
Interest received	**—**	—	—	1 372
Net GST received	**—**	—	—	8 390
Other receipts	**—**	—	—	17
Cash generated from operations	**—**	—	—	59 666
Cash outflows				
Employee payments	**227**	235	235	66 741
Supplies and services	**—**	—	—	19 415
Grants and subsidies	**278**	278	278	1 116
Net GST paid	**—**	—	—	8 214
Other payments	**—**	—	—	530
Cash used in operations	**505**	513	513	96 016
SA GOVERNMENT:				
Appropriation	**505**	513	513	43 617
Net cash provided by Government	**505**	513	513	43 617
Net cash provided by (+) / used in (-) operating activities	**—**	—	—	7 267
INVESTING ACTIVITIES:				
Cash inflows				
Proceeds from sale of property, plant and equipment	**—**	—	—	1 392
Cash generated from investing activities	**—**	—	—	1 392
Cash outflows				
Purchase of property, plant and equipment	**—**	—	—	9 989
Cash used in investing activities	**—**	—	—	9 989
Net cash provided by (+) / used in (-) investing activities	**—**	—	—	-8 597

ADMINISTERED ITEMS FOR THE DEPARTMENT OF HEALTH

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
FINANCING ACTIVITIES:				
Cash inflows				
Proceeds from borrowings	**—**	—	—	466
Other receipts	**71**	71	71	—
Cash generated from financing activities	**71**	71	71	466
Net cash provided by (+) / used in (-) financing activities	**71**	71	71	466
Net increase (+) / decrease (-) in cash equivalents	**71**	71	71	-864
Cash and cash equivalents at the beginning of the financial year	**71**	—	8 587	23 937
Cash and cash equivalents at the end of the financial year	**142**	71	8 658	23 073

Agency: Department of Health

Financial Commentary — major variations

Income statement — Controlled

2005-06 Estimated Result to 2006-07 Budget

Revenue from the State Government and most of the Commonwealth revenue received by the Health Portfolio is received by the Department. It is then allocated to health units and the SA Ambulance Service to fund both operating and capital expenditure.

Total expenditure of the Department of Health is forecast to increase by $148.5 million in 2006-07 compared with the 2005-06 Estimated Result. When compared to the 2005-06 Budget, the increase is $228 million. The increase is mostly attributable to increased funding to Health Regions and Other Health Entities and the SA Ambulance Service.

Funding to health regions, health units and the SA Ambulance Service as reflected in 'intra-government transfers - expenses' is estimated to increase in 2006-07 compared with the 2005-06 Estimated Result by $113.5 million and when compared with the 2005-06 Budget the increase is $234.5 million. The increase in expenditure includes additional funding provided as part of the 2006-07 Budget to support the provision of health services and to increase the medical workforce. The Government has also continued its investment in the primary and mental health care sectors to improve health outcomes and access to health care. A summary of expenditure initiatives is included in the financial commentary of the Health Regions and Other Health Entities statements.

Other factors contributing to the variation in expenditure between the 2005-06 Estimated Result and 2006-07 Budget include:

- the impact of deferred expenditure;
- wage increases for enterprise bargaining agreements, including the nurses and salaried medical officers' agreements; and
- annual indexation.

Capital grant payments to the Health Regions and other Health Entities are recognised as 'grants and subsidies' expenditure by the Department. The increase of $23.1 million in the 'grants and subsidies' expenditure line in the 2006-07 Budget when compared with the 2005-06 Estimated Result mainly reflects capital grant payments to health units.

Commonwealth funding

Commonwealth revenue to the State is estimated to increase by $33.5 million in 2006-07 when compared with the 2005-06 Estimated Result. This relates primarily to a forecast increase in grants under the Australian Health Care Agreement. During 2005-06, around $6 million of revenue was received from the Commonwealth for the Highly Specialised Drugs and Veterans Affairs Agreements as reimbursement for expenditure incurred during 2004-05.

Revenues from the Commonwealth	2005-06 Budget	2005-06 Estimated Result	2006-07 Budget
	$000	$000	$000
Australian Health Care Agreement	695 653	693 103	725 153
Veterans Affairs Agreement	65 766	77 926	71 902
Highly Specialised Drugs	27 235	34 455	37 245
National Public Health Partnership	12 224	12 259	12 504
Essential Vaccines	6 674	8 981	8 801
Pathways Home	4 156	4 699	10 067
Police Drug Diversion	3 500	3 500	3 500
Transition Care	3 376	2 526	6 766
Health Connect	—	2 427	—
Other	1 492	4 121	1 546
Total	**820 076**	**843 997**	**877 484**

Revenue from the Commonwealth under the Australian Health Care Agreement was reduced in 2005-06 to reflect a downward revision associated with wage cost indexation and population estimates.

Intra-Government Transfers

Variations in intra-government revenue transfers between the 2004-05 Actuals and 2005-06 Budget mainly relate to a change in funding arrangements for the Home and Community Care and Aged Care Assessment Programs. From 2005-06, funding for these programs, which are delivered by relevant health regions, other health entities and the Royal District Nursing Service, is received directly from the Department for Families and Communities and no longer from the Department of Health. The Department for Families and Communities will enter into agreements directly with the relevant health entities for the administration of these programs. The impact of this change is also reflected in 'grants and subsidies' and 'intra-government transfers' expenses.

2005-06 Budget to 2005-06 Estimated Result

Total expenses between the 2005-06 Budget and Estimated Result is forecast to increase by $79.5 million and includes increases in payments of $121 million to fund operating costs in health regions, other health entities and the SA Ambulance Service. This is offset by lower 'grants and subsidies' payments — as discussed below relating to capital — of $32.9 million.

The increase in expenditure is mainly matched with higher than budgeted revenue from the State Government and to a lesser extent from higher than budgeted Commonwealth receipts. Factors contributing to the variation include:

- wage increases reflected in enterprise bargaining agreements, including the salaried medical officers' agreement;
- $12 million provided in 2005-06 as part of the Elective Surgery Strategy, for additional elective surgery procedures to be undertaken during the year;
- $3 million provided in 2005-06 to increase the capacity of the SA Dental Service;

- $15.9 million allocated as part of the 2005-06 Mid Year Budget Review to meet the cost of increased activity in metropolitan public hospitals;

- higher Commonwealth funded expenditure related mostly to payments under the Highly Specialised Drugs and Department for Veteran Affairs Agreements; and

- the impact of delayed expenditure.

Grants and subsidies expenses have decreased by $32.9 million when comparing the 2005-06 Budget with the 2005-06 Estimated Result. One of the main reasons for the variation relates to delays in the payment of capital grants to health regions. Further details of the Health Portfolio's investing program are contained in the 'Investment Payment Summary' tables in this document and in the 'Capital Investment Statement'. In addition, during 2005-06 the Department of Health commenced the coordination of expenditure for Information and Communication Technology type works. Therefore, funding that was previously transferred to health units is being retained and expenditure incurred by the Department.

The decrease in 'grants and subsidies' expenses between the 2004-05 Actuals and 2005-06 Budget includes the $25 million grant payment in 2004-05 to non-government organisations to provide mental health services in the community. The variation between the 2004-05 Actual and 2005-06 Budget also reflects a change in treatment of funding to the SA Ambulance Service, whereby the payment in 2005-06 is recognised as a payment from the Department of Health rather than an Administered items payment.

Balance sheet — Controlled

The net asset position of the Department of Health in 2006-07 is forecast to deteriorate by $11.4 million when compared with the 2005-06 Estimated Result, of which $5.7 million relates to a reduction in cash balances. The net asset position in the 2005-06 Estimated Result compared with the 2005-06 Budget reflects an improvement of $30.6 million due mainly to the need to reflect opening balance adjustments (that is, differences between the 2004-05 Actual and Estimated Results).

The 2004-05 Actuals include non-cash items such as the movement in employee and insurance related provisions. With regards to insurance provisions, in accordance with whole of government arrangements, the Department of Health is responsible for medical malpractice, property and general public liability incidents for amounts up to $1 million. These liabilities are included in current and non-current 'other liabilities'. The South Australian Captive Insurance Corporation provides the balance of funding for claims in excess of this amount. The value of insurance provisions will change for a variety of reasons including estimates for new claims occurring, revisions to existing claims and estimates for incidents that have occurred but for which no claim has been received. An actuarial assessment of claims occurs annually.

Cash flow statement — Controlled

Major resource variations in the Cash flow statement arise mainly from the same factors that give rise to variations in the Income statement and movements in items shown in the Balance sheet.

Administered

The 2006-07 Portfolio Statements reflect a change in treatment for the SA Ambulance Service. During 2005-06, the *Ambulance Services Act 1992* was amended. The Minister for Health is now the sole member of the SA Ambulance Service and may exercise control by giving written directions to the Board. The implication of this amendment therefore, is that the SA Ambulance Service is no longer an Administered Item of the Department of Health and it is similar in nature to the incorporated Health Regions and Other Health Entities. As such, it is now a controlled entity. A separate agency has been established to report the financial and operational affairs of the SA Ambulance Service.

There are no other material resource variations for Administered items.

Detailed information on Administered items is included in the following table.

Additional Information for Administered Items
Department of Health

Cash flow statement

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Commonwealth Grants —				
SA Ambulance Service	**—**	—	—	273
Grants —				
Metropolitan Health Regions	**—**	—	—	3 772
Beyond Blue – Depression Initiative	**—**	—	—	278
Sales of goods and services —				
SA Ambulance Service	**—**	—	—	45 498
Metropolitan Health Regions	**—**	—	—	66
Interest —				
SA Ambulance Service	**—**	—	—	1 372
Net GST Received —				
SA Ambulance Service	**—**	—	—	8 390
Other Revenue —				
Minister's Salary	**—**	—	—	17
State Government —				
State Government — Appropriation	**278**	278	278	43 617
State Government — Special Acts Appropriation	**227**	235	235	—
Total operating receipts	**505**	513	513	103 283

Additional Information for Administered Items
Department of Health

Cash flow statement

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Payments				
Employee payments —				
SA Ambulance Service	**—**	—	—	65 566
Minister's Salary	**227**	235	235	205
Metropolitan Health Regions	**—**	—	—	970
Supplies and services —				
SA Ambulance Service	**—**	—	—	17 051
Metropolitan Health Regions	**—**	—	—	2 364
Grants and subsidies —				
Beyond Blue — Depression Initiative	**278**	278	278	556
Metropolitan Health Regions	**—**	—	—	560
Fees and Commissions —				
SA Ambulance Service	**—**	—	—	472
Other Payments —				
SA Ambulance Service	**—**	—	—	57
Metropolitan Health Regions	**—**	—	—	1
Net GST Paid —				
SA Ambulance Service	**—**	—	—	8 214
Total operating payments	**505**	513	513	96 016
Net cash provided by operating activities	**—**	—	—	7 267
Investing activities				
Receipts				
Receipts from the Sale of Property, Plant and Equipment —				
SA Ambulance Services	**—**	—	—	1 392
Total investing receipts	**—**	—	—	1 392
Payments				
Payments for Assets —				
SA Ambulance Services	**—**	—	—	9 977
Metropolitan Health Regions	**—**	—	—	12
Total investing payments	**—**	—	—	9 989
Net cash provided by investing activities	**—**	—	—	-8 597

Additional Information for Administered Items
Department of Health

Cash flow statement

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Financing activities				
Receipts				
Net change in deposits held —				
Health, Community and Disability Services Ministerial Council Secretariat	**71**	71	71	—
Receipts from Borrowings —				
Minister's Salary	**—**	—	—	188
Beyond Blue — Depression Initiative	**—**	—	—	278
Total financing receipts	**71**	71	71	466
Payments				
	—	—	—	—
Total financing payments	**—**	—	—	—
Net cash provided by financing activities	**71**	71	71	466
Net Increase (+) / decrease (-) in cash held	**71**	71	71	-864
Opening cash balance as at 1 July	**71**	—	8 587	23 937
Closing cash balance as at 30 June	**142**	71	8 658	23 073

Note: During 2005-06 the treatment of funding to the SA Ambulance Service changed whereby the payment is from the Department of Health as opposed to an Administered items payment.

TABLE OF CONTENTS

AGENCY: HEALTH REGIONS AND OTHER HEALTH ENTITIES

Objective 7.51

Targets / Highlights 7.51

Program Net Cost of Services Summary 7.53

Investing Payments Summary 7.54

Program Information

- Description / Objective 7.56
- Summary income statement 7.56
- Sub-program Statements and Performance Criteria 7.57

Financial Statements

- Income statement 7.69
- Balance sheet 7.70
- Statement of changes in equity 7.72
- Cash flow statement 7.73

Financial Commentary 7.75

Portfolio: Health

Agency: Health Regions and Other Health Entities

Objective

Health Regions and Other Health Entities are responsible for the provision of hospital, primary health care, mental health services, community health services, domiciliary care and rehabilitation services, and Aboriginal controlled primary health services in the metropolitan and country areas.

2006-07 Targets / 2005-06 Highlights

Targets 2006-07	Highlights 2005-06
Central Northern Adelaide Health Service • Implement improvements to the provision of primary health care services through enhanced capacity at BreastScreen SA, an expanded 'Oral Health for Older People Program', Chronic Disease Management programs and Prisoner Health Services • Develop programs to support Aboriginal and Torres Strait communities in relation to oral health, primary health care, acute care and mental health services • Evaluate the Central Northern Adelaide Health Service Workforce Plan to ensure that Aboriginal and Torres Strait Islander targets are being met • Improve performance with emergency department triage response times • Progress the service model and development of GP Plus Health Care Centres at Elizabeth and Woodville • Reduce the number of people waiting for restorative dental care • Improve elective surgery performance • Develop alternative workforce models in nursing and general practice to support broadening the scope of practice • Adopt standardised eligibility and access criteria to improve access between mental health programs **Southern Adelaide Health Service** • Improve elective surgery performance • Expand hospital avoidance and discharge packages • Expand the number of people within the region with a structured care plan to manage chronic disease, who are enrolled in the Primary Health Care Network • Expand Chronic Disease Community Program packages • Implement the Southern Health Aboriginal and Torres Strait Islander Employment Strategy • Improve consumer and community participation by demonstrating the achievement of objectives in the Southern Health Community and Consumer Participation Framework • Improve performance with national emergency department triage benchmarks • Expand the number of registered mental health clients within the region with a structured care plan • Establish mental health community rehabilitation services at Noarlunga	**Central Northern Adelaide Health Service** • Transferred the management of maternity service from The Queen Elizabeth Hospital to the Children, Youth and Women's Health Service • Managed pilot programs to support the management of Diabetes Type 2 within a Chronic Disease Framework across acute and primary health care directorates • Consolidated the role of Primary Health Care Networks in relation to sub-regional planning, developed organisational relationships and monitored the process • Implemented the Clinical Governance Framework and established formal reporting mechanisms • Implemented the Community Participation Framework and established formal reporting mechanisms • Increased the number of hospital avoidance and discharge packages across the continuum of care • Achieved Elective Surgery Strategy performance indicators • Developed mechanisms to support the management of disaster and pandemic influenza plans • Developed the Mental Health GP Shared Care model • Implemented the SA Ambulance Mental Health emergency response model **Southern Adelaide Health Service** • Established a consultation framework for Aboriginal and Torres Strait Islander people • Established the Southern Mental Health Service under single leadership to coordinate all mental health services across the region • Coordinated the Elective Surgery Strategy across the region to enable approximately 990 additional cases • Expanded the Chronic Disease Community Program to include heart failure and diabetes across all three hospitals in the south • Delivered service reform for early intervention in partnership with GP practices and local community agencies as part of the Southern Primary Health Care Network • Developed and launched the SA Tobacco Control Strategy and SA Drug Strategy through Drug and Alcohol Services South Australia • Developed and implemented a major initiative to address drug use on the Anangu Pitjantjatjarra Yunkatjatjarra (APY) Lands

Targets 2006-07	Highlights 2005-06
Repatriation General Hospital • Commence service delivery at the new 30 bed acute mental health service for older people • Work closely with the Southern Adelaide Health Service to develop regional hospital clinical service plans **Children, Youth and Women's Health Service** • Implement the Clinical Governance Framework to improve quality and safety • Implement the Aboriginal Workforce Plan to support the Aboriginal Health Strategy and *South Australia's Strategic Plan* • Implement the SA Women's Health Action Plan for 2006-07 • Develop and implement the Maternity Clinical Network to support quality and sustainable maternity services in SA • Expand the Family Home Visiting program as part of the Every Chance for Every Child initiative • Complete the Vulnerable Infants Services Plan for SA (from an infants' conception to three years of age) • Complete the Paediatric Rehabilitation Plan for SA to improve inpatient and community based rehabilitation services for children and young people • Develop clinical networks to support paediatric services in partnership with other regions • Implement the Healthy Young Minds program, and employ an additional 26 allied health and professional mental health workers to improve child and adolescent mental health services **Aboriginal Incorporated Health Units** • Establish the Far West Learning Centre in Ceduna for Aboriginal students undertaking studies in health related courses • Review health services provided to Aboriginal people in both Ceduna and Port Augusta **Country Health** • Increase access to and availability of services, coordinate service planning and establish common quality systems and policy • Focus on the following priority population areas: Aboriginal health; mental health; aged care; and Port Pirie lead • Focus on the following priority program areas: patient journey; ante natal; and hypertension • Focus on the following service planning priorities: clinical framework; acute service activity; integrated health services; and primary health activity	**Repatriation General Hospital** • Established a fully integrated elective orthopaedic joint replacement service on the hospital campus **Children, Youth and Women's Health Service** • Opened the new Endoscopic Theatre Suite at the Women's and Children's Hospital • Increased the provision of elective surgery in paediatrics and implemented a system to reduce surgery cancellations and waiting times • Increased the number of home supported discharge packages to improve care in the community • Opened the new Maternity Service at Gawler Health Service following the successful recruitment of new obstetricians • Expanded the Midwifery Group Practice to more women in the community to support improved continuity of care • Completed the roll out of Universal Neonatal Hearing Screening across the State, with 98% of all newborns receiving this screening • Expanded the Family Home Visiting program, as part of Every Chance for Every Child, to over 1500 families • Developed the SA Women's Health Action Plan • Increased the number of Aboriginal and Torres Strait Islander people employed with the Children, Youth and Women's Health Service to improve Aboriginal peoples' access to and satisfaction with health services **Aboriginal Incorporated Health Units** • Extended GP visits to remote communities and homelands • Improved coverage of the Aboriginal population participating in the immunisation programs **Country Health** • Strengthened clinical networks through 'a new partnership with country doctors', particularly in the areas of anaesthetics, resident specialists, GP proceduralists, clinical infrastructure, and technology, across country and metropolitan regions • Strengthened clinical infrastructure with the establishment of a chief consultants' group, and enhanced after hours payments, education and support for GPs and proceduralists, as well as an integrated approach to locum provision and support • Developed an innovative maternity service in the Mid North and Kangaroo Island following a review • Considered key issues of governance, service planning and delivery and quality and safety for Country Health SA

Program net cost of services summary

Program		Net Cost of Services			
		2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
		$000	$000	$000	$000
5.	Metropolitan and Specialist Services....	1 900 033	1 805 424	1 711 793	1 663 136
6.	Country Health Services.....	387 128	374 956	354 468	365 620
Total		**2 287 161**	**2 180 380**	**2 066 261**	**2 028 756**

The Summary Income Statements reflecting the net cost of services for Programs 5 and 6 exclude most revenue that is received from the Department of Health. All State Government appropriation and most Commonwealth Government receipts are received by the Department of Health and are then transferred to the Health Regions and Other Health Entities. In some circumstances Commonwealth money is received directly by the Health Region or Entity. To reflect the true net cost to the Government of South Australia for the services provided by Health Units would require State Government appropriation be excluded. However, revenue received from the department is not classified by funding source. The net cost of services for Programs 5 and 6 also includes accruals and inter-entity transactions between hospitals and other health entities.

The net cost of services summary also reflects a change in funding arrangements relating to the Home and Community Care and Aged Care Assessment Programs. From 1 July 2005, the Department for Families and Communities provides funding directly to the relevant health entities rather than allocating the funding via the Department of Health. The impact for Health Regions and Other Health Entities is that the net cost of services for the 2004-05 Actuals is higher than other years by approximately $39 million, as funding from 2005-06 is received directly from the Department for Families and Communities and not the Department of Health.

Investing payments summary

Investments	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
New Works				
Drug and Alcohol Services Consolidation	400	—	—	—
Marion GP Plus Health Care Centre	500	—	—	—
Port Augusta Renal Dialysis	1 000	—	—	—
Flinders Medical Centre Paediatric Redevelopment	1 650	100	—	—
Flinders Medical Centre Redevelopment	1 500	—	—	—
Rural and Remote Beds at Glenside Hospital	3 500	—	—	—
Metropolitan Domiciliary Care	4 000	—	—	—
Secure Mental Health Rehabilitation Unit	300	—	—	—
New Works Carried Forward				
Lyell McEwin Health Service Redevelopment Stage B	9 000	1 000	8 000	79
Adelaide Aboriginal Step Down Service	1 400	—	3 140	—
Royal Adelaide Hospital Redevelopment Stage 4	3 000	605	605	201
Noarlunga Hospital Mental Health Unit	—	222	500	—
The Queen Elizabeth Hospital Mental Health Project	—	—	400	—
Boylan Ward/Helen Mayo Mental Health Unit	—	—	400	—
Forensic Mental Health Facility	1 300	300	300	—
Total New Works	**27 550**	**2 227**	**13 345**	**280**
Works in Progress				
Aldinga GP Plus Health Care Centre	1 600	600	—	—
Ceduna Aboriginal Step Down Service	900	100	900	—
Flinders Medical Centre Car Park	5 765	1 000	6 600	36
Flinders Medical Centre 'Margaret Tobin' Mental Health Unit	1 770	9 661	12 187	2 026
Flinders Medical Centre Microscope	—	250	—	—
Repatriation General Hospital Mental Health Unit	1 300	6 779	8 823	1 944
Murray Bridge Hospital Redevelopment	—	5 433	4 700	4 948
Women's and Children's Hospital Emergency Department	—	4 131	4 253	3 430
Royal Adelaide Hospital Linear Accelerators	2 115	5 551	3 625	477
Millicent Aged Care	—	1 645	3 249	3 529
Metropolitan Hospitals Sustainment	—	2 783	2 985	5 598
Mental Health Community Rehabilitation Facilities	9 350	250	2 850	—
Country Hospitals Sustainment	48	2 929	2 500	2 456
Aboriginal Community Health	—	620	2 019	1 144
Port Pirie Aged Care	1 265	700	1 780	1
Bordertown Aged Care	—	68	753	1 685
Kapunda Aged Care	—	268	191	2 101

Investing payments summary

Investments	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Lyell McEwin Health Service Redevelopment Stage A	—	1 096	—	13 996
Royal Adelaide Hospital Redevelopment Stage 2/3	—	187	—	11 007
Magnetic Resonance Imaging Machine Upgrade for Lyell McEwin Health Service	—	—	—	1 792
Women's and Children's Hospital Paediatric Intensive Care Unit	—	724	—	2 826
Royal Adelaide Hospital Positron Emission Tomographic Scanner	—	—	—	3 086
The Queen Elizabeth Hospital Medical Imaging Project	—	2 484	2 953	469
The Queen Elizabeth Hospital Redevelopment Stage 1	—	63	—	1 810
The Queen Elizabeth Hospital Redevelopment Stage 2	25 220	7 700	7 900	903
The Queen Elizabeth Hospital Tower Block Sustainment	—	140	—	1 518
Renmark Aged Care	—	—	—	1 069
Other	—	1 600	—	1 123
Total Works in Progress	**49 333**	**56 762**	**68 268**	**68 974**
Annual Programs				
Bio-Medical Equipment	13 331	13 284	13 333	26 471
Minor Works	8 193	8 637	9 303	11 653
Information Communication Technology Minor Projects	—	—	4 367	8 060
Compliance Program	2 808	2 947	2 928	2 054
Purchases from Special Purpose Funds	8 000	6 515	—	2 284
Annual Programs	**32 332**	**31 383**	**29 931**	**50 522**
Total Investing Payments	**109 215**	**90 372**	**111 544**	**119 776**

Agency: Health Regions and Other Health Entities

Program Information

Program 5: Metropolitan and Specialist Services

Description/Objective: Metropolitan and Specialist Services is responsible for hospital based tertiary care and other acute services as well as rehabilitation, mental health and other community health services within the metropolitan area.

Summary income statement

Program 5: ***Metropolitan and Specialist Services***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	1 457 880	1 388 599	1 290 643	1 279 368
Supplies and services	712 688	681 304	675 430	668 148
Grants and subsidies	15 658	18 994	4 004	4 712
Depreciation and amortisation	58 960	58 960	56 898	58 960
Other	13 216	12 402	12 724	17 941
Total expenses	**2 258 402**	**2 160 259**	**2 039 699**	**2 029 129**
Income				
Sale of goods and services	241 258	231 218	177 520	208 993
Commonwealth revenue	12 618	12 665	12 665	18 808
Other	104 493	110 952	137 721	138 192
Total income	**358 369**	**354 835**	**327 906**	**365 993**
Net cost of providing services	**1 900 033**	**1 805 424**	**1 711 793**	**1 663 136**

Note: The variation between the 'net cost of services' of the 2004-05 Actual and 2005-06 Budget includes the change in funding arrangements associated with the Home and Community Care and Aged Care Assessment Programs. From 1 July 2005 the Department for Families and Communities provides funding directly to Metropolitan Domiciliary Care rather than allocating the funding via the Department of Health. The impact of this change is that the value for net cost of services for the 2004-05 Actuals is higher than other years by approximately $22 million. That is, 'other revenue' is understated compared with the 2005-06 and 2006-07 Budget amounts.

The variation between the 2005-06 Budget and 2004-05 Actuals also includes additional unbudgeted revenue from ordinary activities, which is used to fund additional expenditure. The increase in revenue is not reflected in budgets from 2005-06 pending a review of the nature of revenue including whether the revenue is ongoing.

Program 5: Performance Criteria:

Sub-program: 5.1	Central Northern Adelaide Health Service Hospital based tertiary care including medical, surgical and other acute services, rehabilitation, mental health, dental, breast screening and other community health services provided within the Central Northern Adelaide metropolitan area.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$1 086 919 000**	**$1 035 886 000**	**$988 876 000**	**$949 590 000**

Performance Commentary

The variance between the 2005-06 Estimated Result and 2005-06 Budget is mainly due to the allocation during 2005-06 of $15.9 million to meet activity demands in metropolitan public hospitals, $15 million to fund additional elective surgery and dental procedures, funding for various enterprise bargaining arrangements including the salaried medical officer agreement, the impact of deferred expenditure relating to prior year budget allocations, transfers of functions and employees following recent restructuring within the Health Portfolio including BreastScreen SA, and higher expenditure on Commonwealth Government funded programs, for example highly specialised drugs.

The increase in the 2006-07 Budget compared with the 2005-06 Estimated Result is mainly due to the commitments approved as part of the 2006-07 Budget, for example funding to support health services, mental health reform initiatives and increases the medical workforce. Other factors include 'flow on' impacts from enterprise bargaining agreements including the nurses' and salaried medical officers' agreements, and standard indexation. These increases are offset by expenditure that occurred in 2005-06 and is not ongoing in nature, for example the impact of delayed expenditure.

The above net cost of sub-program table outlines the additional spending of health units, which is mainly funded by the State Government. The increase builds on the significant additional funding already approved by this Government and reflected in base expenditure budgets.

At the time of preparation of the 2006-07 Portfolio Statements, the Health Service Agreements for 2006-07 with regions and other health entities have not been finalised, hence the financial budgets and activity targets are indicative and subject to change. With regards to hospital activity, activity represents funded levels. During 2005-06, while metropolitan regions exceeded funded levels the associated cost has been managed in part from 'once-off' expenditure savings and efficiencies identified at both the department and region/health unit level. The Government, as part of the 2006-07 Budget, has allocated funding to enable the health system to operate at 2005-06 levels as well as allowing for additional growth. These factors explain the increase between the 2006-07 and 2005-06 activity levels.

As part of the 2006-07 Budget, ongoing funding was allocated to the Government's Elective Surgery Strategy. In previous years funding for elective surgery was allocated on a year by year basis whereas in 2006-07 an ongoing commitment has been made to sustain elective surgery. The Government's commitment provides certainty, which will enable regions to achieve better efficiencies thereby providing increased capacity to meet performance targets. Funding has also been allocated for the employment of additional accident and emergency specialists to provide added capacity to manage emergency department pressures.

Consistent with the approach of the 2005-06 Budget, in-patient equivalent separations (or equiseps) in the Portfolio Statement have been adjusted for inappropriate same day admissions (ie cases that do not meet a minimum standard for admission have been removed from the equisep calculation). An equisep is a measure of hospital in-patient activity adjusted for relative complexity, therefore for a given level of activity, the higher the complexity the higher the measure. The 2006-07 Budget also reflects a change in methodology surrounding the reporting of equisep information, whereby data for all years is being reported on a consistent basis. The data used to convert raw data into weighted data is based on the latest information and presentation in this manner provides a clearer measure of movements in activity in public hospitals over time.

BreastScreen SA is fully accredited until March 2007 and was the first state program to be fully accredited under the new BreastScreen Australia National Accreditation Standards. The slight reduction in screening participation rate is partly due to the increasing number of women in the target age group (50-69 years), that is, it is increasing at a rate of two to three per cent each year. The cancer detection rate and small cancer detection rates continue to exceed the National Accreditation Standards. As reported in the Productivity Commission Report, BreastScreen SA has had the lowest cost per woman screened for the last four years.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
BreastScreen SA				
Total No. of women screened for breast cancer	69 000[(a)]	69 096	71 000	69 158
Breast screening participation rate for women aged 50 to 69 years of age (every 24 months)	59%	60%	65%	63%
Breast cancer detection rate: ≥ 25 per 10 000 women aged 50–69 who attend for screening are diagnosed with small (≤ 15mm) invasive breast cancer	>25	>25	>25	27.1
Average cost of breast cancer screening per woman screened[(b)]	$114[(a)]	$111	$108	$112

continued

Sub-program: 5.1	Central Northern Adelaide Health Service continued			
Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
Hospital Activity Data (including data for The Queen Elizabeth Hospital, Lyell McEwin Health Service, Royal Adelaide Hospital, Modbury Hospital and Glenside)				
No. of in-patient equivalent separations	165 329	162 623	157 074	159 310
No. of emergency weighted occasions of service	333 581	325 104	319 527	319 495
No. of outpatient and outreach weighted occasions of service	654 888	626 553	626 553	632 806
No. of intensive care hours	332 328	330 000	335 136	335 640
% of elective surgery patients treated within accepted timeframes for their urgency category:				
• urgent (30 days)	90%	77%	90%	80%
• semi-urgent (90 days)	85%	77%	85%	76%
• non-urgent (1 year)	90%	86%	90%	87%
% of patients attending emergency departments who were treated within accepted timeframes for their urgency category:				
• resuscitation (immediately)	100%	98%	100%	98%
• emergency (10 minutes)	80%	63%	80%	68%
• urgent (30 minutes)	75%	42%	75%	49%
No. of rehabilitation bed days[c]	42 155	42 155	42 155	42 705
No. of nursing home type occupied bed days[c]	15 964	15 964	15 964	16 142
SA Dental Service				
No. of visits for treatment in the school dental service (public clinics only)	192 000	191 600[d]	207 000	208 500
No. of visits for treatment in the community dental service	144 800[e]	141 000	139 100	143 400
No. of visits for treatment in the Adelaide Dental Hospital	67 000	65 752[f]	67 000	66 500
School dental services — teeth with decay experience at 12 years per 100 patients	100	101	100	94
School dental services — average time between checkups (months)				
• low risk patients	20.0	21.4	20.0	19.4
• medium risk patients	18.0	19.6[g]	16.5	16.3
• high risk patients	15.0	16.4[g]	12.0	12.0
Community dental services — average waiting time (months)	23	26.0	35.0	28.7
Specialist dentistry — average waiting time (months)	35.0[h]	29.8[i]	25.0	26.8
Central Eastern/Western Primary Health Care and North/North East Primary Health Care[j]				
Total no. of registered clients[k]	10 403	9 172	10 100	9 295
Total no. of Aboriginal and Torres Strait Island clients[l]	1 607	1 607	1 500	1 397
Total no. of non-English speaking background clients[m]	3 193	2 664	3 100	2 758

Sub-program: 5.1	Central Northern Adelaide Health Service continued
Footnotes	(a) The 2006-07 Target reflects funded levels. (b) Total screening cost is calculated as specified in the Productivity Commission Report. The average cost per woman screened is then determined by dividing total screening cost by the number of women screened, or planned to be screened, in the financial year. (c) Data specific to Glenside only. Targets reflect funded levels. (d) The reduction in the number of visits in 2005-06 was primarily due to an increase in the complexity of treatment being undertaken due to the rate of decay rising in school children. This has resulted in increased time per visit and a reduction in the number of visits. In addition, without increased staffing levels, recall periods have extended leading to further increases in the time required per visit. (e) The increase in the target for 2006-07 reflects the $3 million increase in funding approved as part of the 2006-07 Budget. (f) Levels of service in 2005-06 were marginally lower in a number of the Units in the Adelaide Dental Hospital. For example, service levels for specialist orthodontics were below target as a result of difficulties in recruiting replacement specialists following the retirement of two orthodontists in 2004-05. (g) Recall periods for School Dental Service patients have increased as a result of inadequate staffing to meet the increased rate of decay. Strategies are being developed to manage these impacts from 2006-07, which should see some improvements in the average time between checkups for medium and high risk patients. (h) The target for 2006-07 suggests further lengthening of specialist waiting times reflecting the loss of two postgraduate specialist providers (who have completed their training) and the need to outsource specialist orthodontic care at a higher cost if difficulties in recruiting specialist orthodontists continue. (i) Waiting times were higher than the 2005-06 Target due to continuing staff shortages, including the difficulty in recruiting additional specialist orthodontists following the retirement in 2004-05 of two orthodontists. (j) Previously reported as Adelaide Central Community Health Service and Northern Metro Community Health Service Inc (combined data). (k) The restructuring of services and the creation of the Central Northern Adelaide Health Service has lead to a disruption in service provision during the 2005-06 year due to some positions remaining unfilled. This has resulted in a reduction in overall registered clients and non-English speaking clients. The 2006-07 Target is expected to increase with a full complement of staff (2005-06 figures may also be understated due to the register not being completely updated). (l) The number of indigenous clients of the service is higher than the 2005-06 Target due in part to the commencement of an indigenous focused medical clinic at Gilles Plains. (m) In addition to the reported figures for registered clients, the agency also sees a substantial number of clients on an informal and ad hoc basis as part of its community development work. These figures are not included in the report.

Sub-program: 5.2	Southern Adelaide Health Service Hospital based tertiary care including medical, surgical, obstetric paediatric and other acute services, rehabilitation, mental health, and other community health services provided within the southern metropolitan area.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$392 626 000**	**$370 895 000**	**$342 995 000**	**$330 799 000**

Performance Commentary

The variance between the 2005-06 Estimated Result and 2005-06 Budget is mainly due to the allocation during 2005-06 of $15.9 million to meet activity demands in metropolitan public hospitals, $12 million to fund additional elective surgery procedures, funding for various enterprise bargaining arrangements including the salaried medical officer agreement, the impact of deferred expenditure relating to prior year budget allocations, transfers of functions and employees following recent restructuring within the Health Portfolio, and higher expenditure on Commonwealth Government funded programs, for example highly specialised drugs.

The increase in the 2006-07 Budget compared with the 2005-06 Estimated Result is mainly due to the commitments approved as part of the 2006-07 Budget, for example funding to support health services, mental health reform initiatives and increases in the medical workforce. Other factors include 'flow on' impacts from enterprise bargaining agreements including the nurses' and salaried medical officers' agreements, and standard indexation. These increases are offset by expenditure that occurred in 2005-06 and is not ongoing in nature, for example the impact of deferred expenditure.

The above net cost of sub-program table outlines the additional spending of health units that is mainly funded by the State Government. The increase builds on the significant additional funding already approved by this Government and reflected in base expenditure budgets.

At the time of preparation of the 2006-07 Portfolio Statements, the Health Service Agreements for 2006-07 with regions and other health entities have not been finalised, hence the financial budgets and activity targets are indicative and subject to change. With regards to hospital activity, activity represents funded levels. During 2005-06, while metropolitan regions exceeded funded levels, the associated cost has been managed in part from 'once-off' expenditure savings and efficiencies identified at both the department and region/health unit level. The Government as part of the 2006-07 Budget has allocated funding to enable the health system to operate at 2005-06 levels as well as allowing for additional growth. These factors explain the increase between the 2006-07 and 2005-06 activity levels.

As part of the 2006-07 Budget, ongoing funding was allocated to the Government's Elective Surgery Strategy. In previous years funding for elective surgery was allocated on a year by year basis whereas in 2006-07 an ongoing commitment has been made to sustain elective surgery. The Government's commitment provides certainty, which will enable regions to achieve better efficiencies thereby providing increased capacity to meet performance targets. Funding has also been allocated for the employment of additional accident and emergency specialists to provide added capacity to manage emergency department pressures.

Consistent with the approach of the 2005-06 Budget, in-patient equivalent separations (or equiseps) in the Portfolio Statement have been adjusted of inappropriate same day admissions (ie cases that do not meet a minimum standard for admission have been removed from the equisep calculation). An equisep is a measure of hospital in-patient activity adjusted for relative complexity, therefore for a given level of activity, the higher the complexity the higher the measure. The 2006-07 Budget also reflects a change in methodology surrounding the reporting of equisep information, whereby data for all years is being reported on a consistent basis. The data used to convert raw data into weighted data is based on the latest information and presentation in this manner provides a clearer measure of movements in activity in public hospitals over time.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
Hospital Activity Data (includes data for Flinders Medical Centre and Noarlunga Health Service)				
No. of in-patient equivalent separations	63 634	60 686	58 588	59 865
No. of emergency weighted occasions of service	180 904	164 700	164 700	163 383
No. of outpatient and outreach weighted occasions of service	215 974	209 575	189 575	191 010
No. of intensive care hours	177 408	177 000	148 152	159 600
% of elective surgery patients treated within accepted timeframes for their urgency category				
• urgent (30 days)	90%	79%	90%	78%
• semi-urgent (90 days)	85%	77%	85%	66%
• non-urgent (1 year)	90%	92%	90%	90%
% of patients attending emergency departments who were treated within accepted timeframes for their urgency category:				
• resuscitation (immediately)	100%	100%	100%	100%
• emergency (10 minutes)	80%	73%	80%	74%
• urgent (30 minutes)	75%	68%	75%	63%

continued

Sub-program: 5.2	Southern Adelaide Health Service continued			
Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
Drug and Alcohol Services South Australia				
Clients accessing outpatient services	6 800	6 850	6 600	6 767
Clients accessing withdrawal services	1 000	1 000	960	1 030
Clients accessing pharmacotherapy treatment[a]	2 100	2 120	1 800	1 863
Clients accessing residential rehabilitation[b]	110	110	120	103
Clients accessing the Alcohol and Drug Information Service[c]	28 000	26 300	31 000	28 906
Inner Southern Community Health Service and Noarlunga Community Health Service (combined data)				
Total no. of unique clients[d]	4 100	4 031	3 941	3 834
Total no. of informal clients[e]	19 000	18 523	30 652	30 698
Total no. of group clients (unique clients only, excludes informal clients)	1 900	1 890	1 917	1 896
Total no. of Community Development Programs (no. of people receiving a service)	50 000	56 091	46 557	47 294
Total no. of Aboriginal and Torres Strait Island clients[f]	170	151	131	79

Footnotes

(a) Includes clients receiving pharmacotherapy for either alcohol or opioid dependence.

(b) An increase in the number of complex clients has led to an increased average length of stay, which has resulted in a reduction in client numbers.

(c) These totals and estimates include calls (not necessarily DASSA clients) to the Gambling Helpline, Hepatitis Helplines and Police Drug Diversion Appointment Line.

(d) These are clients that have attended one on one services.

(e) The number of informal clients for the 2005-06 Estimated Result has reduced due to a change in recording criteria based on length of interview and also a move to recording some activity as community development, which was previously counted as informal clients.

(f) Informal indigenous clients and clients seen at other agencies are not included in this measure.

Sub-program: 5.3	Repatriation General Hospital Hospital based acute services, rehabilitation, mental and palliative health care, principally to veterans and persons living within the southern metropolitan area.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$105 264 000**	**$101 056 000**	**$98 692 000**	**$94 891 000**

Performance Commentary

The variance between the 2005-06 Estimated Result and 2005-06 Budget is mainly due the allocation during 2005-06 of $12 million to fund additional elective surgery procedures, funding for various enterprise bargaining arrangements including the salaried medical officers' agreement, the impact of deferred expenditure relating to prior year budget allocations, and higher expenditure on Commonwealth Government funded programs, for example highly specialised drugs.

The increase in the 2006-07 Budget compared with the 2005-06 Estimated Result is mainly due to the commitments approved as part of the 2006-07 Budget, for example funding to support health services and the medical workforce. Other factors include 'flow on' impacts from enterprise bargaining agreements including the nurses' and salaried medical officers' agreements, and standard indexation.

The above net cost of sub-program table outlines the additional spending of health units that are mainly funded by the State Government. The increase builds on the significant additional funding already approved by this Government and reflected in base expenditure budgets.

At the time of preparation of the 2006-07 Portfolio Statements, the Health Service Agreements for 2006-07 with regions and other health entities have not been finalised, hence the financial budgets and activity targets are indicative and subject to change. With regards to hospital activity, activity represents funded levels. The Government, as part of the 2006-07 Budget, has allocated funding to enable the health system to operate at 2005-06 levels as well as allowing for additional growth.

As part of the 2006-07 Budget, ongoing funding was allocated for the Government's Elective Surgery Strategy. In previous years, funding for elective surgery was allocated on a year by year basis whereas in 2006-07 and ongoing commitment has been made to sustain elective surgery. The Government's commitment provides certainty, which will enable regions to achieve better efficiencies providing increased capacity to meet performance targets.

Consistent with the approach of the 2005-06 Budget, in-patient equivalent separations (or equiseps) in the Portfolio Statements have been adjusted of inappropriate same day admissions (ie cases that do not meet a minimum standard for admission have been removed from the equisep calculation). An equisep is a measure of hospital in patient activity adjusted for relative complexity, therefore for a given level of activity, the higher the complexity the higher the measure. The 2006-07 Budget also reflects a change in methodology surrounding the reporting of equisep information, whereby data for all years is being reported on a consistent basis. The data used to convert raw data into weighted data is based on the latest information and presentation in this manner provides a clearer measure of movements in activity in public hospitals over time.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of in-patient equivalent separations	15 510	15 362	15 088	15 018
No. of emergency weighted occasions of service	3 922	3 817	3 817	3 818
No. of outpatient and outreach weighted occasions of service	37 409	37 313	37 313	50 860
Rehabilitation occupied bed days	20 743	19 696	19 696	19 187
% of elective surgery patients treated within accepted timeframes for their urgency category:				
• urgent (30 days)	90%	73%	90%	80%
• semi-urgent (90 days)	85%	82%	85%	85%
• non-urgent (1 year)	90%	86%	90%	88%

Sub-program: 5.4	Children, Youth and Women's Health Service Hospital, mental and community health services provided to children, youth and women across the state			
	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$251 187 000**	**$236 065 000**	**$221 700 000**	**$217 070 000**

Performance Commentary

The variance between the 2005-06 Estimated Result and 2005-06 Budget is mainly due to the allocation during 2005-06 of $15.9 million to meet activity demands in metropolitan public hospitals, $12 million to fund additional elective surgery procedures, funding for various enterprise bargaining arrangements including the salaried medical officers' agreement, the impact of deferred expenditure relating to prior year budget allocations, transfers of functions and employees following recent restructuring within the Health Portfolio, and higher expenditure on Commonwealth Government funded programs, for example highly specialised drugs.

The increase in the 2006-07 Budget compared with the 2005-06 Estimated Result is due mainly to the commitments approved as part of the 2006-07 Budget, for example funding to support health services, mental health reform initiatives, the medical workforce and primary health care. Other factors include 'flow on' impacts from enterprise bargaining agreements including the nurses' and salaried medical officers' agreements, and standard indexation. These increases are offset by expenditure that occurred in 2005-06 and is not ongoing in nature, for example the impact of delayed expenditure.

The above net cost of sub-program table outlines the additional spending of health units that is mainly funded by the State Government. The increase builds on the significant additional funding already approved by this Government and reflected in base expenditure budgets.

At the time of preparation of the 2006-07 Portfolio Statements, the Health Service Agreements for 2006-07 with regions and other health entities have not been finalised, hence the financial budgets and activity targets are indicative and subject to change. With regards to hospital activity, activity represents funded levels. During 2005-06, while metropolitan regions exceeded funded levels, the associated cost has been managed in part from 'once-off' expenditure savings and efficiencies identified at both the department and region/health unit level. The Government as part of the 2006-07 Budget has allocated funding to enable the health system to operate at 2005-06 levels as well as allowing for additional growth. These factors explain the increase between the 2006-07 and 2005-06 activity.

As part of the 2006-07 Budget, ongoing funding was allocated to the Government's Elective Surgery Strategy. In previous years funding for elective surgery was allocated on year by year basis whereas in 2006-07 an ongoing commitment has been made to sustain elective surgery. The Government's commitment provides certainty, which will enable regions to achieve better efficiencies thereby providing increased capacity to meet performance targets. Funding has also been allocated for the employment of additional accident and emergency specialists to provide added capacity to manage emergency department pressures.

Consistent with the approach of the 2005-06 Budget, in-patient equivalent separations (or equiseps) in the Portfolio Statement have been adjusted of inappropriate same day admissions (ie cases that do not meet a minimum standard for admission have been removed from the equisep calculation). An equisep is a measure of hospital in patient activity adjusted for relative complexity, therefore, for a given level of activity, the higher the complexity the higher the measure. The 2006-07 Budget also reflects a change in methodology surrounding the reporting of equisep information, whereby data for all years is being reported on a consistent basis. The data used to convert raw data into weighted data is based on the latest information and presentation in this manner provides a clearer measure of movements in activity in public hospitals over time.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
Child and Family Health Services				
No. of newborn children newly enrolled with Child and Family Health Services	17 000	16 553	17 000	15 766
No. of families offered sustained home visiting[(a)]	1 300	833	1 050	680
The Second Story Youth Service:				
• clinic sessions provided[(b)]	10 000	11 142	9 000	9 500
• counselling sessions[(c)]	1 500	1 883	3 500	3 500
No. of Parent Helpline calls	135 000	135 000	135 000	135 879
Women's and Children's Hospital				
No. of WCH in-patient equivalent separations	32 488	31 537	31 490	32 213
No. of WCH emergency weighted occasions of service	75 492	72 048	72 048	70 889
No. of WCH outpatient and outreach weighted occasions of service	267 126	238 179	238 179	246 496
No. of WCH intensive care hours	60 672	49 872	43 416	47 856

continued

Sub-program: 5.4	Children, Youth and Women's Health Service continued			
Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
% of WCH elective surgery patients treated within accepted timeframes for their urgency category:				
• urgent (30 days)	90%	83%	90%	79%
• semi-urgent (90 days)	85%	76%	85%	75%
• non-urgent (1 year)	90%	98%	90%	98%
% of WCH patients attending emergency departments who were treated within accepted timeframes for their urgency category:				
• resuscitation (immediately)	100%	98%	100%	98%
• emergency (10 minutes)	80%	86%	80%	83%
• urgent (30 minutes)	75%	72%	75%	70%

Footnotes

(a) The 2006-07 Target for the number of families offered sustained home visiting will increase by 250 as a result of increased funding for this initiative. The 2005-06 and 2006-07 Targets reflect the number of families eligible for sustained home visiting whereas the 2004-05 Actual and 2005-06 Estimated Result reflect the number of families who accepted enrolment in the program.

(b) The Second Story Youth Service Clinic sessions provided in 2005-06 is above target because of a higher than expected provision of Junior Medical Officers by the Post Graduate Medical Council.

(c) The Second Story Youth Service counselling one to one sessions provided in 2005-06 is below target due to an increase in the provision of group program services. The projected reduction in the 2006-07 Target is related to the completion of two key grant funded initiatives, which employ staff to provide counselling services.

Sub-program: 5.5	Institute of Medical and Veterinary Science Diagnostic pathology services to hospitals and community services.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$37 969 000**	**$35 547 000**	**$33 931 000**	**$25 091 000**

Performance Commentary

Growth in demand for diagnostic services is consistent with national trends.

The variance between the 2005-06 Budget and 2004-05 Actual is due to higher own source revenue received in 2004-05.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
No. of diagnostic tests provided by Institute of Medical and Veterinary Science laboratories	4 059 000	3 902 886	3 625 000	3 616 786

Sub-program: 5.6	Metropolitan Domiciliary Care Services Home based domiciliary care services provided principally to older people.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$26 068 000**	**$25 975 000**	**$25 599 000**	**$45 695 000**

Performance Commentary

The variance between the 2004-05 Actual and 2005-06 Budget mostly reflects a change in funding arrangements for the Home and Community Care and Aged Care Assessment Programs. From 1 July 2005, the Department for Families and Communities provides funding directly to Metropolitan Domiciliary Care rather than allocating the funding via the Department of Health. The impact of this change is that the value for the 2004-05 Actual result is higher than other years by approximately $22 million.

Although the occasions of service for domiciliary care decreased by 2.9% in 2005-06 compared to 2004-05, the number of client visits increased. In addition the number of direct service hours increased by 0.8% and indirect occasions of service increased by 18.5%, which includes contacts with relatives and carers, interaction with other service providers and travel between visits.

The occasions of service for the Aged Care Agreement Team increased in 2005-06 due to additional Commonwealth funding and the impact of a carry over in that year. The target has been adjusted in 2006-07 to reflect funded levels.

The occupied bed days for Tregenza Aged Care Services decreased in 2005-06 primarily due to reduced activity in Tregenza House, which is a post acute step down facility and is separate from Tregenza's core business of residential care. Tregenza House will be transferred to the Central Northern Adelaide Health Service in 2006-07 and the target for 2006-07 has been adjusted to reflect this.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
Occasions of Service (total contacts)				
• Domiciliary Care Service	520 000	525 973	580 000	541 855
• Aged Care Assessment Team	29 000	32 444	19 500	26 232
Occupied bed days for the period — Tregenza Avenue Aged Care Service	25 000	26 888	28 000	27 137
Client visits	495 000	496 000	412 000	493 865

Agency: Health Regions and Other Health Entities

Program Information

Program 6: Country Health Services

Description/Objective: Country Health Services is responsible for the provision of hospital based tertiary care and other acute services as well as rehabilitation, mental health and other community health services within the country area.

Summary income statement

Program 6: ***Country Health Services***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	320 169	296 757	289 281	289 539
Supplies and services	162 460	166 055	158 787	154 241
Grants and subsidies	3 444	8 638	3 028	10 048
Depreciation and amortisation	19 207	18 747	18 613	19 815
Other	3 486	3 401	3 401	2 977
Total expenses	**508 766**	**493 598**	**473 110**	**476 620**
Income				
Sale of goods and services	51 271	50 015	50 015	54 954
Fees, fines and penalties	—	—	—	—
Commonwealth revenue	32 015	31 215	31 215	47 333
Other	38 352	37 412	37 412	8 713
Total income	**121 638**	**118 642**	**118 642**	**111 000**
Net cost of providing services	**387 128**	**374 956**	**354 468**	**365 620**

Note: The variation between the 'net cost of services' of the 2004-05 Actual and 2005-06 Budget includes the change in funding arrangements associated with the Home and Community Care and Aged Care Assessment Programs. From 1 July 2005, the Department for Families and Communities provides funding directly to country health units rather than allocating the funding via the Department of Health. The impact of this change is that the value for net cost of services for the 2004-05 Actual result is higher than other years by approximately $17 million. That is, 'other revenue' is understated compared with 2005-06 and 2006-07 Budget amounts.

The variation between the 2005-06 Budget and 2004-05 Actual results also includes additional unbudgeted revenue from ordinary activities, which is used to fund additional expenditure. The increase in revenue is not reflected in budgets from 2005-06 pending a review of revenue sources and application including whether the revenue is ongoing.

Program 6: Performance Criteria:

Sub-program: 6.1	**Country Regional Health Services** Provision of health and related services across the country region.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$384 075 000**	**$371 835 000**	**$351 635 000**	**$363 417 000**

Performance Commentary

A new single country health region was created to replace the existing seven country regions with the new arrangements to commence from 1 July 2006. The intent of the new arrangements is to provide a more integrated system of care across the whole of the State. The seven separate regional boards will be replaced with a single Country Health SA board. For the purposes of reporting the financial and performance information under the new arrangements, information has been consolidated into the one reporting program.

The variance between the 2004-05 Actual and 2005-06 Budget includes a change in funding arrangements for the Home and Community Care and Aged Care Assessment Programs. From 1 July 2005 the Department for Families and Communities provides funding directly to country health units rather than allocating the funding via the Department of Health. The impact of this change is that the value for the 2004-05 Actual result is higher than other years by approximately $17 million.

The variance between 2005-06 Estimated Result and Budget is mainly due to the allocation during 2005-06 of additional funding for elective surgery procedures, funding for various enterprise bargaining arrangements including the salaried medical officers' agreement, and revision of fee-for-service arrangements for rural doctors.

The increase in the 2006-07 Budget compared with the 2005-06 Estimated Result includes funding approved as part of the 2006-07 Budget, the 'flow on' impacts from enterprise bargaining agreements including the nurses' and salaried medical officers' agreements and standard indexation.

The above net cost of sub-program table outlines the additional spend of health units that are mainly funded by the State Government. The increase builds on the significant additional funding already approved by this Government and reflected in base expenditure budgets.

At the time of preparation of the 2006-07 Portfolio Statements, the Health Service Agreements for 2006-07 with country regions have not been finalised, hence the financial budgets and activity targets are indicative and subject to change.

Consistent with the approach of the 2005-06 Budget, in-patient equivalent separations (or equiseps) in the Portfolio Statement have been adjusted for inappropriate same day admissions (that is, cases that do not meet a minimum standard for admission have been removed from the equisep calculation). An equisep is a measure of hospital in patient activity adjusted for relative complexity, therefore for a given level of activity, the higher the complexity the higher the measure. The 2006-07 Budget also reflects two changes in methodology surrounding the reporting of country health activity data.

Firstly, equisep information for all years is being reported on a consistent basis. The data used to convert raw data into weighted data is based on the latest information and presentation in this manner provides a clearer measure of activity in public hospitals over time.

Secondly, the manner by which public health services are being delivered in country areas, particularly smaller hospitals, has undergone considerable change. Smaller hospitals now deliver a mix of acute, aged care and primary health care services, however this change in trend has not been reflected when setting hospital based activity levels. In fact the number of hospitals that fall in this category is increasing. The activity targets now reflect this change in trend. The trend towards the provision of primary health care services is also being experienced by the larger health units (but to a lesser degree) and activity levels for these hospitals have also been amended. As the Department of Health is still developing key performance indicators to measure and monitor these primary health care based services, it is not in a position to incorporate any measures in this year's document. This change does not mean a reduction in patient throughput, rather the flexibility to deliver 'in hospital' and 'out of hospital' services to meet population health needs.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
No. of in-patient equivalent separations	67 251	67 438	72 258	67 149
No. of weighted emergency occasions of service	88 364	88 364	84 246	84 599
No. of weighted outpatient occasions of service	113 292	113 292	116 984	116 552
No. of occupied bed days for nursing home type patients	139 950	139 950	145 425	145 670

Sub-program: 6.2	Incorporated Aboriginal Primary Health Services Aboriginal controlled primary health services provided to Aboriginal communities in Ceduna and Port Augusta and surrounding areas.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$3 053 000**	**$3 121 000**	**$2 833 000**	**$2 203 000**

Performance Commentary

The sub-program is an amalgamation of the Pika Wiya and Ceduna Koonibba health services. The two organisations provide primary health services to Aboriginal people in their respective locations.

The variance between the 2005-06 Budget and 2004-05 Actual reflects higher own source revenue received in 2004-05.

The 2005-06 Estimated Result for the achievement of service outcomes and timeliness was below the 2005-06 Target. This is because Ceduna Koonibba has experienced difficulty in sustaining clinical services (such as having a doctor operating from the clinic) and other operational issues, which have impacted on the service's performance. The Department is considering the support required for 2006-07 to ensure performance is restored to previous levels.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
No. of programs operated	24	24	24	26
% of achievement of compliance against outcomes specified in Service Agreements	90%	70%	100%	90%
% of achievement in meeting the outcomes in Services Agreements within agreed timelines	90%	60%	100%	90%

HEALTH REGIONS AND OTHER HEALTH ENTITIES

Income statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Expenses				
Employee benefits and costs —				
Salaries, wages, annual and sick leave	**1 505 715**	1 426 315	1 334 147	1 341 295
Long service leave	**32 175**	30 984	30 930	36 237
Superannuation	**144 255**	133 954	128 095	124 966
Other	**56 498**	56 582	55 059	48 700
Supplies and services —				
General supplies and services	**833 544**	809 266	788 366	768 262
Consultancy expenses	**2 183**	2 129	2 129	985
Depreciation and amortisation	**75 222**	75 222	75 222	78 393
Borrowing costs	**10 372**	10 262	10 262	7 670
Grants and subsidies	**20 900**	28 717	19 778	14 389
Other expenses	**6 919**	6 728	5 959	12 075
Total expenses	**2 687 783**	2 580 159	2 449 947	2 432 972
Income				
Commonwealth revenues	**44 633**	43 880	43 880	66 141
Intra government transfers	**2 257 181**	2 136 997	2 134 969	2 089 995
Other grants	**149 313**	134 572	37 118	34 895
Fees, fines and penalties	**2 210**	2 126	2 602	—
Sales of goods and services	**236 300**	228 141	225 921	212 846
Interest revenues	**8 136**	11 615	11 615	12 349
Net gain or loss from disposal of assets	**—**	—	—	-1 760
Resources received free of charge	**1 146**	1 146	1 146	9 626
Other income	**32 140**	31 370	37 251	63 464
Total income	**2 731 059**	2 589 847	2 494 502	2 487 556
Net cost of providing services	**-43 276**	-9 688	-44 555	-54 584
Net result	**43 276**	9 688	44 555	54 584

HEALTH REGIONS AND OTHER HEALTH ENTITIES

Balance sheet

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and cash equivalents	**184 643**	176 943	168 445	180 467
Receivables	**97 384**	98 526	87 106	99 556
Inventories	**19 974**	19 974	17 952	19 974
Financial assets	**47 343**	47 343	44 586	47 343
Other current assets	**12 094**	12 094	10 212	12 094
Total current assets	**361 438**	354 880	328 301	359 434
Non current assets				
Financial assets	**3 774**	3 774	3 081	3 774
Land and improvements	**1 515 677**	1 496 502	1 484 649	1 503 640
Plant and equipment	**214 911**	198 465	218 153	174 031
Intangible assets	**3 926**	3 926	66	3 926
Other non-current assets	**3 605**	3 605	3 775	3 605
Total non-current assets	**1 741 893**	1 706 272	1 709 724	1 688 976
Total assets	**2 103 331**	2 061 152	2 038 025	2 048 410
Liabilities				
Current liabilities				
Payables	**153 825**	154 008	158 901	153 801
Short-term borrowings	**3 397**	3 397	2 952	3 397
Employee benefits —				
Salaries and wages	**34 509**	34 148	19 811	34 218
Annual leave	**93 428**	92 929	77 380	92 145
Long service leave	**21 390**	21 464	20 589	21 538
Other	**2 943**	2 943	3 327	2 943
Short-term provisions	**18 129**	18 200	20 643	18 271
Other current liabilities	**3 924**	3 927	5 401	4 273
Total current liabilities	**331 545**	331 016	309 004	330 586
Non current liabilities				
Long-term borrowings	**113 748**	115 374	99 481	112 750
Long-term employee benefits —				
Long service leave	**191 664**	191 664	164 924	191 664
Other	**20**	20	2	20
Long-term provisions	**41 779**	41 779	46 180	41 779
Other non-current liabilities	**1 814**	1 814	15 774	1 814
Total non-current liabilities	**349 025**	350 651	326 361	348 027
Total liabilities	**680 570**	681 667	635 365	678 613
Net assets	**1 422 761**	1 379 485	1 402 660	1 369 797

HEALTH REGIONS AND OTHER HEALTH ENTITIES

Balance sheet

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Equity				
Contributed capital	**320**	320	—	320
Retained earnings	**1 111 577**	1 068 301	1 106 261	1 058 613
Asset revaluation reserve	**265 117**	265 117	249 444	265 117
Other reserves	**45 747**	45 747	46 955	45 747
Total equity	**1 422 761**	1 379 485	1 402 660	1 369 797

Balances as at 30 June end of period.

HEALTH REGIONS AND OTHER HEALTH ENTITIES

Statement of changes in equity

	Contributed capital	Asset revaluation reserve	Retained earnings	Total
	$000	$000	$000	$000
Balance at 30 June 2005	320	265 117	1 104 360	1 369 797
Adjustments	—	—	—	—
Restated balance at June 2005	320	265 117	1 104 360	1 369 797
Net gain/loss on revaluation of property, plant and equipment during 2005-06	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2005-06	—	—	—	—
Net result after restructure for 2005-06	—	—	9 688	9 688
Total recognised income and expense for 2005-06	**—**	**—**	**9 688**	**9 688**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2006	**320**	**265 117**	**1 114 048**	**1 379 485**
Net gain/loss on revaluation of property, plant and equipment during 2006-07	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2006-07	—	—	—	—
Net result after restructure for 2006-07	—	—	43 276	43 276
Total recognised income and expense for 2006-07	**—**	**—**	**43 276**	**43 276**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2007	**320**	**265 117**	**1 157 324**	**1 422 761**

HEALTH REGIONS AND OTHER HEALTH ENTITIES

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
OPERATING ACTIVITIES:				
Cash outflows				
Employee payments	**1 737 928**	1 647 266	1 547 662	1 517 915
Supplies and services	**835 646**	811 314	790 414	772 336
Borrowing costs	**10 372**	10 262	10 262	7 347
Grants and subsidies	**20 900**	28 717	19 778	14 389
Net GST paid	**—**	—	—	72 312
Other payments	**2 590**	2 464	1 695	15 668
Cash used in operations	**2 607 436**	2 500 023	2 369 811	2 399 967
Cash inflows				
Intra government transfers	**2 257 181**	2 136 997	2 134 969	2 089 995
Commonwealth receipts	**44 633**	43 880	43 880	66 414
Other grants	**149 313**	134 572	37 118	34 895
Fees, fines and penalties	**2 210**	2 126	2 602	—
Sales of goods and services	**236 300**	224 466	218 554	212 398
Interest received	**8 136**	11 615	11 615	12 137
Dividends received	**—**	—	—	90
Net GST received	**—**	—	—	69 242
Other receipts	**27 686**	30 591	40 164	44 331
Cash generated from operations	**2 725 459**	2 584 247	2 488 902	2 529 502
Net cash provided by (+) / used (-) in operating activities	**118 023**	84 224	119 091	129 535
INVESTING ACTIVITIES:				
Cash outflows				
Purchase of property, plant and equipment	**109 215**	90 372	111 544	119 776
Other payments	**—**	—	—	10 944
Cash used in investing activities	**109 215**	90 372	111 544	130 720
Cash inflows				
Proceeds from sale of property, plant and equipment	**518**	—	—	1 645
Other receipts	**—**	—	—	2 227
Cash generated from investing activities	**518**	—	—	3 872
Net cash provided by (+) / used in (-) investing activities	**-108 697**	-90 372	-111 544	-126 848

HEALTH REGIONS AND OTHER HEALTH ENTITIES

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
FINANCING ACTIVITIES:				
Cash outflows				
Repayment of borrowings	**1 292**	1 064	1 220	2 925
Finance lease payments	**334**	312	312	—
Cash used in financing activities	**1 626**	1 376	1 532	2 925
Cash inflows				
Capital contributions from Government	**—**	—	—	93
Proceeds from borrowings	**—**	4 000	—	1 431
Cash generated from financing activities	**—**	4 000	—	1 524
Net cash provided by (+) / used in (-) financing activities	**-1 626**	2 624	-1 532	-1 401
Net increase (+) / decrease (-) in cash equivalents	**7 700**	-3 524	6 015	1 286
Cash and cash equivalents at the beginning of the financial year	**176 943**	180 467	162 430	179 181
Cash and cash equivalents at the end of the financial year	**184 643**	176 943	168 445	180 467

Agency: Health Regions and Other Health Entities

Financial Commentary — major variations

Income statement — Controlled

2005-06 Estimated Result to 2006-07 Budget

The total expenditure of Health Regions and Other Health Entities is estimated to increase by $107.6 million in 2006-07 when compared to the 2005-06 Estimated Result. The increase in the 2006-07 Budget when compared with the 2005-06 Budget is $237.8 million.

As part of the 2006-07 Budget, the Government has allocated additional funding to support the provision of health services across the State, including the medical workforce and the primary health and mental health care sectors. The additional funding over four years includes:

- $400 million to support the provision of health services across the State;
- $14.4 million to employ additional clinicians to increase the capacity of metropolitan public hospitals' emergency departments to manage demand;
- $12.9 million to expand the restorative dental care program, which will enable the SA Dental Service to provide services to an estimated 7000 extra clients per annum and reduce the restorative dentistry waiting lists to ten months;
- $7.9 million for 50 practice nurses to work in general practice across the metropolitan area to support the provision of services closer to home and focus on prevention, early intervention and health promotion;
- $38 million to increase the number of timely elective surgery procedures as well as implement redesigning care initiatives for improved management of elective load;
- $6 million to expand the Family Home Visiting Program, which is an evidenced based early intervention strategy that provides up to 34 home visits, over the first two years of a child's life by a nurse, to families assessed as part of the Universal Home Visiting Program as requiring additional support;
- $11.6 million to employ additional surgical and non surgical trainees and specialists in areas currently experiencing high demand;
- $7.5 million to support three GP Plus Health Care Centres at Marion, Elizabeth and Aldinga, which will provide a range of coordinated services that would otherwise be provided in the hospital setting;
- $9.7 million to fund 30 allied health and mental health workers to work in GP clinics to assist people with mental illness, develop case plans with clients and carers, link clients with required services and monitor progress; and

- $10.2 million to expand the child and adolescent mental therapy services in high demand areas, to establish an outreach service for adolescents with both mental illness and substance abuse problems, and to extend the mental health cover provided in the emergency department of the Women's and Children's Hospital for children and adolescents in crisis to 24 hours per day, seven days per week. An additional 26 allied health and professional mental health workers will be employed under this initiative.

$17.5 million has also been provided over three years, commencing 2007-08, for Modbury Hospital, which the Government has announced will be returned to the public sector. The Central Northern Adelaide Health Service will manage the Hospital.

Funding for a number of new investing projects has also been provided; $88 million over four years for the redevelopment of the Flinders Medical Centre ($145 total project cost); $35 million for the GP Plus Health Care Centres at Marion and Elizabeth; $5 million per annum for additional bio-medical equipment and $1.5 million for the Renal Dialysis Unit at the Port Augusta Hospital.

Other factors contributing to movements in revenue and expenditure items between the 2005-06 Estimated Result and 2006-07 Budget include:

- the impact of deferred expenditure;
- wage increases reflected in enterprise bargaining agreements, including the nurses' and salaried medical officers' agreements; and
- annual indexation.

2005-06 Budget to 2005-06 Estimated Result

The total expenditure of Health Regions and Other Health Entities is estimated to increase in 2005-06 compared to the original budget by approximately $130.2 million. Factors contributing to the variation include:

- wage increases reflected in enterprise bargaining agreements, including the salaried medical officers' agreement;
- $12 million, provided in 2005-06 for the Elective Surgery Strategy, to support additional elective surgery procedures during the year;
- $3 million, provided in 2005-06 to increase the capacity of the SA Dental Service;
- $15.9 million provided as part of the 2005-06 Mid Year Budget Review to meet the cost of increased activity in metropolitan public hospitals;
- higher than budget expenditure on Commonwealth funded programs including payments under the Highly Specialised Drugs and Department for Veteran Affairs Agreements;
- the transfer of functions and programs from the Department of Health to Health Regions including the transfer of BreastScreen SA to the Central Northern Adelaide Health Service; and
- the impact of deferred expenditure.

Balance sheet — Controlled

Major variations in assets and liabilities between the 2005-06 Budget and Estimated Result primarily relate to opening balance adjustments related to the 2004-05 Actuals and movements in fixed assets as a result of the 2005-06 capital program. The variance between the 2005-06 Estimated Result and 2006-07 Budget predominantly relates to the 2006-07 capital program offset by depreciation costs.

TABLE OF CONTENTS

AGENCY: SOUTH AUSTRALIAN AMBULANCE SERVICE

Objective 7.79

Targets / Highlights 7.79

Program Net Cost of Services Summary 7.80

Investing Payments Summary 7.80

Program Information

- Description / Objective 7.81
- Summary income statement 7.81
- Sub-program Statements and Performance Criteria 7.82

Financial Statements

- Income statement 7.83
- Balance sheet 7.84
- Statement of changes in equity 7.85
- Cash flow statement 7.86

Financial Commentary 7.87

Portfolio: Health

Agency: South Australian Ambulance Service

Objective

The South Australian Ambulance Service is responsible for saving lives, reducing suffering, and enhancing quality of life, through the provision of accessible and responsive patient care and transport.

2006-07 Targets / 2005-06 Highlights

Targets 2006-07	Highlights 2005-06
• Construct new ambulance stations at: – McLaren Vale (target date 30 June 2007) – Murray Bridge (target date 6 February 2007) – Playford (target date 24 April 2007) • Upgrade the Ambulance Dispatch System • Replace 41 Ambulances	• Increased the number of operational staff to meet workload demands • Established the Country Services Business Unit and provided additional staffing to regions • Developed a new volunteer recruitment campaign and advertising materials • Increased collaboration with other health services and committees • Developed the Acute Care and Intervention Service Project (a mental health collaboration) • Completed significant building projects, including Wallaroo and Mt Barker • Implemented the Community First Responder program at Port MacDonnell • Introduced 12 lead electrocardiogram monitor defibrillators to improve the care of cardiac patients

Program net cost of services summary

Program	Net Cost of Services			
	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
7. South Australian Ambulance Service	521	-917	-1 218	-3 917

Investing payments summary

Investments	2006-07 Budget $000	2005-06 Estimated Result $000	2005-06 Budget $000	2004-05 Actual $000
New Works				
Ambulance Stations – new and upgraded	1 940	—	—	—
Total New Works	**1 940**	**—**	**—**	**—**
Works in Progress				
Ambulance Stations - Country Volunteers (funded by fees raised for services provided by volunteers)	3 707	1 823	3 870	904
Ambulance Stations - Career Staff (Murray Bridge, Playford, Port Adelaide, Port Pirie)	3 260	1 083	3 500	9
Total Works in Progress	**6 967**	**2 906**	**7 370**	**913**
Annual Programs				
Ambulance Vehicle Replacement	4 635	10 477	8 877	5 982
General Plant and Equipment	1 556	1 866	1 652	1 428
Government Radio Network	—	—	—	804
Communication Equipment	—	—	—	361
IT Projects	3 253	1 400	2 855	—
Medical Equipment Replacement	1 950	500	500	489
Total Investing Payments	**20 301**	**17 149**	**21 254**	**9 977**

Agency: South Australian Ambulance Service

Program Information

Program 7: South Australian Ambulance Service

Description/Objective: The South Australian Ambulance Service is responsible for the provision of pre-hospital medical emergency care and patient transport.

Summary income statement

Program 7: *SA Ambulance Service*	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Expenses				
Employee benefits and costs	77 747	73 255	66 755	67 674
Supplies and services	22 555	21 116	22 443	20 706
Grants and subsidies	—	—	756	931
Depreciation and amortisation	9 413	8 455	8 451	7 059
Other	6 722	6 302	6 196	6 023
Total expenses	**116 437**	**109 128**	**104 601**	**102 393**
Income				
Sale of goods and services	60 650	56 668	56 288	53 261
Grants	53 434	51 548	47 702	49 593
Commonwealth revenue	273	273	273	273
Investment Revenue	799	799	799	1 349
Other	760	757	757	1 834
Total income	**115 916**	**110 045**	**105 819**	**106 310**
Net cost of providing services	**521**	**-917**	**-1 218**	**-3 917**

Program 7: Performance Criteria:

Program 7: SA Ambulance Service				
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of Program 7	521	-917	-1 218	-3 917

Performance Commentary

In 2005-06 ambulance workloads exceeded targets for both emergency and non-emergency cases.				
Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
Total no. of emergency responses	205 725	198 984	195 000	182 915
Total no. of non-emergency responses	44 558	45 063	43 260	43 342
Time within which top 50 percentile of emergency cases are responded to (minutes)[(a)]	9.1	9.5	9.1	9.4
Time within which top 90 percentile of emergency cases are responded to (minutes)[(a)]	16.5	17.2	16.5	17.0

Footnotes

(a) 2006-07 response time targets remain unchanged from 2005-06. The targets are based on historical performance and revised targets are currently being developed as part of a service improvement program.

SOUTH AUSTRALIAN AMBULANCE SERVICE

Income statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Expenses				
Employee benefits and costs —				
Salaries, wages, annual and sick leave	**68 307**	64 217	58 513	57 676
Long service leave	**923**	946	946	1 278
Payroll tax	**324**	281	—	—
Superannuation	**6 638**	6 287	5 772	5 375
Other	**1 555**	1 524	1 524	3 345
Supplies and services —				
General supplies and services	**22 383**	20 948	22 275	20 545
Consultancy expenses	**172**	168	168	161
Depreciation and amortisation	**9 413**	8 455	8 451	7 059
Intra government transfers	**—**	—	756	931
Other expenses	**6 722**	6 302	6 196	6 023
Total expenses	**116 437**	109 128	104 601	102 393
Income				
Commonwealth revenues	**273**	273	273	273
Intra government transfers	**53 434**	51 548	47 702	49 593
Sales of goods and services	**60 650**	56 668	56 288	53 261
Interest revenues	**799**	799	799	1 349
Other income	**760**	757	757	1 834
Total income	**115 916**	110 045	105 819	106 310
Net cost of providing services	**521**	-917	-1 218	-3 917
Net result	**-521**	917	1 218	3 917

SOUTH AUSTRALIAN AMBULANCE SERVICE

Balance sheet

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and cash equivalents	**6 716**	15 755	9 759	23 073
Receivables	**8 077**	7 777	6 003	6 889
Inventories	**221**	221	307	221
Other current assets	**3 165**	3 152	2 219	1 883
Total current assets	**18 179**	26 905	18 288	32 066
Non current assets				
Land and improvements	**29 444**	21 242	28 372	17 650
Plant and equipment	**25 109**	24 284	18 966	21 190
Total non-current assets	**54 553**	45 526	47 338	38 840
Total assets	**72 732**	72 431	65 626	70 906
Liabilities				
Current liabilities				
Payables	**2 201**	2 201	3 483	2 821
Employee benefits —				
Salaries and wages	**1 446**	1 484	311	1 784
Annual leave	**4 349**	4 276	3 636	4 205
Long service leave	**353**	347	316	341
Other	**1 607**	1 579	1 397	1 552
Short-term provisions	**1 234**	1 234	1 273	1 234
Other current liabilities	**777**	777	—	157
Total current liabilities	**11 967**	11 898	10 416	12 094
Non current liabilities				
Long-term employee benefits —				
Annual leave	**3 335**	3 042	2 680	2 747
Long service leave	**5 787**	5 341	5 024	4 846
Other	**907**	893	693	879
Long-term provisions	**2 794**	2 794	2 607	2 794
Total non-current liabilities	**12 823**	12 070	11 004	11 266
Total liabilities	**24 790**	23 968	21 420	23 360
Net assets	**47 942**	48 463	44 206	47 546
Equity				
Retained earnings	**35 731**	36 252	28 315	35 335
Asset revaluation reserve	**5 645**	5 645	5 645	5 645
Other reserves	**6 566**	6 566	10 246	6 566
Total equity	**47 942**	48 463	44 206	47 546

Balances as at 30 June end of period.

SOUTH AUSTRALIAN AMBULANCE SERVICE

Statement of changes in equity

	Contributed capital	Asset revaluation reserve	Retained earnings	Total
	$000	$000	$000	$000
Balance at 30 June 2005	—	—	—	—
Adjustments	—	—	—	—
Restated balance at June 2005	—	—	—	—
Net gain/loss on revaluation of property, plant and equipment during 2005-06	—	—	—	—
Net changes in reserves	—	5 645	41 901	47 546
Net income/expense recognised directly in equity for 2005-06	—	5 645	41 901	47 546
Net result after restructure for 2005-06	—	—	917	917
Total recognised income and expense for 2005-06	**—**	**5 645**	**42 818**	**48 463**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2006	**—**	**5 645**	**42 818**	**48 463**
Net gain/loss on revaluation of property, plant and equipment during 2006-07	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2006-07	—	—	—	—
Net result after restructure for 2006-07	—	—	-521	-521
Total recognised income and expense for 2006-07	**—**	**—**	**-521**	**-521**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2007	**—**	**5 645**	**42 297**	**47 942**

SOUTH AUSTRALIAN AMBULANCE SERVICE

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
OPERATING ACTIVITIES:				
Cash outflows				
Employee payments	**76 938**	74 506	68 006	65 566
Supplies and services	**22 555**	21 116	22 443	17 051
Intra government transfers	**—**	—	756	8 214
Other payments	**534**	492	492	529
Cash used in operations	**100 027**	96 114	91 697	91 360
Cash inflows				
Intra government transfers	**53 434**	51 548	47 702	42 279
Commonwealth receipts	**273**	273	273	273
Sales of goods and services	**54 162**	50 560	50 180	46 836
Interest received	**799**	799	799	1 372
Other receipts	**760**	757	863	8 390
Cash generated from operations	**109 428**	103 937	99 817	99 150
Net cash provided by (+) / used (-) in operating activities	**9 401**	7 823	8 120	7 790
INVESTING ACTIVITIES:				
Cash outflows				
Purchase of property, plant and equipment	**20 301**	17 149	21 254	9 977
Cash used in investing activities	**20 301**	17 149	21 254	9 977
Cash inflows				
Proceeds from sale of property, plant and equipment	**1 861**	2 008	2 008	1 392
Cash generated from investing activities	**1 861**	2 008	2 008	1 392
Net cash provided by (+) / used in (-) investing activities	**-18 440**	-15 141	-19 246	-8 585
Net increase (+) / decrease (-) in cash equivalents	**-9 039**	-7 318	-11 126	-795
Cash and cash equivalents at the beginning of the financial year	**15 755**	23 073	20 885	23 868
Cash and cash equivalents at the end of the financial year	**6 716**	15 755	9 759	23 073

Agency: South Australian Ambulance Service

Financial Commentary — major variations

Income statement — Controlled

In 2005-06, the SA Ambulance Service was treated as an Administered Item under the Department of Health. Amendments to the *SA Ambulance Services Act 1992* came into operation in February 2006 and, as a result of these changes, the Minister for Health is now the sole member of the SA Ambulance Service. The Minister can exercise control by giving written directions to the Ambulance Board and as such the SA Ambulance Service is now a controlled entity within the Health Portfolio.

2005-06 Estimated Result to 2006-07 Budget

SA Ambulance Service revenues are forecast to increase in 2006-07 due to:

- a 5.5 per cent increase in emergency responses and a 3 per cent increase in non-emergency responses, which reflect historical trends; and
- increased fees from carried patients as well as an increase in government contributions to cover increased carries for pensioners and other concessions.

These increases are off-set by the impact of 'once-off' funding in 2005-06 of $2.4 million related to the 27th pay.

The Government has also allocated funding of $3.9 million over four years for an additional crew to service the McLaren Vale area. The initiative includes $940 000 for a new station and one new ambulance. An additional $5.2 million has also been provided for replacement stations in the Adelaide CBD ($3 million) and Prospect ($2.2 million). Work will commence in 2006-07 on the Prospect Station and will be completed in 2007-08. Work on the Adelaide station will commence in 2007-08.

The factors leading to the increase in revenue also impact on operating expenses. In addition, the 2006-07 Budget reflects costs associated with increases in workloads that are funded from a run down in cash balances and higher depreciation costs.

2005-06 Budget to 2005-06 Estimated Result

During 2005-06, the SA Ambulance Service continued to experience increasing demand for its services, which is the main contributing factor for both the increase in revenue and associated operating costs. An additional $4.4 million was also approved for the Ambulance Officers' enterprise bargaining agreement.

Balance sheet — Controlled

Cash balances are estimated to decrease in 2006-07 from the 2004-05 Actual and 2005-06 Estimated Result levels due to an increase in the SA Ambulance Service investing program in 2006-07. Other variations in assets and liabilities are attributable to movements in non current assets as a result of the investing program and depreciation.

Cash flow statement — Controlled

Variations in the Cash flow statement arise principally from the same factors that give rise to variations in the Income statement and movements reflected in the Balance sheet.

Investing payments relate to projects funded from the Country Capital Reserve Fund, which is funded from own source revenue, and projects funded by the South Australian Government and include the replacement and upgrades of ambulance stations, ambulances, plant and equipment and a number of information technology projects.

Portfolio: Administrative and Information Services

Minister for Administrative Services and Government Enterprises

Minister for Industrial Relations

Minister for Recreation, Sport and Racing

Government of South Australia

TABLE OF CONTENTS

PORTFOLIO SUMMARY

Ministerial Responsibilities 8.1

Workforce Summary 8.3

Ministerial Office Resources 8.3

Agency Summaries

Department for Administrative and Information Services 8.4

PORTFOLIO: ADMINISTRATIVE AND INFORMATION SERVICES

MINISTERIAL RESPONSIBILITIES

Minister	Agency	Programs	Sub-Programs
The Hon. Michael Wright Minister for Administrative Services and Government Enterprises Minister for Industrial Relations Minister for Recreation, Sport and Racing	Department for Administrative and Information Services	1. Industrial Relations	1.1 SafeWork SA 1.2 Public Sector Workforce Relations
		2. Employee Advocacy	2.1 Employee Ombudsman Services 2.2 Conciliation and Arbitration
		3. Recreation, Sport and Racing	3.1 Recreation and Sport 3.2 Racing Policy
		4. Building Management	4.1 Building Services 4.2 Commercial Property Management 4.3 Government Employees Residential Property Management
		5. Contract and Procurement Services	Nil
		6. Community Services	6.1 Service SA 6.2 Land Services 6.3 Archives and Records Management 6.4 Government Publishing SA
		7. Support Services to Government	7.1 Forensic Science 7.2 Light Motor Vehicle Fleet 7.3 Vehicles for Ministers, Parliamentarians and VIPs 7.4 Shared Corporate Services
		8. Information and Communication Technology Services	Nil
		9. Intra-Agency Support Services (including eliminations)	Nil

Administered Items

In addition to the above responsibilities, the Portfolio administers the following items on behalf of the Minister.

- Gaming Machines Operations Deposit Account
- Auctions (plant disposal)
- Special Act Salaries for:
  - Minister for Administrative Services and Government Enterprises
  - Presidents, Deputy Presidents and Magistrates of the Industrial Relations Court and Commission and Workers Compensation Tribunal
  - Valuer-General
  - Employee Ombudsman
- Land Services Group Trust Funds
- Registrar-General and Surveyor-General Statutory Act revenues
- Government Workers Rehabilitation and Compensation Fund
- Recreation and Sport Fund
- Sport and Recreation Fund
- Major Administered Projects
- Service SA Disbursements

Statutes

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

WORKFORCE SUMMARY

Agency	FTEs as at 30 June		
	2006-07 Budget Estimate	2005-06 Estimated Result	2004-05 Actual
Department for Administrative and Information Services	2132.2	2147.7	2002.2
Total	**2132.2**	**2147.7**	**2002.2**

MINISTERIAL OFFICE RESOURCES

Minister	2006-07 Budget	
	Cost of provision $000	FTEs
The Hon. Michael Wright	2 417	22

Note: includes Media Monitoring Unit

TABLE OF CONTENTS

AGENCY: DEPARTMENT FOR ADMINISTRATIVE AND INFORMATION SERVICES

Objective 8.5

Targets / Highlights 8.6

Program Net Cost of Services Summary 8.7

Investing Payments Summary 8.8

Program Information

- Description / Objective 8.9
- Summary income statement 8.9
- Sub-program Statements and Performance Criteria 8.10

Financial Statements

- Income statement 8.34
- Balance sheet 8.35
- Statement of changes in equity 8.36
- Cash flow statement 8.37
- Income statement — Administered Items 8.39
- Balance sheet — Administered Items 8.40
- Statement of changes in equity — Administered Items 8.41
- Cash flow statement — Administered Items 8.42

Financial Commentary 8.44

Portfolio: Administrative and Information Services

Agency: Department for Administrative and Information Services

Objective

The Department for Administrative and Information Services (DAIS) performs a broad range of responsibilities on behalf of the State Government that deliver cost efficiencies and social benefits to other State Government agencies and the general community. The mission of the department is to enhance service delivery to government and the community through quality solutions, building capability and valued relationships.

DAIS encompasses the delivery of services in the areas of building management, contract and procurement support, fleet vehicle management, forensic science services, government publishing, industrial relations, information and communication technology support, land administration, project and contract management, sport, recreation and racing, records management, shared corporate services, workplace safety and the provision of community access to government services and information.

2006-07 Targets / 2005-06 Highlights

Targets 2006-07	Highlights 2005-06
• Implement all strategies to enable achievement of DAIS' responsibilities under *South Australia's Strategic Plan* • Negotiate a number of enterprise bargaining agreements covering the public sector workforce • Implement the new facilities management contract across government including a system to improve management • Refine the three-stage asset management program to guide government agencies in strategic asset management • Develop a new funding model and policies to better meet future government employee housing needs • Raise community awareness of Service SA and increase the range of services provided through the Service SA network • Incorporate new technologies to gain further efficiencies in publishing services for the Government • Improve performance in the implementation of the across-government records management strategy • Continue the Land Administration System Replacement Program • Finalise the State Procurement Board Strategic Plan and commence implementation across government • Implement the Government Auctions SA online auction service to provide better public access to services • Investigate opportunities to improve government business processes through the use of internet technologies across government and in regional areas • Implement the Information Security Management Framework across government in alignment with federal policy • Continue to manage the transition of the Government's ICT arrangements by disengaging current contracts and procuring new contracts • Support the State Procurement Board in establishing a system across government that meets the new *State Procurement Act 2004* • Enhance provision of criminal intelligence through improved automation of DNA database processes • Increase participation in recreation and sport through targeted education, services, facilities and grants • Progress the implementation of the State Physical Activity Strategy in partnership with other agencies and the community • Increase participation in sport by fostering sporting excellence and talent development pathways through the South Australian Sports Institute • Establish a specialised recreation and sport funding program for people with disabilities • Provide advice to assist government agencies in relation to public sector workplace safety management to reduce injury at work • Contribute to the SA Greenhouse Strategy, the five-star energy rating system for government office accommodation and the development of green building rating tools • Implement initiatives aimed at making 50 per cent of State Government cars more environmentally friendly fuelled by 2010 • Contribute to targets to increase the number of women on boards and committees, as both members and chairs, to 50 per cent • Implement the Aboriginal Employment Strategy for DAIS to increase the percentage of Aboriginal employees to 2.2 per cent • Continue upgrades to the regional telecommunications network to deliver significant service improvements for regional areas • Manage a range of infrastructure projects on the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands including housing for government employees • Progress the introduction of the draft *Dangerous Substances and Major Hazard Facilities Bill*	• The *Fair Work Act 1994* became operational providing increased protection and improved conditions for workers • Established the Help and Early Intervention Centre to provide information on industrial relations and workplace safety • Finalised a number of enterprise bargaining agreements for the public sector • Established new facilities management arrangements for the Government • A Construction Procurement Framework including a Project Implementation Process for the Government was approved by Cabinet • Finalised a number of software and licensing agreements for government information and communication technology (ICT) • Established the Office of the Chief Technology Officer and approved an operational model for across-government ICT services arrangements. Also developed an ICT architecture framework for the Government • The *State Procurement Act 2004*, *State Procurement Regulations 2005* and the new State Procurement Board became operational as part of procurement reform • Opened seven customer service centres as part of the expansion of Service SA, improving public access to government services • Developed a Telecommunications and Infrastructure Framework to guide government agencies • Completed an implementation and action plan for the State Physical Activity Strategy • Implemented the *be active* communication strategy • Completed a framework to support the participation of people with disabilities in sport and recreation • Distributed and assessed a range of grant funding programs for recreation and sport programs and facilities • Developed a draft strategy for state level sporting facilities • Opened the Aerial Sports High Performance Training Centre • Launched SafeWork SA as the single agency to manage occupational health, safety and welfare in South Australia • Released a draft of the *Dangerous Substances and Major Hazard Facilities Bill* for public comment • Implemented regulations to control access to security sensitive ammonium nitrate • Drafted the South Australian Asbestos Safety Action Plan which is under consultation with key stakeholders • Completed a review of the Workplace Safety Management Strategy 2004-06 for the public sector • Achieved the environmental initiative target to have 20 per cent of the Government fleet on alternative fuel by the end of 2005 • The remote communities of Mimili and Amata now receive a range of government services through Service SA • Received awards from the Royal Australian Institute of Architects and the Master Builders Association • *Bizgate* was recognised as the world's best practice model for e-government service delivery in a Gartner case study • Finalised the Government ICT Services Major Incident Framework to respond to major across-government ICT service disruption • Implemented a competency-based assessment and training program for injury management practitioners across government • Established the SafeWork SA Advisory Committee as a high level committee to the Minister for Industrial Relations • Awarded an across-government Excellence Award for the disability program, Promoting Independence and for the Aboriginal Reconciliation Program within DAIS • Established a Chair of Business Information Management at the University of Adelaide with the State Library and Fuji Xerox

Program net cost of services summary

Program	Net Cost of Services			
	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
1. Industrial Relations	22 176	25 988	23 389	23 325
2. Employee Advocacy	4 257	4 400	3 659	4 077
3. Recreation, Sport and Racing	27 594	36 348	26 004	36 670
4. Building Management	-9 656	-4 765	-1 919	-3 863
5. Contract and Procurement Services	5 055	5 570	4 845	4 246
6. Community Services	18 918	22 453	12 265	32 490
7. Support Services to Government	23 724	23 847	35 454	29 389
8. Information and Communication Technology Services	7 005	18 161	9 256	23 122
9. Intra-Agency Support Services (including eliminations)	9 473	1 134	-1 479	7 643
Total	**108 546**	**133 136**	**111 474**	**157 099**
Reconciliation to agency net cost of providing services (as per agency Income statement)				
Add: *net cost of programs/functions transferred out*				
Infrastructure Development to Department for Transport, Energy and Infrastructure[(a)]	—	—	—	1 171
Equals: **Net cost of providing services (as per agency Income statement)**	**108 546**	**133 136**	**111 474**	**158 270**

(a) This occurred on 1 July 2005.

Investing payments summary

Investments	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Works in Progress				
Automated Torrens Lands Title Administration System (ATLAS) — Stage 2	—	720	720	1 733
Automated Torrens Lands Title Administration System (ATLAS) — Stage 3	1 500	500	500	—
Carnegie Mellon University —Torrens Building	355	3 194	—	—
Education Centre — Base Building Works	—	3 681	—	946
Facilities Management Services	177	1 808	—	—
Forensic Casework Service Demands	—	490	490	—
Government Radio Network	2 840	5 537	734	4 707
Parliamentary Network Support Group	—	300	—	—
Purchase of Wakefield House from South Australian Asset Management Corporation (SAAMC)	—	13 543	—	—
Strategic Asset Management Information System (SAMIS)	—	478	465	2 031
Torrens Parade Ground	—	—	—	57
Other Projects	100	670	341	1 073
Total Works in Progress	**4 972**	**30 921**	**3 250**	**10 547**
Minor Works				
Annual Provisions	120 182	139 167	139 642	134 744
Total Investing Payments	**125 154**	**170 088**	**142 892**	**145 291**

Agency: Department for Administrative and Information Services

Program Information

Program 1: Industrial Relations

Description/Objective: Provision of workplace advisory and regulatory services to the general community and the public sector.

Summary income statement

Program 1: ***Industrial Relations***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	20 544	21 999	19 990	17 584
Supplies and services	10 970	12 456	8 327	8 922
Depreciation and amortisation	—	114	114	254
Other	573	4 594	4 039	5 970
Total expenses	**32 087**	**39 163**	**32 470**	**32 730**
Income				
Sale of goods and services	1 173	4 645	1 145	1 824
Fees, fines and penalties	8 738	8 030	7 936	7 581
Other	—	500	—	—
Total income	**9 911**	**13 175**	**9 081**	**9 405**
Net cost of providing services	**22 176**	**25 988**	**23 389**	**23 325**

Sub-program: 1.1	SafeWork SA SafeWork SA promotes and encourages safe, fair, productive workplaces and high standards of public safety for all South Australians through the provision of a range of services including information, education, assistance, compliance and enforcement activities.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$17 089 000**	**$17 025 000**	**$14 888 000**	**$13 479 000**

Performance Commentary

In 2005-06, SafeWork SA was launched as the single agency in South Australia to manage occupational health, safety and welfare (OHSW). The Help and Early Intervention Centre was established providing information on industrial relations and OHSW to the public. The Occupational Health & Safety (OHS) strategy implemented by SafeWork SA incorporates national priority programs and state based compliance initiatives. This strategy will continue in the coming financial year. Implementation of the *Industrial Law Reform (Fair Work) Act 2005* will continue the industrial relations program through the coming year and beyond. Implementation plans for targets 1.11 Industrial Relations and 2.10 Greater Safety at Work were forwarded to the Executive Committee of Cabinet and SafeWork SA continues to work towards the achievement of the targets through all programs.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of OHS workplace inspections/visits	21 000	18 908[(a)]	21 000	21 841
No. of OHS investigations finalised	2 100	2 063	2 100	2 170
No. of industrial relations investigations finalised	1 100[(b)]	1 213	1 300	1 351
No. of finalised investigations referred for prosecution[(c)]	—	77	100	100
% of advisory service telephone calls that meet set performance standards	90%	81%[(d)]	90%	89%
% of OHS investigations that meet defined customer quality standards	85%	73%[(e)]	85%	77%
% of industrial relations compliance issues resolved within three months	80%	72%[(f)]	80%	65%

Footnotes

(a) Since the establishment of SafeWork SA in January 2006, inspectors have given increased attention to an assessment of OHS management systems. This type of investigation is more detailed and time consuming than a process of hazard identification, and as such has resulted in a reduced number of workplace visits.

(b) Target reduced due to impact of Work Choices amendments to the federal *Workplace Relations Act 1996*.

(c) This measure is to be discontinued (to be replaced by positive indicator under development and discussion with the SafeWork SA Advisory Committee).

(d) Information and advisory services (telephone contact) are provided through the newly established Help and Early Intervention Centre. The results were less than targeted as capability and capacity of the centre are being built.

(e) The target is that 85 per cent of OHS investigations will be resolved within a six-month period. The greater legal complexity of issues and an increasing number of vigorously defended cases (including challenges of evidence) has impacted on this deliverable. Such investigations will not be compromised or constrained by what is a stretch target for SafeWork SA.

(f) The target of 80 per cent of industrial relations compliance matters resolved within three months remains a stretch target. The introduction of Work Choices amendments to the federal *Workplace Relations Act 1996* has complicated the industrial landscape in South Australia, and as such has made the achievement of the target difficult. Further to this new provisions in the *Fair Work Act 1994* now enable an expanded range of services to be planned and delivered. These include site visits by inspectors as part of general awareness raising or visits that will concentrate on minimum remuneration compliance. These are part of a broad range of tasks SafeWork SA is implementing to address Industrial Relations Target 1.11 in *South Australia's Strategic Plan*.

Sub-program: 1.2	Public Sector Workforce Relations
	The Public Sector Workforce Relations Unit assists the Government to achieve its economic development and social goals, working within the parameters of relevant legislation and government policy, by providing: • industrial relations services which achieve as far as possible, consistent and equitable practices, procedures and outcomes for the public sector workforce; • occupational health, safety and injury management services across the public sector, including a strategic monitoring and consulting role to the Premier, Cabinet and agency Chief Executives; and • strategic workforce policy and projects, developing high level human resource management policy advice, and initiating and managing significant projects involving public sector wide outcomes.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$5 087 000**	**$8 963 000**	**$8 501 000**	**$9 846 000**

Performance Commentary

Public Sector Workforce Relations has and will continue to pursue various activities and initiatives aimed at providing responsive and safe working conditions through improving industrial relations and occupational health, safety and injury management services in the State public sector. During 2005-06, major enterprise agreements were negotiated for teachers and TAFE lecturers, fire fighters, ambulance employees, TransAdelaide employees, salaried medical officers, clinical academics and others. A competency based OHS assessment and training program, accredited to advanced diploma level, continued for OHS practitioners in the public sector. A review of the Workplace Safety Management Strategy 2004-06 for the public sector was completed and agency workplace safety and injury management performance continued to be monitored and reported.

Agency: Department for Administrative and Information Services

Program Information

Program 2: Employee Advocacy

Description/Objective: Provision of services to ensure the rights of employees are protected and to resolve workplace disputes.

Summary income statement

Program 2: *Employee Advocacy*	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Expenses				
Employee benefits and costs	5 700	5 239	5 635	5 516
Supplies and services	4 117	4 584	3 447	3 504
Depreciation and amortisation	58	58	58	134
Other	—	—	—	3
Total expenses	**9 875**	**9 881**	**9 140**	**9 157**
Income				
Sale of goods and services	5 611	5 474	5 474	5 073
Fees, fines and penalties	7	7	7	7
Total income	**5 618**	**5 481**	**5 481**	**5 080**
Net cost of providing services	**4 257**	**4 400**	**3 659**	**4 077**

Program 2: Performance Criteria:

Sub-program: 2.1	**Employee Ombudsman Services** The Employee Ombudsman is appointed by Parliament to assist in ensuring that the rights of employees under South Australian law are protected. This entails promoting the principles of fairness, equity and justice for all employees.

	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$496 000**	**$485 000**	**$439 000**	**$523 000**

Performance Commentary

The Office of the Employee Ombudsman is performing successfully to a level which meets the objectives set out in Section 62 of the *Fair Work Act 1994*, such as advising employees, including home-based workers, on their rights and obligations under award enterprise agreements or contract arrangements; investigating complaints if the Employee Ombudsman considers there is sufficient reason to do so; scrutinising enterprise agreements lodged for approval and intervening where appropriate to do so; and advising employees on OHSW issues.

Sub-program: 2.2	**Conciliation and Arbitration** Provision of industrial conciliation and arbitration services through the Industrial Relations Court and Commission, and Workers Compensation Tribunal, for the resolution of workplace disputes.

	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$3 761 000**	**$3 915 000**	**$3 220 000**	**$3 554 000**

Performance Commentary

The Industrial Relations Court and Commission and Workers Compensation Tribunal has little or no control over the number of matters lodged but there is an expectation that the number of industrial matters lodged will decline in 2006-07 due to the recent introduction of the Federal Government's Work Choices legislation.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
No. of industrial matters lodged, including prosecutions	1 500[(a)]	2 430	2 460	2 460
No. of workers compensation matters lodged	5 800	5 809	6 500	6 259
Time to closure for workers compensation dispute cases:				
• % closed in 3 months	44%	44%	35%	43%
• % closed in 6 months	72%	72%	65%	70%
• % closed in 9 months	86%	86%	85%	84%
• % closed in 12 months	92%	92%	90%	91%
Time to closure for unfair dismissal cases:				
• % closed in 3 months	52%	52%	60%	66%
• % closed in 6 months	78%	78%	80%	86%
• % closed in 9 months	89%	89%	90%	93%
• % closed in 12 months	94%	94%	95%	96%

Footnotes

(a) Target reduced due to impact of Work Choices legislation.

Agency: Department for Administrative and Information Services

Program Information

Program 3: Recreation, Sport and Racing

Description/Objective: Provision of programs, services and policy to facilitate the delivery and strategic development of active recreation and sport facilities, services, programs and infrastructure across the State. This includes promoting community participation in active recreation and sport activities, engendering the continued development of the industry and providing targeted support to specific populations including the development of high performance athletes.

This program also includes the provision of policy advice to the Minister on matters impacting upon the viability of the racing industry in South Australia.

Summary income statement

Program 3: *Recreation, Sport and Racing*	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	7 998	8 176	7 590	7 086
Supplies and services	9 868	10 107	8 482	11 478
Depreciation and amortisation	2 114	2 114	1 651	1 985
Other	15 115	23 273	16 494	25 541
Total expenses	**35 095**	**43 670**	**34 217**	**46 090**
Income				
Sale of goods and services	1 254	1 139	2 031	2 253
Fees, fines and penalties	—	—	—	8
Commonwealth revenue	1 632	1 596	1 596	671
Other	4 615	4 587	4 586	6 488
Total income	**7 501**	**7 322**	**8 213**	**9 420**
Net cost of providing services	**27 594**	**36 348**	**26 004**	**36 670**

Program 3: Performance Criteria:

Sub-program: 3.1	**Recreation and Sport** Provision of programs, services and policy to facilitate the delivery and strategic development of active recreation and sport facilities, services, programs and infrastructure across the State. It is aimed at enhancing the quality and extent of opportunities for participation and fostering continued sustainability of the industry, as well as providing targeted strategies and support for specific populations including the development of high performance athletes.

	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$27 041 000**	**$35 460 000**	**$25 509 000**	**$36 186 000**

Performance Commentary

This program benefited the community by providing a coordinated approach to the development, promotion, implementation and evaluation of sport, active recreation and physical activity initiatives and services across government, industry and the wider community from the grass roots level to elite level. The State Physical Activity Strategy and the *be active* communication plan continue to be implemented to improve participation in sport and recreation as per target 2.7 of *South Australia's Strategic Plan*. A range of grants programs for recreation and sport programs and facilities continued to be distributed and assessed. The grant programs are subject to community demand and the number of applications varies as a consequence. Training and development services provided to the industry are dependent on demand from the industry and the general community. The Aerial Sports High Performance Training Centre at Royal Park opened as part of the National Performance Training Centres Program.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
No. of grant applications evaluated	1 500	1 452	1 500	1 499
No. of community participation programs managed	175	175	175	160
No. of training and development services provided to the active recreation and sport industry	147	147[(a)]	115	120
No. of state active recreation and sport facilities developed or maintained	24[(b)]	29[(c)]	30	30
No. of non-grant program/service agreements managed	47	47	38	45
No. of athlete scholarships and services provided	630	632[(d)]	650	642
No. of high performance sports programs conducted	18	18	18	15

Footnotes

(a) Variation due to the introduction of the Early Childhood 'playtime' Sessions program.

(b) Variation due to the completion of the Recreation Trails program with maintenance now undertaken by other organisations.

(c) The South Adelaide Football Club, Oval and Grandstand Complex is no longer maintained.

(d) Variation due to an increase in the eligibility and performance criteria for some sports.

Sub-program: 3.2	Racing Policy Provision of strategic policy advice to the Government through the Minister for Recreation, Sport and Racing on matters relating to, and affecting, the South Australian racing industry. To achieve this, the Office for Racing facilitates and builds alliances with individuals and organisations involved in the South Australian racing and wagering industries.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$553 000**	**$888 000[(a)]**	**$495 000**	**$484 000**

Footnote	(a) Variation due to funding provided for the 2007 Inter Dominion Championships and the Makybe Diva Statue.

Performance Commentary

The Office for Racing assisted the long-term viability of the racing industry in South Australia and its on-going contribution to the State economy through the development and implementation of racing industry policy. This involved consultation and collaboration with relevant industry stakeholders including participation in national conferences with State Government racing ministers and officials. The Office continued to monitor national and international issues that had the potential to affect the South Australian racing industry. Work will continue with the racing industry to resolve outstanding issues relating to betting exchanges and on the amendments to the *Lottery and Gaming Act 1936* relating to the prohibition of betting exchanges and the unauthorised publication of South Australian race fields.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of consultations with racing industry organisations	25	25	20	25

Agency: Department for Administrative and Information Services

Program Information

Program 4: Building Management

Description/Objective: Provision of services to government agencies in relation to the construction, maintenance and management of building assets.

Summary income statement

Program 4: ***Building Management***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	18 600	20 427	19 589	16 846
Supplies and services	174 771	175 723	164 273	188 240
Depreciation and amortisation	9 814	9 239	9 432	7 805
Other	5 278	5 213	13 092	8 333
Total expenses	**208 463**	**210 602**	**206 386**	**221 224**
Income				
Sale of goods and services	212 319	211 432	204 717	223 610
Fees, fines and penalties	—	—	—	1
Other	5 800	3 935	3 588[(a)]	1 476
Total income	**218 119**	**215 367**	**208 305**	**225 087**
Net cost of providing services	**-9 656**	**-4 765**	**-1 919**	**-3 863**

(a) Incorrectly reported as 3588 in the 2005-06 Portfolio Statement. Should have been reported as 5718. A compensating error was made in Intra-Agency Support Services.

Program 4: Performance Criteria:

Sub-program: 4.1	**Building Services** Provision of building facilities, project, risk, maintenance and asset management services to the State Government.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$10 159 000**	**$11 017 000**	**$6 031 000**	**$2 425 000**

Performance Commentary

More than 390 building projects with a combined value of $1000 million were managed including Carnegie Mellon University refurbishment, Schomburgk Pavilion and SA Water Mediterranean Garden, Mimili Pool and the Lyell McEwin Hospital, which received the SA Property Council Award. Cabinet endorsed new Facilities Management Contract arrangements in December. The new contract is expected to increase the amount of work undertaken and deliver benefits to the Government and its agencies. The Construction Procurement Framework including the Project Implementation Process Policy was developed and is being implemented across government including a revised fee model for construction procurement project risk management. The development of the Strategic Asset Management Information System (SAMIS) was completed and roll-out to all agencies is continuing. Leadership was provided to agencies on asbestos management, removal and reporting. An asbestos awareness CD was released, providing information to building occupants.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
Hours of asset management advice to government agencies	19 000[a]	19 000[b]	28 000	28 000
Amount of building information relating to the Government's stock of assets captured in the Building Land and Asset Management System (BLAMS)	—	Limited access to BLAMS[c]	Decommission BLAMS	—
Non-residential government buildings able to be identified spatially using new functionality of SAMIS	—	100%[d]	100%	—
No. of across-government facility management contracts managed	—[e]	3	3	3
Annual value of facility management contracts	$76m[f]	$88m[g]	$75m	$100m[h]
No. of Facilities Services jobs completed	82 000[i]	2 400	2 981	3 224
Value of Facilities Services jobs completed	$78m[j]	$27m	$28m	$42m
No. of building projects managed	350[k][l]	425	460	460
Annual fee charged for risk management services	$4.2m	$4.1m	$3.0m	$3.8m
Annual value of projects managed	$1 000m[k]	$1 000m	$1 000m	$900m

Footnotes

(a) Four strategic asset management advisers were transferred to the Department for Transport, Energy and Infrastructure (DTEI) in May 2005. This represents the remaining building asset management advisers, contracts management and systems resources retained in DAIS to support agencies.

(b) Transfer of four strategic asset management advisers to DTEI in May 2005.

(c) There is limited access to BLAMS pending the system being archived. This performance indicator will no longer be reported on beyond 2005-06.

(d) Having achieved the 2005-06 Target of 100 per cent, this performance indicator will no longer be reported on beyond 2005-06.

(e) The renewal of the contracting arrangements in 2005-06 resulted in only two service providers for three years with options for a maximum term of nine years. This indicator will not be reported in future years.

(f) Represents estimated expenditure advised by lead agencies at the commencement of the financial year.

(g) This is the actual expenditure for the 2005-06 financial year and was higher than the target due to additional requests for work being received from client agencies.

(h) The extra expenditure for this year relates to the School Pride program.

(i) Title of indicator 'No. of building maintenance jobs completed' has been changed to more accurately describe what is being measured from 2006-07 and the indicator now includes all projects undertaken by Facilities Services rather than just minor works projects as previously measured.

(j) Title of indicator 'Value of building maintenance jobs completed' has been changed to more accurately describe what is being measured from 2006-07 and the indicator now includes the value of all projects undertaken by Facilities Services rather than just minor works projects as previously measured.

(k) Reduction from previous year reflects an ongoing trend of a reduced number of projects overall but the average project value and complexity has increased.

(l) From 2006-07, this indicator only measures projects that are being actively managed during the course of the financial year. Prior to 2006-07, this indicator measured all projects 'on the books'.

Sub-program: 4.2	Commercial Property Management Procures and manages office accommodation for government agencies.			
	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**-$10 382 000**	**-$9 189 000**	**-$5 878 000**	**-$2 367 000**

Performance Commentary

Work continues with government agencies to determine future accommodation requirements and to ensure that government office space delivers a work environment that is comfortable, safe and healthy. In 2005-06, the refurbishment of 20 000m^2 of office space for the Department of Education and Children's Services was completed. Approval was obtained for the commercial construction of 11 000m^2 of new office fit out in the Central Tower 1 development for the Department of Further Education, Employment, Science and Technology and the Department for Transport, Energy and Infrastructure. Agreements are established for the construction of a Green Star rated Building and new fit out for SA Water. A strategy for the provision of new accommodation for the South Australia Police Department Headquarters is progressing. A strategy to achieve more sustainable and energy efficient buildings, including preference for those with a five-star energy rating was developed. During the year, 351 commercial accommodation leases, including 280 546$m^2$of office space and 62 government owned office accommodation properties containing 183 439$m^2$of office space with a value of $212 million were managed.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of commercial tenancies managed	336	351	330	341
Area of commercial leases managed	280 000m^2	280 546m^2	270 000m^2	278 000m^2
No. of government owned commercial buildings managed	60	62	60	62
Area of government owned commercial buildings managed	182 000m^2	183 439m^2	180 000m^2	177 450m^2
Management costs per square metre of commercial accommodation	$8.50	$8.05	$9.00	$7.70
Vacancy rate for commercial office accommodation	0.5%	0.8%	0.5%	0.5%

Sub-program: 4.3	Government Employees Residential Property Management Procures and manages regional housing for South Australian government employees.			
	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**-$9 433 000**	**-$6 593 000**	**-$2 072 000**	**-$3 921 000**

Performance Commentary

Procurement of housing by purchase, construction or leasing from the private sector for government employee housing needs in rural areas. A portfolio of 1900 owned and leased houses located in 200 locations throughout the State including approximately 2500 tenancy agreements were managed. In 2005-06, 1800 tenancy changeovers were managed including entry and exit inspections and the establishment of residential tenancy agreements. 11 new units of accommodation were provided on the Anangu Pitjantjatjara Yankunytjatjara Lands at Kenmore Park, Amata, Umuwa, Yalata and Oak Valley. An inspection to determine the presence of asbestos material was conducted on all employee housing. New housing stock was procured at Whyalla, Cowell, Murray Bridge, Port Pirie, Millicent, Pinnaroo, Victor Harbor, Hamley Bridge and Bordertown and new housing was constructed at Coober Pedy and Stirling North.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of residential tenancies managed	2 650	2 636	2 800	2 665
No. of government owned residential properties	1 640	1 661	1 620	1 652
No. of leased residential properties from the private market	300	271	280	249
Vacancy rate for residential properties	6.0%	6.5%	6.0%	6.0%
Management costs per residential properties per annum[(a)]	$1 240	$1 173	$1 250	$1 092

Footnotes

(a) The variation between the 2004-05 Target (in the 2005-06 Portfolio Statements) and 2004-05 Actual is due to a change in reference from cost per tenancy to cost per property. Cost per property is considered to be a more appropriate indicator as tenancy figures are distorted by large variations in the duration of tenancy agreements.

Agency: Department for Administrative and Information Services

Program Information

Program 5: Contract and Procurement Services

Description/Objective: Management of procurement, disposal and across-government contract services for the provision of a wide range of government goods and services.

Summary income statement

Program 5: *Contract and Procurement Services*	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Expenses				
Employee benefits and costs	9 345	9 017	8 943	6 779
Supplies and services	23 083	23 486	22 600	18 104
Depreciation and amortisation	296	77	296	87
Other	27	27	27	1 147
Total expenses	**32 751**	**32 607**	**31 866**	**26 117**
Income				
Sale of goods and services	27 696	27 037	27 021	21 863
Other	—	—	—	8
Total income	**27 696**	**27 037**	**27 021**	**21 871**
Net cost of providing services	**5 055**	**5 570**	**4 845**	**4 246**

Program 5: Performance Criteria:

Program: 5	**Contract and Procurement Services** Support the State Procurement Board in the delivery of its key objectives. Support the board in developing the strategic direction for procurement operations across government, focusing on policy and guidelines development, capability development, and facilitating procurement across government.

	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of program	**$5 055 000**	**$5 570 000**	**$4 845 000**	**$4 246 000**

Performance Commentary

Cabinet approved a two-stage procurement reform implementation program and stage one has been successfully completed. Regulations under the *State Procurement Act 2004* came into operation and the new State Procurement Board (SPB) met for the first time in October 2005. The Chief Executive of DAIS was the first agency CE to be granted an $11 million SPB Procurement Authority. Data relating to across-government contracts was collected and analysed in order to identify procurement process timelines. Significant progress has been made on a number of key strategic across-government contracts and the agreed program of achievements is being met including significant savings on some government contracts. The financial performance of Supply SA operations improved due to better cost management resulting in higher net profit margins. The State Emergency Coordination Centre and State Logistics Operations Centre are operating effectively and support capabilities are continually being improved. Real time auction facilities for Government Auctions SA have been established and are operating successfully.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
State Procurement Act 2004 proclaimed and implemented	—[(a)]	1	1	—
Policy development program developed and implemented	—[(a)]	1	1	—
Professional Development Program developed	—[(a)]	1	1	—
Stage 1 Reform initiatives implemented	—[(a)]	1	1	—
No. of contracts managed	70[(b)]	52	55	47
Value of contracts managed	$808m[(c)]	$1 118m	$1 085m	$996m
Management cost per dollar value of contract	$0.01[(d)]	$0.0065	$0.0087	$0.0068

Footnotes

(a) Having achieved the 2005-06 Target of 1, this performance indicator will no longer be reported on beyond 2005-06.

(b) During 2006-07, Contract Services will be implementing a significant number of additional strategic contracts. This increase will be partly offset by the transfer to Information and Communication Technology Services of contracts for personal computers and photocopiers.

(c) As the value of the additional strategic contracts to be developed will be lower than the value of the contracts transferred to Information and Communication Technology Services the total value of contracts managed will be reduced.

(d) The lower total value of the contracts being managed and the higher costs associated with establishing contracts results in a higher management cost per dollar of contract value in 2006-07.

Agency: Department for Administrative and Information Services

Program Information

Program 6: Community Services

Description/Objective: Provision of specialised services and support, information and policy to the community, government, industry and the Minister in the areas of land administration, records management and archives, government publishing and the provision of wider access to government information, services and transactions.

Summary income statement

Program 6: ***Community Services***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	32 168	32 975	27 916	27 271
Supplies and services	27 990	28 465	24 088	29 798
Depreciation and amortisation	2 149	2 263	1 687	1 819
Other	—	35	—	131
Total expenses	**62 307**	**63 738**	**53 691**	**59 019**
Income				
Sale of goods and services	24 967	23 427	23 151	18 846
Fees, fines and penalties	10 799	10 398	10 756	7 472
Other	7 623	7 460	7 519	211
Total income	**43 389**	**41 285**	**41 426**	**26 529**
Net cost of providing services	**18 918**	**22 453**	**12 265**	**32 490**

Program 6: Performance Criteria:

Sub-program: 6.1	**Service SA** Provides the community of South Australia with access to government services and information through an integrated network of online, phone and face-to-face delivery channels.

	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$2 044 000**	**$3 276 000**	**$2 438 000**	**$3 271 000**

Performance Commentary

Seven Customer Service Centres successfully opened in Mount Gambier, Naracoorte, Berri, Port Pirie, Murray Bridge, Adelaide and Kadina as part of the Service SA expansion, meeting *South Australia's Strategic Plan* action to extend Service SA and provide improved access to service delivery. 120 staff from the Department for Transport, Energy and Infrastructure (DTEI) transferred to DAIS/Service SA on 1 July 2005 as part of the Cabinet approved Service SA expansion. DAIS assumed operation of the DTEI Transport Call Centre in July 2005. Service delivery commenced in the remote communities of Mimili and Amata as part of a Council of Australian Governments project. Visits to the Service SA website increased by 42 per cent in 2005-06, compared to the previous year. New services available through Service SA include the ability to make Land Tax payments and Housing Trust payments. In 2005-06, Service SA processed 1 094 000 financial transactions compared to 366 000 financial transactions in 2004-05. Whilst this is predominantly due to the expansion of the Service SA network, steady growth is being experienced in a number of centres due to the introduction of new services. A hotline was established to assist people affected by the Adelaide floods in November 2005. The Government Legislation Outlet was relocated to improve public access.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
No. of financial transactions per annum[(a)]	1 100 000	1 094 000	1 290 000	366 000
No. of inbound calls to customer contact centre per annum	1 344 000	1 295 000	1 400 000	550 000
No. of Section 7 statements issued[(b)]	—	—	52 000	53 000
No. of website sessions on <www.service.sa.gov.au> per annum	840 000	727 835	500 000	509 740
No. of over the counter locations[(c)]	24	21[(d)]	20	15[(e)]

Footnotes

(a) The opening of seven new Service SA Customer Service Centres was a staged rollout during the 2005-06 year.

(b) This function was transferred to Land Services from 1 July 2005 and will no longer be reported under this sub-program.

(c) Includes Customer Service Centres, Government Legislation Outlet, Rural Agents and APY Lands service delivery outlets.

(d) Comprises 7 Rural Agents, 11 Customer Service Centres, Government Legislation Outlet, and 2 APY Lands.

(e) Comprises 10 Rural Agents, 4 Customer Service Centres, and Government Legislation Outlet.

Sub-program: 6.2	Land Services Provides statutory services and information to the community in relation to land titling, survey, valuation and advice on land administration issues, and the development of specialist land administration policy.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$11 581 000**	**$13 327 000**	**$5 773 000**	**$22 623 000**

Performance Commentary

During 2005-06, Land Services Group activities involved processing 56 000 land transactions in South Australia with a property sales value of $14.5 billion, collecting revenue of approximately $125 million in land administration fees and charges, and maintaining the State's survey infrastructure to support land boundary definitions. The development of an Electronic Plan Lodgement System continued with a preferred supplier selected and development occurring during 2006-07. The Emergency Management Council of Cabinet approved the National Standard for Rural Street Addressing and implementation will continue during 2006-07. The State Valuation Office was formed, merging the Office of the Valuer-General and Valuation SA. A new Registrar-General was appointed in January 2006. The re-licensing of property sales data to value added resellers was completed and the number of licence agreements was increased. The *Valuation of Land Regulations 2005* have been remade including the adoption of a new fee structure for recovering the costs of providing the Valuation Roll for rating and taxing purposes.

Over 816 000 site and capital valuations were undertaken during this valuation cycle. As at 1 July 2006, the total values of properties in South Australia were: site value $132 billion (10 per cent increase from the previous year); and capital value $233 billion (8 per cent increase from the previous year).

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of valuation assessments	826 000	816 529	813 000	805 836
No. of documents lodged	234 000	235 892	230 000	233 619
% of valuations where value is upheld	99.60%	99.65%	99.60%	99.51%
% of internal errors found in Lands Title Office	1.10%	1.19%	1.10%	0.70%
% of objections to valuations to be finalised within 5 weeks for metro area	80%	73%[(a)]	80%	37%
% of registrations on Torrens Automated Titles within seven days	80%	60%[(b)]	95%	67%

Footnotes

(a) A continued high volume of objections associated with increases in property values. Additional impact associated with media coverage and land owner scrutiny of property values.

(b) Resource levels in this area continue to present a challenge in meeting the target.

Sub-program: 6.3	Archives and Records Management Provides statutory services for the management of, and access to, the State's archival records collection of State and local government records and provision of advice on records and information management, legislation, policy and practices. Administers the State's freedom of information and privacy regimes and copyright agreements.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$5 478 000**	**$5 988 000**	**$4 313 000**	**$6 443 000**

Performance Commentary

The implementation of the Across-Government Records Management Strategy has seen State Records:

- develop and deliver training that upskills staff across government;
- issue a second tender call for suppliers of electronic document and records management software systems; and
- commence the auditing of records management performance across State and local government.

Access to the archives has been provided at the City and Gepps Cross sites with particular focus on assisting agencies with records of interest to the Children in State Care - Commission of Inquiry. Accuracy of information about the collection has been improved to assist customers with their searches. The ability for customers to access information via the web has resulted in changes to the way State Records' services are accessed. The across-government online system for managing Freedom of Information applications has been successfully implemented.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of visitors to:				
• Leigh Street Research Centre	2 000	1 301	2 000	—
• Gepps Cross Research Centre	2 000	1 532	2 300	2 200
No. of archived items retrieved:				
• Leigh Street Research Centre	2 000	1 659	2 000	—
• Gepps Cross Research Centre	14 000	13 455	12 500	16 000
No. of new public registered users	2 000	1 446	2 220	—
% of Gepps Cross Repository storage space utilised	90%	85%	85%	80%
% of agencies self assessed against Adequate Records Management Framework	—[(a)]	50%	100%	30%

Footnotes

(a) This indicator is no longer relevant in assessing the performance of Archives and Records Management for future years.

Sub-program: 6.4	Government Publishing SA Production and distribution of government and parliamentary publications.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**-$185 000**	**-$138 000**	**-$259 000**	**$153 000**

Performance Commentary

During 2005-06, several key items of machinery were replaced, improving production capabilities. Consolidation of colour copying and printing services was created and a laminating service was introduced. A high level of production was maintained despite a reduction in parliamentary activity. A tender document for the acquisition of high volume printers was completed.

Performance Indicators[(a)]	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
Impressions produced internally	23 000 000	—	—	—
Cost per impression	$0.092	—	—	—
Total impressions produced per FTE	1 600 000	—	—	—
Sales per FTE	130 000	—	—	—

Footnotes

(a) Performance indicators prior to 2006-07 had not been developed.

Agency: Department for Administrative and Information Services

Program Information

Program 7: Support Services to Government

Description/Objective: Provision of various support services to government including shared corporate services, forensic science services, light motor vehicle fleet management, and fleet management for Ministers, Parliamentarians and VIPs.

Summary income statement

Program 7: ***Support Services to Government***	**2006-07 Budget $000**	**2005-06 Estimated Result $000**	**2005-06 Budget $000**	**2004-05 Actual $000**
Expenses				
Employee benefits and costs	26 023	20 175	28 441	27 113
Supplies and services	60 313	61 980	39 329	49 131
Depreciation and amortisation	43 281	30 318	30 318	41 448
Other	19 072	18 228	18 228	10 272
Total expenses	**148 689**	**130 701**	**116 316**	**127 964**
Income				
Sale of goods and services	124 965	106 854	80 862	95 568
Other	—	—	—	3 007
Total income	**124 965**	**106 854**	**80 862**	**98 575**
Net cost of providing services	**23 724**	**23 847**	**35 454**	**29 389**

Program 7: Performance Criteria:

Sub-program: 7.1	**Forensic Science** Provision of forensic science services, primarily in relation to coronial and police investigations.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of sub-program	**$12 176 000**	**$11 487 000**	**$9 459 000**	**$9 657 000**

Performance Commentary

During 2005-06, there was a significant reduction in DNA database backlogs and stage one of the robotics project in the DNA laboratory was implemented. Forensic Science SA contributed to the development of procedures for the management of chemical, biological and radiological incidents in Australia. Resources have been put in place in preparation for the introduction of the Drugs in Driver legislation on 1 July 2006. A large increase in notifications from the South Australia Police (SAPOL) for the destruction of forensic materials under the Forensic Procedures legislation was responded to successfully.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
Total no. of police cases referred each year[(a)]	4 150	3 763	4 975	4 343
Total no. of DNA Database Reference Samples submitted each year[(b)]	10 000	8 208	8 000	8 230
Total no. of coronial cases referred each year (including reviews)[(c)]	1 650	1 670	1 600	1 223
% of successful proficiency tests on cases	100%	94%	100%	96%
% of cases/investigations completed within 42 days of lodgement[(d)]	30%	20%	30%	27%

Footnotes

(a) Police case submissions in 2005-06 were reduced as a result of the Contact DNA Policy agreed between SAPOL and Forensic Science SA. Increases predicted in 2006-07 are as a result of the Drugs in Drivers legislation and proposed changes to the *Criminal Law (Forensic Procedures) Act 1998*.

(b) Increases in database reference samples are a result of the proposed changes to the *Criminal Law (Forensic Procedures) Act 1998* which are still to be drafted and debated. The impact could be between 3000 and 5000 more samples per annum. The legislation is likely to be proclaimed before the end of 2006.

(c) Coronial reviews have now been included in this caseload (20 in 2004-05 increased to 305 in 2005-06). This process requires a pathologist to review case notes of the deceased and provide an opinion on the need for a post mortem.

(d) Turn-around-times have been affected by cases being put on hold during development and negotiation of the Contact DNA Policy with SAPOL. The number of multiple work type cases being submitted in 2005-06 has also increased compared to 2004-05.

Sub-program: 7.2	Light Motor Vehicle Fleet Provision of fleet management services to State Government agencies including policy advice, vehicle leasing, maintenance, accident and fuel management, vehicle fit out and disposals preparation.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$945 000**	**$509 000**	**-$1 408 000**	**$315 000**

Performance Commentary

The introduction of a three year / 60 000 kilometre retention policy for vehicles will result in a reduction of the number of new vehicles purchased as vehicles are held for longer periods.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of new vehicles purchased[(a)]	3 000	4 254	4 000	4 132
% of general service and supply agreements meeting agreed standards[(b)]	100%	95%	100%	95%
% of vehicle orders delivered within agreed time frames[(c)]	85%	62%[(d)]	85%	76%
Average fleet management vehicle cost per annum	$330[(e)]	$332[(f)]	$395	$369

Footnotes

(a) Title of indicator 'No. of new vehicle requests' has been changed to more accurately describe what is being measured.

(b) Title of indicator '% of service level agreements meeting agreed standards' has been changed to more accurately describe what is being measured.

(c) Title of indicator '% of services and orders delivered within agreed time frames' has been changed to more accurately describe what is being measured.

(d) Delivery of replacement of motor vehicles influenced by manufacturer production delays and subsequent extended delivery dates from motor vehicle dealers. This impacted on 2005-06 due to delays in the availability of LPG product.

(e) This target is expected to be achieved unless there are significant changes to the total fleet size.

(f) The increase in the fleet size during 2005-06 contributed to the lower average fleet management vehicle cost per annum.

Sub-program: 7.3	Vehicles for Ministers, Parliamentarians and VIPs Provision of a motor vehicle service to ministerial representatives and VIP dignitaries on official State Government business together with the provision of parliamentary remuneration vehicles to members of parliament.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$4 448 000**	**$4 340 000**	**$4 285 000**	**$4 768 000**

Performance Commentary

Continued management of the Ministerial / VIP chauffer service and in January 2005 commenced the provision of vehicles to members of parliament.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of motor vehicles provided	77	70[(a)]	27	27

Footnotes

(a) The increase in the number of motor vehicles provided reflects the take up of vehicles by members of parliament.

Sub-program: 7.4	Shared Corporate Services Provision of a comprehensive, cost efficient range of shared corporate services including the provision of payroll, e-procurement, human resources, ICT support and accounting and financial services to various government agencies including DAIS. In previous years, this sub-program only related to the provision of services to other government agencies.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$6 155 000**	**$7 511 000**	**$23 118 000**	**$14 649 000**

Performance Commentary

During 2005-06, e-payslips were successfully introduced across DAIS and all agencies that are bureau clients. Service level agreements were renewed by several agencies. A human resource award was received from the Office of Public Employment for a redeployee training program in Accounts Payable. Electronic funds transfer processes were substantially improved through improving the timeliness of the provision of remittance advices.

A range of ICT projects were successfully managed and implemented.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of government agencies provided with shared services	26	26	31	29
No. of IT helpdesk calls answered per annum	42 200	38 568	40 000	35 604
No. of payroll transactions processed per annum	291 400[(a)]	284 300[(a)]	54 588	269 754[(a)]
No. of accounts payable transactions processed per annum	220 000	219 029	244 810	220 441

Footnotes

(a) The number of payroll transactions processed per annum has been expanded to take account of all forms processed by payroll which include leave applications and alterations to employee records for both DAIS and bureau clients.

Agency: Department for Administrative and Information Services

Program Information

Program 8: Information and Communication Technology Services

Description/Objective: Provides strategic government Information and Communication Technology services, primarily across the public sector. Provides strategic advice on, and coordination of, agency and sector specific information and communication technology initiatives to assist agencies in the efficient delivery of services to the government and the community.

Summary income statement

Program 8: ***Information and Communication Technology Services***	**2006-07 Budget $000**	**2005-06 Estimated Result $000**	**2005-06 Budget $000**	**2004-05 Actual $000**
Expenses				
Employee benefits and costs	11 690	13 692	11 615	11 108
Supplies and services	126 052	133 676	125 716	139 155
Depreciation and amortisation	13 696	13 646	13 646	13 367
Other	589	-327	114	895
Total expenses	**152 027**	**160 687**	**151 091**	**164 525**
Income				
Sale of goods and services	145 022	142 526	141 835	141 403
Total income	**145 022**	**142 526**	**141 835**	**141 403**
Net cost of providing services	**7 005**	**18 161**	**9 256**	**23 122**

Program 8: Performance Criteria:

Program: 8	**Information and Communication Technology Services** Provision of services to government agencies in relation to information technology and communications.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of program	**$7 005 000**	**$18 161 000**	**$9 256 000**	**$23 122 000**

Performance Commentary

As part of Future ICT, a number of project transitions for Government ICT were finalised. Procurements included across-government software (Novell, Microsoft), PABX maintenance and support services, Managed Network Services and internet service provider services. The Office of the Chief Technology Officer was established and an operational model for across-government ICT service arrangements was approved. An ICT architecture framework to guide decisions on technology platform and systems across government was developed.

A telecommunications and infrastructure framework was developed to guide government agencies in relation to telecommunications infrastructure. The upgrade of broadband in Port Lincoln was completed with Port Augusta in progress. *Bizgate* was recognised as the world's best practice model for e-government infrastructure and service delivery in a Gartner case study. The Major Incident Coordination Framework was introduced across government to respond to any major ICT service disruption that may occur. A new service relationship model for service delivery across government was benchmarked and introduced.

Performance Indicators[(a)]	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
No. of contracts managed	—	9	9	8
Value of contracts managed	—	$142.5m	$147.5m	$136.5m
Value of management fee	—	$2.1m	$2.1m	$2.1m

Footnotes

(a) The above includes contracts for which either a Contract Management Levy is applied or where services are bought in and recovered by Government Information and Communication Technology Services (Government ICT Services) through unit pricing. For 2006-07, establishment of the new contract base is currently subject to negotiations by the Future ICT Service Arrangement Team. Contract values and management fees will depend upon the outcomes of negotiations by the Future ICT Service Arrangement Team. Once finalised, Government ICT Services will review the suitability of the above performance indicators for inclusion in future reporting.

Agency: Department for Administrative and Information Services

Program Information

Program 9: Intra-Agency Support Services (including eliminations)

Description/Objective: The centralised provision of support services to the various business units within the portfolio of DAIS. These services include human resources and injury management services, financial management services, records management, facilities management, internal audit and risk management, administrative support, media and corporate communications, customer relationship management, strategic planning, monitoring and reporting, management of DAIS' response to *South Australia's Strategic Plan*, policy advice and executive and ministerial governance.

This program also captures the eliminations of expenditure and revenue across DAIS arising from the significant impact of inter-program trading (eg Fleet use in Land Services, telephone and ICT expenditure in Building Management). This intra-agency trading produces negative expenditure and revenue in this program to allow the aggregate of DAIS' individual programs to reconcile with DAIS' consolidated financial results.

Summary income statement

Program 9: ***Intra-Agency Support Services (including eliminations)***	**2006-07 Budget** **$000**	**2005-06 Estimated Result** **$000**	**2005-06 Budget** **$000**	**2004-05 Actual** **$000**
Expenses				
Employee benefits and costs	12 063	15 854	10 291	11 102
Supplies and services	-59 456	-68 798	-576	-49 490
Depreciation and amortisation	306	371	432	808
Other	5 867	2 558	-4 635	7 727
Total expenses	**-41 220**	**-50 015**	**5 512**	**-29 853**
Income				
Sale of goods and services	-51 140	-54 417	-2 435	-47 709
Fees fines and penalties	—	1	4 117	163
Other	447	3 267	5 309	10 050
Total income	**-50 693**	**-51 149**	**6 991**	**-37 496**
Net cost of providing services	**9 473**	**1 134**	**-1 479**	**7 643**

Note: The negative revenues for sales of goods and services and the negative expenditure for supplies and services for this program reflect the internal eliminations across DAIS arising from inter-business unit trading. These eliminations are expected to account for roundly $50 million in 2006-07.

Program 9: Performance Criteria:

Program: 9	Intra-Agency Support Services (including eliminations)			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of program	**$9 473 000**	**$1 134 000**	**-$1 479 000**	**$7 643 000**

Performance Commentary

Highlights of 2005-06 include the development of an Aboriginal Employment Strategy for DAIS to increase the percentage of Aboriginal employees as per target 6.2 of *South Australia's Strategic Plan*. A DAIS Records Management Strategy and DAIS Fleet Management Framework were developed and implemented. Energy efficient light fittings were installed in Wakefield House as part of a commitment to reduce energy consumption as per Target 3.2 of *South Australia's Strategic Plan*. A review and update occurred of the DAIS Workplace Safety and Injury Management Policy. A commitment to youth recruitment continued with 30 trainees (including five Aboriginal trainees and two with a declared disability) and 26 graduates recruited.

Awards were received for the Disability and Aboriginal reconciliation programs in DAIS. Successful presentation and implementation plans for lead targets were provided to the Executive Committee of Cabinet regarding the Department's response to *South Australia's Strategic Plan*. A policy portal was established to provide online access to all DAIS policies, procedures, guidelines and standards. *Interact*, the DAIS Customer Relationship Management Program continued with 40 per cent of staff completing training to date. A new process for coordinating comments on Cabinet submissions across the Department was developed and implemented. The Department's website was redeveloped and a Corporate Style Guide was completed. The Smart State PC donations program provided 108 organisations with surplus to requirement computers and printers. Timeliness for the production of the DAIS Corporate Plan was significantly improved and linkages between reporting processes continues to be strengthened.

A portfolio approach to prioritise, approve and report on all new ICT investments was established. An Information Security Management System is being implemented across the Department in alignment with state and federal government policy and procedures to ensure consistency in information security management across government.

DAIS exceeded the Workplace Safety Management Strategy targets for the rehabilitation of injured workers and implemented a new reporting system to enable agencies to monitor their results against the targets.

ADMINISTRATIVE AND INFORMATION SERVICES

Income statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Expenses				
Employee benefits and costs —				
Salaries, wages, annual and sick leave	**118 936**	120 838	115 949	108 257
Long service leave	**4 210**	4 135	4 135	4 621
Payroll tax	**6 352**	6 318	6 161	6 872
Superannuation	**12 176**	12 133	11 354	11 383
Other	**2 457**	4 130	2 411	18
Supplies and services —				
General supplies and services	**376 141**	379 914	393 855	399 182
Consultancy expenses	**1 567**	1 765	1 831	1
Depreciation and amortisation	**71 714**	58 200	57 634	67 734
Borrowing costs	**15 787**	15 046	20 574	23 450
Grants and subsidies	**14 526**	15 963	14 998	25 914
Intra government transfers	**5 839**	6 806	6 532	2 215
Other expenses	**10 369**	15 786	5 255	8 441
Total expenses	**640 074**	641 034	640 689	658 088
Income				
Commonwealth revenues	**1 632**	1 596	1 596	672
Intra government transfers	**16 047**	13 771	13 669	9 079
Other grants	**1 114**	1 087	1 087	—
Fees, fines and penalties	**19 544**	18 436	22 816	15 232
Sales of goods and services	**491 867**	468 117	483 801	462 675
Interest revenues	**7**	2 758	3 168	8 023
Net gain or loss from disposal of assets	**25**	775	2 630	4 137
Resources received free of charge	**—**	500	—	—
Other income	**1 292**	858	448	—
Total income	**531 528**	507 898	529 215	499 818
Net cost of providing services	**108 546**	133 136	111 474	158 270
Income from / Expenses to SA Government				
Income —				
Appropriation	**156 517**	162 230	145 425	152 140
Other income	**—**	13 721	—	6 652
Expenses —				
Tax equivalent	**4 928**	4 133	4 055	2 979
Other	**22 261**	20 299	23 704	38 823
Net income from / expenses to SA Government	**129 328**	151 519	117 666	116 990
Net result before restructure(s)	**20 782**	18 383	6 192	-41 280
Net income from / expenses from administrative restructure(s)	**—**	-1 979	-1 979	—
Net result after restructure(s)	**20 782**	16 404	4 213	-41 280

ADMINISTRATIVE AND INFORMATION SERVICES

Balance sheet

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and cash equivalents	**29 924**	32 051	51 817	70 147
Receivables	**104 510**	97 413	48 322	62 012
Inventories	**2 071**	2 071	2 272	2 071
Other current assets	**19 855**	19 855	28 318	19 855
Total current assets	**156 360**	151 390	130 729	154 085
Non current assets				
Land and improvements	**544 463**	547 178	477 131	544 345
Plant and equipment	**311 806**	311 396	308 842	315 851
Heritage assets	**12 224**	12 224	12 202	12 224
Other non-current assets	**11 722**	11 722	10 301	11 722
Total non-current assets	**880 215**	882 520	808 476	884 142
Total assets	**1 036 575**	1 033 910	939 205	1 038 227
Liabilities				
Current liabilities				
Payables	**81 148**	81 925	85 387	76 066
Short-term borrowings	**105 747**	105 747	165	105 747
Employee benefits —				
Salaries and wages	**1 620**	1 620	856	1 620
Annual leave	**8 902**	8 900	7 487	8 898
Long service leave	**2 702**	2 478	1 484	2 273
Short-term provisions	**6 905**	6 905	1 096	6 905
Other current liabilities	**18 531**	18 671	26 050	22 651
Total current liabilities	**225 555**	226 246	122 525	224 160
Non current liabilities				
Long-term borrowings	**141 506**	135 986	261 660	117 630
Long-term employee benefits —				
Long service leave	**36 771**	33 030	34 796	29 625
Long-term provisions	**—**	—	2 632	—
Total non-current liabilities	**178 277**	169 016	299 088	147 255
Total liabilities	**403 832**	395 262	421 613	371 415
Net assets	**632 743**	638 648	517 592	666 812
Equity				
Contributed capital	**136 476**	163 163	127 364	209 710
Retained earnings	**189 574**	168 792	173 343	150 409
Asset revaluation reserve	**292 342**	292 342	206 696	292 342
Other reserves	**14 351**	14 351	10 189	14 351
Total equity	**632 743**	638 648	517 592	666 812

Balances as at 30 June end of period.

ADMINISTRATIVE AND INFORMATION SERVICES

Statement of changes in equity

	Contributed capital	Asset revaluation reserve	Retained earnings	Total
	$000	$000	$000	$000
Balance at 30 June 2005	209 710	292 342	164 760	666 812
Adjustments	—	—	—	—
Restated balance at June 2005	209 710	292 342	164 760	666 812
Net gain/loss on revaluation of property, plant and equipment during 2005-06	—	—	—	—
Net changes in reserves	—	—	1 979	1 979
Net income/expense recognised directly in equity for 2005-06	—	—	1 979	1 979
Net result after restructure for 2005-06	—	—	16 404	16 404
Total recognised income and expense for 2005-06	**—**	**—**	**18 383**	**18 383**
Equity contributions from SA Government	8 000	—	—	8 000
Repayment of equity contributions from SA Government	-54 547	—	—	-54 547
Estimated balance at 30 June 2006	**163 163**	**292 342**	**183 143**	**638 648**
Net gain/loss on revaluation of property, plant and equipment during 2006-07	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2006-07	—	—	—	—
Net result after restructure for 2006-07	—	—	20 782	20 782
Total recognised income and expense for 2006-07	**—**	**—**	**20 782**	**20 782**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	-26 687	—	—	-26 687
Estimated balance at 30 June 2007	**136 476**	**292 342**	**203 925**	**632 743**

ADMINISTRATIVE AND INFORMATION SERVICES

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
OPERATING ACTIVITIES:				
Cash outflows				
Employee payments	**140 161**	143 939	136 395	134 620
Supplies and services	**378 447**	379 113	393 620	592 599
Borrowing costs	**15 828**	15 087	20 615	17 836
Grants and subsidies	**14 526**	15 963	14 998	20 350
Net GST paid	**—**	—	—	75 986
Intra government transfers	**5 839**	6 806	6 532	2 215
Other payments	**9 510**	9 499	4 451	8 920
Cash used in operations	**564 311**	570 407	576 611	852 526
Cash inflows				
Intra government transfers	**16 047**	13 771	13 669	9 080
Commonwealth receipts	**1 632**	1 596	1 596	672
Other grants	**1 114**	1 087	1 087	—
Fees, fines and penalties	**19 544**	18 436	22 816	15 223
Sales of goods and services	**490 774**	466 992	481 493	607 512
Interest received	**230**	3 143	3 130	8 425
Net GST received	**—**	—	—	73 060
Other receipts	**818**	402	295	—
Cash generated from operations	**530 159**	505 427	524 086	713 972
SA GOVERNMENT:				
Appropriation	**156 517**	162 230	145 425	152 140
Other receipts	**—**	13 721	—	6 652
Payments —				
Tax equivalents	**4 928**	4 133	4 055	1 668
Other	**22 261**	20 299	23 704	38 823
Net cash provided by Government	**129 328**	151 519	117 666	118 301
Net cash provided by (+) / used (-) in operating activities	**95 176**	86 539	65 141	-20 253
INVESTING ACTIVITIES:				
Cash outflows				
Purchase of property, plant and equipment	**125 154**	170 088	142 892	145 291
Advances paid	**6 189**	851	—	—
Cash used in investing activities	**131 343**	170 939	142 892	145 291
Cash inflows				
Proceeds from sale of property, plant and equipment	**55 330**	86 353	85 913	33 359
Repayment of advances	**17**	—	—	—
Other receipts	**—**	—	—	479
Cash generated from investing activities	**55 347**	86 353	85 913	33 838
Net cash provided by (+) / used in (-) investing activities	**-75 996**	-84 586	-56 979	-111 453

ADMINISTRATIVE AND INFORMATION SERVICES

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
FINANCING ACTIVITIES:				
Cash outflows				
Repayment of borrowings	**31 421**	29 901	31 094	87 217
Repayment of SA Government contributed capital	**26 687**	54 547	9 545	—
Finance lease payments	**623**	623	623	—
Cash used in financing activities	**58 731**	85 071	41 262	87 217
Cash inflows				
Capital contributions from Government	**—**	8 000	8 000	10 439
Proceeds from borrowings	**37 424**	37 022	36 171	117 034
Proceeds from restructuring activities	**—**	-2 821	-2 821	—
Cash generated from financing activities	**37 424**	42 201	41 350	127 473
Net cash provided by (+) / used in (-) financing activities	**-21 307**	-42 870	88	40 256
Net increase (+) / decrease (-) in cash equivalents	**-2 127**	-40 917	8 250	-91 450
Cash and cash equivalents at the beginning of the financial year	**32 051**	72 968	43 567	161 597
Cash and cash equivalents at the end of the financial year	**29 924**	32 051	51 817	70 147

ADMINISTERED ITEMS FOR THE DEPARTMENT FOR ADMINISTRATIVE AND INFORMATION SERVICES

Income statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Income from / Expenses to SA Government				
Income —				
Appropriation	**9 302**	5 158	5 158	16 736
Expenses —				
Other	**—**	—	78 004	64 034
Net income from / expenses to SA Government	**9 302**	5 158	-72 846	-47 298
Income from other sources				
Taxation	**200**	200	200	—
Intra government transfers	**3 500**	7 382	7 382	—
Fees, fines and penalties	**100 614**	100 377	78 004	97 925
Sales of goods and services	**31 502**	30 681	30 681	32 566
Interest revenues	**—**	—	—	383
Total income from other sources	**135 816**	138 640	116 267	130 874
Total income	**145 118**	143 798	43 421	83 576
Expenses				
Employee benefits and costs —				
Salaries, wages, annual and sick leave	**3 049**	2 936	2 936	—
Payroll tax	**—**	—	—	162
Superannuation	**1**	1	1	445
Other	**61**	60	60	—
Supplies and services —				
General supplies and services	**33 808**	32 929	32 621	31 193
Grants and subsidies	**100**	100	100	5 050
Intra government transfers	**3 700**	3 500	3 700	—
Other expenses	**100 778**	100 537	468	2 658
Total expenses	**141 497**	140 063	39 886	39 508
Net result before restructure(s)	**3 621**	3 735	3 535	44 068
Net income from / expenses from administrative restructure(s)	**—**	-5 159	-5 159	—
Net result after restructure(s)	**3 621**	-1 424	-1 624	44 068

ADMINISTERED ITEMS FOR THE DEPARTMENT FOR ADMINISTRATIVE AND INFORMATION SERVICES

Balance sheet

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and cash equivalents	**24 723**	25 678	7 769	26 237
Receivables	**833**	833	2 506	833
Total current assets	**25 556**	26 511	10 275	27 070
Total assets	**25 556**	26 511	10 275	27 070
Liabilities				
Current liabilities				
Payables	**18 646**	18 688	6 358	31 772
Employee benefits —				
Salaries and wages	**—**	—	84	—
Annual leave	**—**	—	172	—
Long service leave	**—**	—	113	—
Short-term provisions	**—**	—	5 933	—
Other current liabilities	**2 031**	2 031	3 367	—
Total current liabilities	**20 677**	20 719	16 027	31 772
Non current liabilities				
Long-term employee benefits —				
Long service leave	**28**	13	25	—
Long-term provisions	**2 197**	6 746	7 014	—
Total non-current liabilities	**2 225**	6 759	7 039	—
Total liabilities	**22 902**	27 478	23 066	31 772
Net assets	**2 654**	-967	-12 791	-4 702
Equity				
Retained earnings	**-2 690**	-6 311	-12 791	-10 046
Other reserves	**5 344**	5 344	—	5 344
Total equity	**2 654**	-967	-12 791	-4 702

Balances as at 30 June end of period.

ADMINISTERED ITEMS FOR THE DEPARTMENT FOR ADMINISTRATIVE AND INFORMATION SERVICES

Statement of changes in equity

	Contributed capital	Asset revaluation reserve	Retained earnings	Total
	$000	$000	$000	$000
Balance at 30 June 2005	—	—	-4 702	-4 702
Adjustments	—	—	—	—
Restated balance at June 2005	—	—	-4 702	-4 702
Net gain/loss on revaluation of property, plant and equipment during 2005-06	—	—	—	—
Net changes in reserves	—	—	5 159	5 159
Net income/expense recognised directly in equity for 2005-06	—	—	5 159	5 159
Net result after restructure for 2005-06	—	—	-1 424	-1 424
Total recognised income and expense for 2005-06	**—**	**—**	**3 735**	**3 735**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2006	**—**	**—**	**-967**	**-967**
Net gain/loss on revaluation of property, plant and equipment during 2006-07	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2006-07	—	—	—	—
Net result after restructure for 2006-07	—	—	3 621	3 621
Total recognised income and expense for 2006-07	**—**	**—**	**3 621**	**3 621**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2007	**—**	**—**	**2 654**	**2 654**

ADMINISTERED ITEMS FOR THE DEPARTMENT FOR ADMINISTRATIVE AND INFORMATION SERVICES

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
OPERATING ACTIVITIES:				
Cash inflows				
Taxation	**200**	200	200	—
Intra government transfers	**3 500**	7 382	7 382	—
Fees, fines and penalties	**100 614**	100 377	78 004	97 925
Sales of goods and services	**31 502**	30 681	30 681	44 215
Interest received	**—**	—	—	383
Cash generated from operations	**135 816**	138 640	116 267	142 523
Cash outflows				
Employee payments	**7 645**	7 441	7 441	3 318
Supplies and services	**33 850**	32 779	32 471	45 761
Grants and subsidies	**100**	100	100	5 050
Intra government transfers	**3 700**	3 500	3 700	—
Other payments	**100 778**	100 537	468	670
Cash used in operations	**146 073**	144 357	44 180	54 799
SA GOVERNMENT:				
Appropriation	**9 302**	5 158	5 158	16 736
Payments —				
Other	**—**	—	78 004	64 034
Net cash provided by Government	**9 302**	5 158	-72 846	-47 298
Net cash provided by (+) / used in (-) operating activities	**-955**	-559	-759	40 426
INVESTING ACTIVITIES:				
Cash inflows				
Proceeds from sale of property, plant and equipment	**—**	—	—	53 497
Cash generated from investing activities	**—**	—	—	53 497
Net cash provided by (+) / used in (-) investing activities	**—**	—	—	53 497

ADMINISTERED ITEMS FOR THE DEPARTMENT FOR ADMINISTRATIVE AND INFORMATION SERVICES

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
FINANCING ACTIVITIES:				
Cash inflows				
Proceeds from restructuring activities	**—**	-5 059	-5 059	—
Cash generated from financing activities	**—**	-5 059	-5 059	—
Cash outflows				
Repayment of SA Government contributed capital	**—**	—	—	23 619
Finance lease payments	**—**	—	—	54 056
Cash used in financing activities	**—**	—	—	77 675
Net cash provided by (+) / used in (-) financing activities	**—**	-5 059	-5 059	-77 675
Net increase (+) / decrease (-) in cash equivalents	**-955**	-5 618	-5 818	16 248
Cash and cash equivalents at the beginning of the financial year	**25 678**	31 296	13 587	9 989
Cash and cash equivalents at the end of the financial year	**24 723**	25 678	7 769	26 237

Agency: Administrative and Information Services

Financial Commentary — major variations

The following commentary relates to the Agency Financial Statements presented in the previous section. The discussion relates to variations between the 2005-06 Estimated Result and the 2006-07 Budget.

Income statement — Controlled

Depreciation expense in 2006-07 is expected to increase by roundly $13 million. This reflects the higher rate of depreciation on Fleet SA vehicles resulting from the low residual values currently being received when selling used light motor vehicles.

Expenses classified as other expenses are expected to decrease in 2006-07 by roundly $6 million and reflects the disposal of the Southern Sports Complex in 2005-06.

Marginal decreases in other categories of expenses primarily reflect savings initiatives to be implemented within the department.

The expected increase in income from intra-government transfers reflects an increase in Government funding for Government Employees Residential Property Management.

The expected increase in sales of goods and services primarily reflects an increased level of income from other government agencies for use of the light motor vehicle fleet.

The expected decrease in income from interest revenue reflects the decision to no longer pay interest on cash balances to government agencies.

The decrease in net income/expenses from administrative restructure of roundly $2 million in 2005-06 related to the transfer of the Office for Infrastructure Development from DAIS to the Department for Transport, Energy and Infrastructure on 1 July 2005.

Balance sheet — Controlled

Net assets are forecast to decrease from 2005-06 by roundly $6 million representing an increase in long service leave liabilities and a decrease in cash. The reason for the decrease in cash is outlined below.

Statement of changes in equity — Controlled

No major variations.

Cash flow statement — Controlled

Net cash flows from operating activities are expected to increase by roundly $8 million. This increase is dominated by an increased level of income from other government agencies for use of the light motor vehicle fleet offset by a decreased level of appropriation.

Net cash flows from investing activities are expected to increase by roundly $8 million. This increase is dominated by an expected lower level of proceeds from property plant and equipment sales offset by an even lower level of purchases of property, plant and equipment. Cash flows from investing activities are dominated by the purchase and sale of vehicles for the light motor vehicle fleet.

Repayment of surplus cash balances to the Department of Treasury and Finance is budgeted to decrease by roundly $28 million. It is anticipated that DAIS will build up significantly less cash throughout the 2006-07 financial year.

Appropriation received in 2005-06 for investing activities was classified as capital contributions from government. In 2006-07, these amounts are reflected in operating activities as appropriation.

Income statement — Administered Items

Total income and total expenses are expected to increase only marginally from 2005-06 to 2006-07. However, income from intra-government transfers will decrease and income from appropriation will increase. This reflects the direct receipt of appropriation by the Government Workers Rehabilitation and Compensation Fund in 2006-07 that was received in 2005-06 as an intra-government transfer.

The decrease in net income/expenses from administrative restructure of roundly $5 million in 2005-06 related to the transfer of the Office for Infrastructure Development from DAIS to the Department for Transport, Energy and Infrastructure on 1 July 2005.

Land Services Group statutory revenues dominate the income and expenditure of DAIS' Administered Items. In 2006-07, revenues and expenditures are expected to remain steady, reflecting a levelling off of recent years' high growth in property transactions and values. The expenditure represents payments of the statutory revenues to the Administered Items for the Department of Treasury and Finance.

Balance sheet — Administered Items

Net assets are forecast to increase from 2005-06 by roundly $4 million representing a decrease in non-current liabilities for the Government Workers Rehabilitation and Compensation Fund.

Statement of changes in equity — Administered Items

No major variations.

Cash flow statement — Administered Items

Changes in inflows and outflows reflect the movements in the Income statement as outlined above.

Additional Information for Administered Items

Detailed information on Administered Items is included in the following table.

Additional Information for Administered Items
Administrative and Information Services

Cash flow statement

	2006-07 Budget $000	2005-06 Estimated Result $000	2005-06 Budget $000	2004-05 Actual $000
OPERATING ACTIVITIES:				
Cash inflows				
Taxation —				
Recreation and Sport Fund	**200**	200	200	—
Intra government transfers —				
Government Workers Rehabilitation and Compensation Fund	**—**	3 882	3 882	—
Sport and Recreation Fund	**3 500**	3 500	3 500	—
Fees, fines and penalties —				
Registrar-General and Surveyor-General Statutory Act revenues	**100 614**	100 377	78 004	97 925
Sales of goods and services —				
Administered Items for Infrastructure	**—**	—	—	4 395
Asset Sales Deposit Account	**—**	—	—	165
Gaming Machines Operations Deposit Account	**27 060**	26 400	26 400	23 091
Government Workers Rehabilitation and Compensation Fund	**—**	—	—	1 262
Land Services Group Trust Funds	**—**	—	—	6 083
Medical Specialist Fund	**—**	—	—	130
Miscellaneous	**164**	160	160	-1
Other Sales	**—**	—	—	8 872
Recreation and Sport Fund	**100**	100	100	200
Section 7 Disbursements	**4 178**	4 021	4 021	—
WorkCover Review	**—**	—	—	18
Interest received —				
Gaming Machines Operations Deposit Account	**—**	—	—	383
Cash generated from operations	**135 816**	138 640	116 267	142 523
Cash outflows				
Employee payments —				
Government Workers Rehabilitation and Compensation Fund	**4 549**	4 457	4 457	—
Other Employee payments	**—**	—	—	41
Special Act Salaries	**3 096**	2 984	2 984	3 277
Supplies and services —				
Administered Items for Infrastructure	**—**	—	—	1 044
Asset Sales Deposit Account	**—**	—	—	184
Gaming Machines Operations Deposit Account	**26 978**	26 400	26 400	23 418
Government Workers Rehabilitation and Compensation Fund	**164**	164	-144	227
Land Services Group Trust Funds	**—**	—	—	5 299
Major Administered Projects	**2 255**	2 200	2 200	4 368
Medical Specialist Fund	**—**	—	—	24
Miscellaneous	**275**	-6	-6	1
Other Supplies and Services	**—**	—	—	11 196

Additional Information for Administered Items
Administrative and Information Services

Cash flow statement

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Section 7 Disbursements	**4 178**	4 021	4 021	—
Grants and subsidies —				
Recreation and Sport Fund	**100**	100	100	—
Sport and Recreation Fund	**—**	—	—	5 050
Intra government transfers —				
Recreation and Sport Fund	**200**	—	200	—
Sport and Recreation Fund	**3 500**	3 500	3 500	—
Other payments —				
Government Workers Rehabilitation and Compensation Fund	**—**	—	308	—
Miscellaneous	**164**	160	160	670
Registrar-General and Surveyor-General Statutory Act revenues	**100 614**	100 377	—	—
Cash used in operations	**146 073**	144 357	44 180	54 799
SA GOVERNMENT:				
Appropriation —				
Administered Items for Infrastructure	**—**	—	—	1 783
Government Workers Rehabilitation and Compensation Fund	**3 976**	—	—	5 795
Major Administered Projects	**2 255**	2 200	2 200	5 341
Special Act Salaries	**3 071**	2 958	2 958	3 817
Payments —				
Registrar-General and Surveyor-General Statutory Act revenues	**—**	—	78 004	64 034
Net cash provided by Government	**9 302**	5 158	-72 846	-47 298
Net cash provided by (+) / used in (-) operating activities	**-955**	**-559**	**-759**	**40 426**
INVESTING ACTIVITIES:				
Cash Inflows				
Proceeds from sale of property, plant and equipment	—	—	—	53 497
Cash generated from investing activities	—	—	—	53 497
Net cash provided by (+) / used in (-) investing activities	**—**	**—**	**—**	**53 497**
FINANCING ACTIVITIES:				
Cash inflows				
Administrative Restructure	**—**	-5 059	-5 059	—
Cash generated from financing activities	**—**	-5 059	-5 059	—
Cash outflows				
Repayment of SA Government contributed capital	—	—	—	23 619
Finance lease payments	—	—	—	54 056

Additional Information for Administered Items
Administrative and Information Services

Cash flow statement

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Cash used in financing activities	—	—	—	77 675
Net cash provided by (+) / used in (-) financing activities	**—**	**-5 059**	**-5 059**	**-77 675**
Net increase (+) / decrease (-) in cash equivalents	**-955**	**-5 618**	**-5 818**	**16 248**
Cash and cash equivalents at the beginning of the financial year	**25 678**	**31 296**	**13 587**	**9 989**
Cash and cash equivalents at the end of the financial year	**24 723**	**25 678**	**7 769**	**26 237**

Portfolio: Education and Children's Services

Minister for Education and Children's Services

Government of South Australia

PORTFOLIO SUMMARY

Ministerial Responsibilities 9.1

Workforce Summary 9.2

Ministerial Office Resources 9.2

Agency Summaries

Department of Education and Children's Services 9.4

PORTFOLIO: EDUCATION AND CHILDREN'S SERVICES

MINISTERIAL RESPONSIBILITIES

Minister	Agency	Programs	Sub-Programs
The Hon. Jane Lomax-Smith Minister for Education and Children's Services	Department of Education and Children's Services	1. Early Years Education and Care (Birth to Preschool)	1.1 Early Childhood Education and Care (Birth–Preschool) 1.2 Preschool Services
		2. Education: Early Years Education (R–2)	Nil
		3. Education: Primary and Secondary Education (3–12)	3.1 Year 3 to Year 7 Education Provision 3.2 Year 8 to Year 10 Education Provision 3.3 Year 11 to Year 12 Education Provision

Administered items

In addition to the above responsibilities, the Portfolio administers the following items on behalf of the Minister:

- State Government contribution to the operation of the Senior Secondary Assessment Board of South Australia;
- payments to the Office of Public Transport for the purposes of student travel;
- State Government contribution to the operation of non-government schools, organisations and services to students with disabilities;
- Commonwealth Government contribution to the operation of non-government schools, organisations and services to students with disabilities; and
- repayment of Capital Works Assistance Scheme.

Statutes

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

WORKFORCE SUMMARY

Agency	FTEs as at 30 June		
	2006-07 Budget Estimate	2005-06 Estimated Result	2004-05 Actual
Department of Education and Children's Services	20 289	20 262	20 103
Total	**20 289**	**20 262**	**20 103**

MINISTERIAL OFFICE RESOURCES

Minister	2006-07 Budget	
	Cost of provision $000	FTEs
The Hon. Jane Lomax-Smith	1 401	12

TABLE OF CONTENTS

AGENCY: DEPARTMENT OF EDUCATION AND CHILDREN'S SERVICES

Objective 9.5

Targets / Highlights 9.5

Program Net Cost of Services Summary 9.8

Investing Payments Summary 9.8

Program Information

- Description / Objective 9.9
- Summary Income statement 9.9
- Sub-program Statements and Performance Criteria 9.10

Financial Statements

- Income statement 9.25
- Balance sheet 9.26
- Statement of changes in equity 9.27
- Cash flow statement 9.28
- Income statement — Administered Items 9.30
- Balance sheet — Administered Items 9.31
- Statement of changes in equity — Administered Items 9.32
- Cash flow statement — Administered Items 9.33

Financial Commentary 9.35

Portfolio: Education and Children's Services

Agency: Department of Education and Children's Services

Objective

To ensure that the State's public education and children's services offer high quality and responsive services to all South Australians. The main focus of these services will be to ensure that children and students have the opportunity to maximise their potential and aspirations to productively and responsibly participate in and contribute to society.

2006-07 Targets / 2005-06 Highlights

Targets 2006-07	Highlights 2005-06
South Australia's Strategic Plan informs overall targets for education and children's services which are designed to assist children and young people in the State. New targets are being finalised and will inform specific targets for 2006-07 to focus on: • Improving Year 3, 5 and 7 student performance in literacy and numeracy • Increasing the engagement of all 15-19 year olds in: – school; – further education; – employment; or – a full time equivalent combination of the above • Increasing the number of students completing the Premier's Reading Challenge, which has already exceeded earlier targets • Increasing the performance of Indigenous Years 3, 5 and 7 students in literacy and numeracy • Significantly increasing South Australia's share of overseas students • Further increasing the number of schools with solar power • Establishing Children's Centres to deliver integrated early education and care, health and family services to support families with young children The following priorities for 2007 are currently being finalised as part of the implementation of the *DECS Statement of Directions,* to be included in the DECS Planning Process: **Early Years** • Developing more flexible, high quality programs and services to meet the needs of families and enhance children's learning and development through children's centres, child care centres, family day care, out of school hours care, occasional care, preschools and the first years of schooling **Senior Secondary** • Improving pathways for all young South Australians to engage in further education, training and/or employment • Implementation of the Government's 'School to Work' strategy including the future South Australian Certificate of Education (SACE) and 'Trade Schools for the Future'	**Student Retention** • Year 8–12 retention rates continued to increase with 72.4 per cent of government school students completing their Year 8–12 schooling in 2005 up from 70.0 per cent in 2004 **Student Achievement System** • The expansion of the unique student identifier allowed the recording of student achievement in the South Australian Curriculum Standards and Accountability Framework (SACSA) **Student Completion** • SSABSA data indicated that in 2005 a total of 88.3 per cent of students who were enrolled in Stage II SACE during their Year 12 went on to complete their Certificate, an increase of 0.8 per cent compared with 2004 (87.5 per cent) • Approximately 87.8 per cent of regionally based students who were enrolled in Stage II SACE during their Year 12 went on to complete their Certificate in 2005 **Indigenous Student Enrolments** • Senior school enrolments for Indigenous students continued to experience growth with enrolments for 2005 reaching an all time high of 530 students compared with 500 students in 2004–05 **Indigenous Education** • A new $220 000 Indigenous Education Centre was established at Alberton Primary School to support Indigenous students • Funding was provided for 10 preschools with enrolments of eight or more three year old Aboriginal children, to employ a teacher to work with these children and provide professional learning research and community links **Premier's Reading Challenge** • 642 schools registered to participate in the Premier's Reading Challenge in 2005, which represents 80 per cent of schools. This met the target set in *South Australia's Strategic Plan* one year ahead of schedule **Children's Centres** • In June 2005, the Government announced the establishment of 10 new Children's Centres. The new centres will offer a range of child care, preschool, child health and family support services. Three centres were established at Café Enfield, Elizabeth Grove and the Parks and commenced operations during 2005-06

Targets 2006-07	Highlights 2005-06
Aboriginal Young People and Employees • Significantly improved participation, achievement and well being levels for Aboriginal children and students and employment opportunities for Aboriginal people **Achievements in Literacy, Numeracy and Science** • Improved skill development and achievement in literacy, numeracy and science from the early years to Year 12 **Supporting Elements** • Quality teachers with a focus on achievement • Highly effective and accountable leadership • Good governance and community relations	**Senior Secondary** • In February 2006, the Government released *Success For All* (the report of the Ministerial Review of Senior Secondary Education in South Australia) the SACE Review and endorsed its general directions **Overseas Students** • The number of overseas students in Government schools continued to grow with South Australia increasing its market share to 7.64 per cent in 2005-06 **Junior Primary Class Sizes** • In 2006, DECS achieved a decline in student numbers in most index of disadvantage categories with category 1 (most disadvantaged) recording an average class size of 15 students **Solar Schools Program** • To date, 74 installations have been completed in line with *South Australia's Strategic Plan* target **Learning Together** • A total of 498 families have engaged in the program to date. Of this number, 21 per cent are Aboriginal families **Literacy and Numeracy** • Over 90 per cent of Year 3 and Year 5 students achieved the benchmarks in reading, writing and numeracy **School Based New Apprenticeships (SBNA)** • In 2005, a further 1385 secondary school students commenced a school based apprenticeship or traineeship • The total number of students involved in a SBNA contract/year rose by 300 to 2700 in 2005 **Learning Outcomes – Arts and Music** • Total attendances at the Come Out Festival 2005 reached 123 288 an increase of 36 063 (over 40 per cent) from the 2003 Festival **Anti-Bullying Policy** • 100 per cent of schools had implemented an anti-bullying policy by the beginning of the 2006 school year **Drug Strategy** • 100 per cent of schools completed Drug Strategy Action Plans by the end of 2005 **Students with Additional Needs** • A new facility to cater to the special needs of more than 70 students with disabilities officially opened in Adelaide's south. The new facility houses the South Australian School for the Vision Impaired and Kilparrin Teaching and Assessment School and Services. The facility has been designed for students with vision and other sensory impairment and additional disabilities • A $3 million dollar redevelopment at Modbury Special School was completed to support children with disabilities such as sensory impairment and autism • Six preschools ran inclusive preschool programs for children with complex needs. The preschools received support from the Briars Special Early Learning Centre. The program is expected to be introduced into another preschool during 2007 **Child Protection** • Phase 1 of training (with particular focus on children under the guardianship of the Minister), aimed at training staff to become leaders in child protection initiatives, was delivered to all school counsellors, trained district staff, and a range of school support staff • Updated the child protection curriculum materials for children and students from preschool to Year 12

Targets 2006-07	Highlights 2005-06
	• Criminal history screening procedures were extended to more categories of people working with children and young people in schools and preschools • 50 per cent of schools participated in training for Managing Abuse Related Trauma • Mandatory Notification Training has been completed by 50 per cent of schools and preschools **Learner Well being** • Over 1500 responses were gathered during 2005 to be used in the development of a Learner Wellbeing Framework

Program net cost of services summary

Program	Net Cost of Services			
	2006-07 Budget $000	2005-06 Estimated Result $000	2005-06 Budget $000	2004-05 Actual $000
1. Early Years Education and Care (Birth to Preschool)	116 424	111 751	108 410	101 666
2. Education: Early Years Education (R-2)	351 783	342 656	326 709	331 632
3. Education: Primary and Secondary Education (3-12)	1 149 062	1 105 595	1 054 139	1 070 028
Total	**1 617 269**	**1 560 002**	**1 489 258**	**1 503 326**

Investing payments summary

Investments	2006-07 Budget $000	2005-06 Estimated Result $000	2005-06 Budget $000	2004-05 Actual $000
New Works				
Children's Centres	1 500	—	—	—
Craigmore High School	100	—	—	—
Education Works	7 300	—	—	—
Trade Schools	2 900	—	—	—
Total New Works	**11 800**	**—**	**—**	**—**
Works in Progress				
Birdwood High School	929	173	300	—
Ceduna Area School Phases 1 and 2	1 252	3 290	3 290	498
Henley High School	2 542	1 128	1 100	54
Kingscote Area School	1 845	331	1 697	1
Linden Park Schools	1 000	100	100	—
Mawson Lakes Primary School Stage 2	3 483	680	3 180	187
Port Elliot Primary School and Kindergarten	5 573	208	2 191	383
Victor Harbor High School	1 773	150	650	—
Willunga Primary School	2 340	2 086	2 136	699
Total Works in Progress	**20 737**	**8 146**	**14 644**	**1 822**
Minor Works	**29 820**	**40 796**	**32 882**	**77 975**
Total Investing Payments	**62 357**	**48 942**	**47 526**	**79 797**

Agency: Department of Education and Children's Services

Program Information

Program 1: Early Years Education and Care (Birth to Preschool)

Description/Objective: Provision of a flexible range of high quality programs and services which meet the changing needs of families and enhance children's development in the critical early years, including the provision of child care centres, preschools, family day care, out of school hours care and occasional care.

Summary income statement

Program 1: ***Early Years Education and Care (Birth to Preschool)***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	93 933	89 717	86 931	90 207
Supplies and services	49 500	48 932	58 303	39 121
Depreciation and amortisation	2 980	2 900	2 968	531
Interest and other finance expenses	47	46	47	—
Grants and subsidies	852	633	632	8 104
Other	88	86	12	2 959
Total expenses	**147 400**	**142 314**	**148 893**	**140 922**
Income				
Sale of goods and services	1 340	1 279	1 277	1 371
Grant revenue	28 830	28 492	38 412	31 633
Investment revenue	153	157	161	1 297
Other	653	635	633	4 955
Total income	**30 976**	**30 563**	**40 483**	**39 256**
Net cost of providing services	**116 424**	**111 751**	**108 410**	**101 666**

Program 1: Performance Criteria:

Sub-program: 1.1	Early Childhood Education and Care (Birth–Preschool)[a] Provision of a flexible range of high quality programs and services which meet the changing needs of families and enhance children's development, including child care centres, family day care, out of school-hours care and occasional care.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$7 547 000**	**$7 495 000**	**$7 495 000**	**$8 302 000**

Performance Commentary

Children's Centres

In May 2005 the State Government announced the establishment of 10 Children's Centres for Early Childhood Development and Parenting. Three centres at Café Enfield, Elizabeth Grove and the Parks complex commenced operations. Each centre will support the continuity of early childhood service provision from birth for young children and their families, providing a combination of education, care, health and/or family programs located on site based on a response to the needs of the communities in which the Centres operate. The initiatives will create an extra 300 child care places.

In March 2006, more than 90 senior State Government representatives from eight government agencies met to focus on the goals and outcomes of the development of the Children's Centres. Work was undertaken on the values, assumptions, existing partnerships and information available to support effective action. Identification of the vision for the centres, including the operational principles, was also considered.

Qualifications of Children's Services Staff

The Department of Education and Children's Services (DECS), in conjunction with the Department of Further Education, Employment, Science and Technology (DFEEST), launched the Upskills Program, a joint initiative aimed at increasing the supply of diploma-qualified staff in long day care centres. The program has enabled 91 child care workers to commence traineeships in the Diploma of Children's Services.

21 job seekers also graduated from a pre-employment program in child care, funded by Job Network as part of a pilot recruitment program for the child care sector. Six of these job seekers have now commenced a child care traineeship.

Students completing a Certificate III in Children's Services (Family Day Care home-based child care) are now able to receive help with their English as a second language component. The program has been jointly developed with Adelaide TAFE with funding from the Commonwealth Department of Education, Science and Training (DEST). 33 students graduated from the course in 2005.

In addition, 120 carers completed the Certificate III Community Services, Children's Services and were approved as home based carers.

Rural Access

In 2005, rural care centres in Lock, Tumby Bay, Lucindale, Bute and Melrose commenced the Quality Assurance accreditation process conducted by the National Childcare Accreditation Council (NCAC). In addition, the Lady Gowrie Training Centre was engaged to provide in depth training and mentoring to support centre teams through the accreditation process.

Family Day Care successfully worked with the Eyre Regional Health Service to provide care for children of workers in the health sector, addressing an identified lack of suitable child care in small rural communities. Through this partnership, carers have been recruited, trained and approved to provide care to children aged from birth to 12 years, particularly for families who work irregular shifts. A similar partnership was established with the Maitland hospital to set up child care for nursing staff.

Early Years Conference — Our Children the Future

In June 2005, the fourth Our Children the Future (OCTF): Early Years Conference was held over three days at the Convention Centre, Adelaide. The conference played host to over 1200 participants from local, interstate and international destinations.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of children in Early Childhood Education and Care services[b]				
• Child care centres[c][d]	25 320	23 770	new target	22 350
• Occasional Care[e][f]	2 420	2 420	2 450	2 430
• Out of School Hours Care (estimated)[e][f][g]	38 300	38 300	37 750	33 130
• Family Day Care	9 964	9 964[h]	12 810[i]	9 958
• Rural Care[e]	187	91	new target	87
• Vacation Care[e]	15 590	15 590	new target	13 410

continued

Sub-program: 1.1	Early Childhood Education and Care (Birth–Preschool) continued			
Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
No. of services in Early Childhood Education and Care[b]				
• Child care centres[j]	299	266	new target	252
• Occasional Care[e][f]	75	75	75	75
• Out of School Hours Care[e][f][g]	328	324	355	306
• Family Day Care	968	960	new target	1 027
• Rural Care	12	6	new target	6
• Vacation Care	248	229	new target	n.a.[k]
• Baby sitting agencies	13	15	new target	14
No. of places in Early Childhood Education and Care[b]				
• Child care centres[l]	16 187	13 715	new target	12 723
• Occasional Care[e][f]	3 760	3 760	3 750	3 750
• Out of School Hours Care[e][f][g]	31 845	29 430	30 060	26 390
• Family Day Care	4 171	6 062	5 600	6 255
• Rural Care	84	42	new target	42
• Vacation Care	12 087	11 024	new target	11 024
No. of Aboriginal children participating in Early Childhood Education and Care (estimated enrolments)[b]				
• Family Day Care	113	113	160	120
• Out of School Hours Care[e][m]	340	340	670	310
• Occasional Care[e]	40	40	30	30
• Rural Care[e]	4	—	new target	—
• Vacation Care[e][m]	320	320	new target	330
No. of children from culturally diverse backgrounds participating in Early Childhood Education and Care (estimated enrolments)[b][n]				
• Family Day Care	685	685	650	685
• Out of School Hours Care[e][m]	750	750	1 480	730
• Occasional Care[e]	220	220	200	200
• Rural Care[e]	4	—	new target	—
• Vacation Care[e][m]	660	660	new target	690
No. of children with disabilities participating in Early Childhood Education and Care (estimated enrolments)[b]				
• Family Day Care	707	707	990	593
• Out of School Hours Care[e][m]	1 990	1 990	3 875	1 700
• Occasional Care[e]	330	330	340	340
• Rural Care[e]	4	3	new target	6
• Vacation Care[e][m]	1 650	1 650	new target	1 550

continued

Sub-program: 1.1	Early Childhood Education and Care (Birth–Preschool) continued			
Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
No. of children in rural environments participating in Early Childhood Education and Care (estimated enrolments)[(b)(o)]				
• Family Day Care	3 982	3 982	5 700	4 078
• Out of School Hours Care[(e)(m)]	2 830	2 830	5 290	2 340
• Occasional Care[(e)]	570	570	590	590
• Vacation Care[(e)(m)]	2 940	2 940	new target	2 080
Government expenditure per child in Early Childhood Education and Care				
• Cost per child in family day care[(p)]	$2 890	$2 964	$3 080	$3 513
• Cost per place in family day care[(q)]	$6 905	$4 872	$7 046	$5 593
• Cost per place in Out of School-Hours Care[(q)]	$55	$57	$56	$60
• Cost per organisation in Out of School-Hours Care[(r)]	$5 323	$5 182	$4 730	$5 209
• Cost per child in a government centre[(s)]	$910	$872	$862	$723

Footnotes

(a) For the 2006-07 Budget, the sub-programs previously recognised under the former Children's Services program has been amalgamated into sub-program 1.1. This sub-program was then grouped with the former sub-program Delivery of Preschool Education (now sub-program 1.2 Preschool Services) to form the new 'Early Childhood Education and Care (Birth to Preschool)' program. The aim of this program structure is to better reflect the current strategic direction of the Government to provide integrated services in Children's Services.

(b) Services provided under this sub-program are demand driven. Therefore 2006-07 Targets have been set based on expected demand.

(c) The 2006-07 Target for child care centres includes 1550 children enrolled in integrated preschool/child care centres. The remainder of the target (23 770) relates to children enrolled in other child care centres.

(d) This information has been extracted from the DECS Location Sites and Services database.

(e) Totals for 2005-06 are actuals rounded based on the DECS Annual Census of Children's Services, 2005.

(f) These services are operated by DECS and funded by grant payments.

(g) Out of School Hours Care totals include before school, after school and vacation care programs.

(h) More children participated in Family Day Care in 2005-06, however these children utilised fewer hours of the program than in previous years.

(i) The target for 2005-06 for Family Day Care included overestimated predictions for growth that were reflected in the places approved by the Commonwealth.

(j) The 2006-07 Target consists of 20 integrated preschool/child care centres, eight children's centres and 271 other child care centre services.

(k) During 2004-05 separate data on the number of Vacation Care Services was not collected.

(l) The 2006-07 Target consists of 893 integrated preschool/child care centres, 240 children's centres and 15 054 other child care centre places.

(m) Out of School Hours Care and Vacation Care are not combined together to avoid over counting across specific groups, as many children will attend both service types. Numbers are estimates based on extrapolating data to give a figure as if 100 per cent of centres provided returns. Care should be taken in the interpretation of the data as they are estimates only, not actual. Centres responding to the census differ each year, also affecting
the accuracy of the estimated data.

(n) Includes children with a main language other than English at home.

(o) Incudes children in services in all areas outside the Adelaide Statistical Division.

(p) Derived from the total sub-program cost divided by the total number of children in the program.

(q) Derived from the total sub-program cost divided by the total number of places.

(r) Derived from the total sub-program cost divided by the total number of services.

(s) Derived from the total service cost divided by the estimated number of children attending.

Sub-program: 1.2	Preschool Services Provision of early childhood education through preschools, child-parent centres and the purchase (coordination, policy, planning, curriculum, quality regulation and funding) of preschool positions through independent community organisations.

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$108 877 000**	**$104 256 000**	**$100 915 000**	**$93 364 000**

Performance Commentary

Aboriginal Preschool Enrolments

The department continued to support Aboriginal children during 2005-06 by providing:

- funding for 10 centres with enrolments of eight or more three year old Aboriginal children, to employ a teacher to work with these children and provide professional learning research and community links; and
- funding of $1000 per child for 158 centres with enrolments of less than eight, three year old Aboriginal children. The funding is being used to increase the opportunities for staff to observe and learn about literacy approaches and how to best meet the learning needs of Aboriginal children.

Learning Together

To date, 498 families have been engaged in the Learning Together Program. Of these, 21 per cent are Aboriginal families. A key strategy of the initiative has been to build connections with the 'hardest to reach' families, supporting their ongoing engagement with the program and strengthening their relationships with schools and children's services. Some of the programs include:

- provision of food including healthy snacks and lunch. Dieticians from Community Health work alongside parents, children and Learning Together staff in several programs that involve food preparation during sessions; and
- personal introduction of families to the program through connections with staff from other agencies and local preschools/schools.

Interagency collaboration within each Learning Together community has built the involvement of other staff (social workers, speech pathologists etc) in Learning Together programs. This enables families to have access to a range of supports in one spot and build personal relationships with these people over a period of time.

Preschool Bilingual Program

During 2005-06, the Preschool Bilingual Program provided support to 644 children from culturally and linguistically diverse (CALD) backgrounds. The demand for the program is expected to remain high given recent increases in the number of immigrants coming to South Australia.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of children in preschool services[a][b]				
• attendances	15 220	15 570	15 793	15 230
• enrolments	17 340	17 810	17 988	17 280
No. and % of children participating in early childhood education categorised by group (estimated enrolments and % of total enrolments)[b][c]				
• gender				
– male	maintain	9 160 (51.4%)	maintain	8 890 (51.4%)
– female	maintain	8 650 (48.6%)	maintain	8 390 (48.6%)
• Aboriginal children	maintain	1 060 (6.0%)	maintain	1 010 (5.8%)
• children from culturally diverse backgrounds[d]	maintain	1 700 (9.5%)	maintain	1 700 (9.8%)
• children with disabilities[e]	maintain	2 740 (15.4%)	maintain	2 770 (16.0%)
• children in rural environments[f]	maintain	370 (2.1%)	maintain	370 (2.1%)
Government expenditure per child in preschools[g]	$6 358	$5 928	$5 684	$5 774

continued

Sub-program: 1.2	Preschool Services continued
Footnotes	(a) An enrolment represents a child being registered with a preschool. An attendance represents a child attending a session for which they are enrolled. Number of children figures are based on eligible enrolments and attendances as at Term 2 each year and include only government funded preschools. The difference between the number of enrolments and attendances is due to the non-compulsory nature of preschool. Figures include grant-funded centres and funded Catholic education preschools. Figures exclude children in play centres. Figures exclude children attending preschool centres for other services. Projections for the number of children are obtained by applying observed progression rates to historical census information. (b) Totals for 2005-06 are actuals rounded based on the DECS Preschool Staffing Data Collection Term 2 2006. (c) Participation figures for specific groups are available for enrolments only and include children enrolled in preschool services during a survey reference week. (d) Includes children with a main language at home other than English. (e) The children with disabilities figure is estimated and includes students identified as having special needs. (f) Includes children in preschools in all areas outside the Adelaide Statistical Division. (g) Derived from total sub-program cost divided by the number of enrolments.

Agency: Department of Education and Children's Services

Program Information

Program 2: Education: Early Years Education (R–2)

Description/Objective: Provision of early years education.

Summary income statement

Program 2: Education: ***Early Years Education (R-2)***	**2006-07 Budget**	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
	$000	**$000**	**$000**	**$000**
Expenses				
Employee benefits and costs	324 453	316 626	299 709	293 907
Supplies and services	100 137	100 102	95 001	103 063
Depreciation and amortisation	11 673	11 647	11 673	13 193
Interest and other finance expenses	187	189	189	161
Grants and subsidies	1 485	1 703	1 550	711
Other	348	351	46	7 552
Total expenses	**438 283**	**430 618**	**408 168**	**418 587**
Income				
Sale of goods and services	23 473	22 907	21 086	19 215
Grant revenue	46 463	47 356	43 832	45 667
Investment revenue	1 785	3 282	3 281	3 814
Other	14 779	14 417	13 260	18 259
Total income	**86 500**	**87 962**	**81 459**	**86 955**
Net cost of providing services	**351 783**	**342 656**	**326 709**	**331 632**

Program 2: Performance Criteria:

Program: 2	Education: Early Years Education (R–2) Delivery of Reception to Year 2 educational programs at the local level.			
	2006-07 Budget	**2005-06 Estimated Result**	**2005-06 Budget**	**2004-05 Actual**
Net cost of program	**$351 783 000**	**$342 656 000**	**$326 709 000**	**$331 632 000**

Performance commentary

Early Years Literacy Program

As part of the *DECS Statement of Directions 2005-2010* released in 2005, a commitment was made to develop the knowledge and skills of teachers of 4-8 year olds about the teaching of literacy.

As part of this commitment, in 2005 over 5000 educators attended core professional learning days. In addition an extra 180 teacher positions have been provided for schools to provide mentoring programs. Funding has also been directed towards providing one to one literacy assistance to year one children already identified as requiring additional help.

Junior Primary Class Sizes

South Australia's Strategic Plan has set a target to continue to reduce junior primary class sizes. DECS schools are arranged in one of seven Index of Disadvantage categories with schools in category one being the most disadvantaged and those in category seven being the least disadvantaged. In 2006, DECS achieved a decline in student numbers in most categories, with category one recording an average class size of 15 students.

The latest industrial agreement will ensure that the current junior primary class sizes are maintained. In addition, an extra 100 teachers will be provided to schools from the beginning of the 2007 school year in order to reduce class sizes at the Year 3 level by approximately two students per class.

Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
No. of students in Reception to Year 2[(a)]				
• total no. of students	40 261[(b)]	41 180	40 766	41 350
• no. of Aboriginal students	1 980	1 970	1 950	1 910
• no. of students with disabilities[(c)]	3 189	3 070	2 980	2 800
• no. of students with English as a second language (ESL)[(d)]	4 282	4 600	4 460	4 320
• no. of rural and isolated students[(e)]	13 687	13 860	13 690	13 930
Total Reception to Year 2 funding (government schools) per student[(f)]	$10 886	$10 457	$10 012	$10 123

Footnotes

(a) Numbers of students are expressed in full-time equivalent (that is full-time plus full-time equivalent of part-time) as at the August Census each year. All figures include students not allocated to year level, apportioned based on their age. Totals for 2005-06 are actuals rounded based on the DECS School Enrolment Census Term 3 2005.

(b) 2006-07 Targets are based on population estimates provided by the Australian Bureau of Statistics (ABS) and Planning SA.

(c) Includes students with physical, intellectual or sensory impairments and/or disabilities in communication and language, who have been referred for special education support by the guidance or speech pathology service.

(d) Includes students receiving support.

(e) Includes all areas outside the Adelaide Statistical Division.

(f) Derived from total sub-program cost divided by the number of enrolments.

Agency: Department of Education and Children's Services

Program Information

Program 3: Education: Primary and Secondary Education (3–12)

Description/Objective: Provision of Primary and Secondary Education.

Summary income statement

Program 3: *Education: Primary and Secondary Education (3–12)*	2006-07 Budget $000	2005-06 Estimated Result $000	2005-06 Budget $000	2004-05 Actual $000
Expenses				
Employee benefits and costs	1 057 241	1 021 607	967 024	948 303
Supplies and services	326 300	322 982	306 526	332 538
Depreciation and amortisation	38 038	37 579	37 665	42 568
Interest and other finance expenses	611	610	609	517
Grants and subsidies	4 837	5 495	4 999	2 296
Other	1 133	1 135	148	24 368
Total expenses	**1 428 160**	**1 389 408**	**1 316 971**	**1 350 590**
Income				
Sale of goods and services	75 738	73 911	68 033	61 996
Grant revenue	149 915	152 796	141 427	147 347
Investment revenue	5 762	10 589	10 586	12 309
Net gain or loss from disposal of assets	—	—	—	-1 151
Other	47 683	46 517	42 786	60 061
Total income	**279 098**	**283 813**	**262 832**	**280 562**
Net cost of providing services	**1 149 062**	**1 105 595**	**1 054 139**	**1 070 028**

Sub-program: 3.1	Year 3 to Year 7 Education Provision Delivery of Year 3 to Year 7 educational programs at the local level.			
	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$517 491 000**	**$499 791 000**	**$476 531 000**	**$483 760 000**

Performance Commentary

Literacy and Numeracy

South Australia's Strategic Plan has set targets to increase Year 3, 5 and 7 student performance in literacy and numeracy to reach or exceed the national average by 2008. At the time of reporting, the Ministerial Council for Education, Employment, Training and Youth Affairs (MCEETYA) had not released national data on achievement against benchmarks for 2005. Therefore, performance against the national average cannot be gauged at this time.

Benchmarks are nationally agreed minimum acceptable standards for aspects of literacy and numeracy at particular year levels. They are expressed as a percentage of the students who achieved the benchmark. Generally the percentage of South Australian students achieving the benchmark has remained steady or slightly increased from the number in 2004-05, although in some cases a trend is emerging showing an overall increase in the percentage of students achieving the benchmark.

The following examples include:

- the percentage of Year 3 students achieving the national benchmark in reading in 2005 has remained the same (ie 91 per cent);
- the percentage of Year 3 students achieving the national benchmark in writing in 2005 has increased (ie 92 per cent compared with 90 per cent in 2004);
- the percentage of Year 3 students achieving the national benchmark in numeracy in 2005 has increased (ie 93 per cent compared with 92 per cent in 2004);
- the percentage of Year 5 students achieving the national benchmark in numeracy in 2005 has remained the same (ie 90 per cent);
- the percentage of Year 7 students achieving the national benchmark in reading in 2005 had increased (ie 94 per cent compared with 93 per cent in 2004); and
- the percentage of Year 7 students achieving the national benchmark in writing has remained the same (ie 88 per cent).

The South Australian Aboriginal achievement statistics are particularly vulnerable to fluctuations from year to year. This is mainly due to three factors: the small cohort of Aboriginal students (between 400 and 500 students in each cohort), their restricted spread in terms of achievement that sees many Aboriginal students being around benchmark standard, and variable skill ability across the aspects of reading, writing, spelling and numeracy. Improving Aboriginal student achievement continues to be a priority for the department.

Premier's Reading Challenge

The Premier's Reading Challenge continues to experience strong growth with over 80 per cent of schools participating in 2005, achieving the target of 80 per cent participation set in the *South Australia's Strategic Plan* one year ahead of schedule. This represents approximately 118 000 students from Government, Catholic and Independent schools participating in the Challenge in 2005.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of students in Year 3 to Year 7[(a)]				
• total no. of students	64 349[(b)]	66 410	65 321	67 450
• no. of Aboriginal students	3 000	2 960	3 005	2 940
• no. of students with disabilities[(c)]	5 996	6 090	5 695	5 760
• no. of students with English as a second language (ESL)[(d)]	6 660	7 190	7 180	6 730
• no. of rural and isolated students[(e)]	22 210	22 700	22 395	23 040
Average rate of attendance (%)[(f)]				
• Year 6	increase by 1% (Years 6–9)	92	increase by 1% (Years 6–9)	93
• Year 7	increase by 1% (Years 6–9)	92	increase by 1% (Years 6–9)	93

continued

Sub-program: 3.1	Year 3 to Year 7 Education Provision continued			
Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
Year 3 students achieving the national benchmark in reading (%)[g][h]				
• all students	increase	91	increase	91
• female students	increase	93	increase	93
• male students	increase	89	increase	89
• Aboriginal students[i]	increase	71	increase	73
• students from a language background other than English[j]	increase	94	increase	89
Year 3 students achieving the national benchmark in writing (%)[g][h]				
• all students	increase	92	increase	90
• female students	increase	94	increase	93
• male students	increase	90	increase	87
• Aboriginal students[i]	increase	72	increase	62
• students from a language background other than English[j]	increase	95	increase	86
Year 3 students achieving the national benchmark in numeracy (%)[g][h]				
• all students	increase	93	increase	92
• female students	increase	93	increase	92
• male students	increase	92	increase	91
• Aboriginal students[i]	increase	75	increase	68
• students from a language background other than English[j]	increase	95	increase	88
Year 5 students achieving the national benchmark in reading (%)[g][h]				
• all students	increase	89	increase	90
• female students	increase	91	increase	92
• male students	increase	87	increase	88
• Aboriginal students[i]	increase	64	increase	60
• students from a language background other than English[j]	increase	87	increase	87
Year 5 students achieving the national benchmark in writing (%)[g][h]				
• all students	increase	92	increase	93
• female students	increase	95	increase	95
• male students	increase	90	increase	90
• Aboriginal students[i]	increase	73	increase	70
• students from a language background other than English[j]	increase	94	increase	90

continued

Sub-program: 3.1	Year 3 to Year 7 Education Provision continued			
Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
Year 5 students achieving the national benchmark in numeracy (%)[g][h]				
• all students	increase	90	increase	90
• female students	increase	90	increase	91
• male students	increase	90	increase	90
• Aboriginal students[i]	increase	70	increase	62
• students from a language background other than English[j]	increase	89	increase	88
Year 7 students achieving benchmark in reading (%)[g][h]				
• all students	increase	94	increase	93
• female students	increase	95	increase	94
• male students	increase	92	increase	91
• Aboriginal students[i]	increase	69	increase	69
• students from a language background other than English[j]	increase	91	increase	89
Year 7 students achieving the national benchmark in writing (%)[g][h]				
• all students	increase	88	increase	88
• female students	increase	91	increase	92
• male students	increase	84	increase	84
• Aboriginal students[i]	increase	60	increase	59
• students from a language background other than English[j]	increase	86	increase	86
Year 7 students achieving the national benchmark in numeracy (%)[g][h]				
• all students	increase	86	increase	87
• female students	increase	85	increase	87
• male students	increase	87	increase	88
• Aboriginal students[i]	increase	56	increase	59
• students from a language background other than English[j]	increase	82	increase	86
Total Years 3–7 funding (government schools) per student[k]	$10 003	$9 458	$9 114	$9 052

continued

Sub-program: 3.1	Year 3 to Year 7 Education Provision continued
Footnotes	(a) Numbers of students are expressed in full-time equivalent (that is full-time plus full-time equivalent of part-time) as at the August Census each year. Totals for 2005-06 are actuals rounded based on the DECS School Enrolment Census Term 3 2005. Totals are in accordance with those provided in the National Schools Statistics Collection. All figures include students not allocated to a year level, apportioned based on their age. (b) 2006-07 Targets are based on population estimates provided by the ABS and Planning SA. (c) Includes those with physical, intellectual or sensory impairments and/or disabilities in communication and language who have been referred for special education support by the guidance or speech pathology service. (d) Includes students receiving support. (e) Includes all areas outside the Adelaide Statistical Division. (f) Attendance rates are calculated using: full-time students; students enrolled in only one school for the entire term; students who were enrolled at the Term 3 census; and whole day absences. (g) Benchmarks are nationally agreed minimum acceptable standards for aspects of literacy and numeracy at particular year levels. They are expressed as a percentage of the students who achieved the benchmark. The 2005-06 estimate is based on preliminary data. MCEETYA has not released national data on achievement against benchmarks for 2005. Therefore South Australian performance against the national data cannot be gauged at this time and a specific target for 2006-07 cannot be established. (h) Annual fluctuations in benchmarks will occur and are affected by the size of the student cohort and the spread (or variation) of student achievement along the achievement continuum. Fluctuations may also be caused in the process of equating new literacy and numeracy tests, which are developed each year, when scaling occurs to account for variations in test difficulties from year to year. Equating is an issue, though every effort is made to ensure its accuracy. In recognition of the uncertainty associated with benchmarks, state statistics are based on the 95 per cent confidence interval for the estimation of benchmarks. Fluctuations, which all States/Territories experience, need to be evaluated with this imprecision in mind. (i) The South Australian Aboriginal achievement statistics are particularly vulnerable to fluctuations from year to year. This is mainly due to the small cohort of Aboriginal Students (between 400 and 500 students in each cohort), their restricted spread in terms of achievement that sees many Aboriginal students around benchmark standard, and variable skill ability across the aspects of reading, writing, spelling and numeracy. The error rate associated with Aboriginal Students is large and around six per cent, meaning that the percentage of Aboriginal students achieving benchmark standard has a 12 percentage point range. Where there are apparent decreases, this may not be real when the error margins are considered. The reason for some confidence intervals being larger than others (such as for Aboriginal students) is due mainly to the relatively small size of the specific group - in general, the larger the population taking the test, the narrower the confidence interval will be. (j) Beginning in 2005, South Australia is using a new definition of language background other than English which may account for the differences in the percentages of students achieving benchmark standard in previous years. (k) Derived from the total sub-program cost divided by the number of enrolments.

Sub-program: 3.2	Year 8 to Year 10 Education Provision Delivery of Year 8 to Year 10 educational programs at the local level.			
	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$377 732 000**	**$368 001 000**	**$350 873 000**	**$356 105 000**

Performance Commentary

South Australia's Strategic Plan and the department have continued to focus on retention, attendance, engagement, literacy, numeracy, student well being, and the need to build consistency and cohesiveness in the teaching workforce across the middle years of schooling.

Community Mentoring Program

The Community Mentoring Program links role models drawn from members of the community with students who have been identified as at risk of leaving school early. The aim is to support these young people to successfully negotiate the transition points in their school life. In 2005, four pilot programs had a focus on supporting students to make a successful transition from primary to secondary schooling.

Student Attendance and Monitoring Systems

The Government announced the introduction of a new electronic leave pass system which will make South Australia the first state in Australia to introduce such a system in all high schools. The system will allow easier identification of school truants and inform teachers of students who have an approved absence from class.

In February 2006, the Minister announced the expansion of the department's unique student identifier to record the achievements of State school students. The system will allow teachers to use the information to identify the strengths and challenges of individual children in their class and plan classroom programs and provide support accordingly.

Science and Mathematics Strategy

In 2005, 37 science and mathematics teachers gained experience in 10 day placements in industry and business settings through the Premier's Industry Awards. This placement gave them the opportunity to see first hand the applications of Science and Mathematics in the workplace. They were then able to develop resources to make classroom teaching more up-to-date and relevant and better promote career opportunities for their students.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of students in Year 8 to Year 10[a]				
• total no. of students	37 348[b]	37 340	38 192	37 580
• no. of Aboriginal students	1 626	1 590	1 500	1 490
• no. of students with disabilities[c]	3 276	3 120	3 245	2 970
• no. of students with English as a second language (ESL)[d]	3 433	3 570	3 835	3 470
• no. of rural and isolated students[e]	13 248	12 990	13 296	12 990
Average rate of attendance (%)[f]				
• Year 8	increase by 1% (Years 6-9)	89	increase by 1% (Years 6-9)	90
• Year 9	increase by 1% (Years 6-9)	87	increase by 1% (Years 6-9)	89
Total Years 8–10 funding (government schools) per student[g]	$12 601	$12 385	$11 478	$11 962

Footnotes

(a) Number of students are expressed in full-time equivalent (that is full-time equivalent plus full-time equivalent of part time) as at the August Census each year. Totals for 2005-06 are actuals rounded based on the DECS School Enrolment Census Term 3 2005. Totals are in accordance with those provided in the National Schools Statistics Collection. All figures include students not allocated to a year level, apportioned based on their age.

(b) 2006-07 Targets are based on population estimates provided by the ABS and Planning SA.

(c) Includes those with physical, intellectual or sensory impairments and/or disabilities in communication and language, who have been referred for special education support by the guidance or speech pathology service.

(d) Includes students receiving support.

(e) Includes all areas outside the Adelaide Statistical Division.

(f) Attendance rates are calculated using: full time students; students enrolled in only one school for the entire term; students who were enrolled at the Term 3 Census and whole day absences.

(g) Derived from total sub-program cost divided by the number of enrolments.

Sub-program: 3.3	Year 11 to Year 12 Education Provision Delivery of Year 11 to Year 12+ educational programs at the local level.			
	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
Net cost of sub-program	**$253 839 000**	**$237 803 000**	**$226 735 000**	**$230 163 000**

Performance Commentary

School Retention Action Plan

During 2005 more than 500 young people were engaged in programs under the School Retention Action Plan. This included Innovative Community Action Networks (ICANs) where communities are challenged to achieve improved youth participation and retention in education, training and employment. In 2005, 30 new ICAN engagement and retention programs were established.

The apparent retention rate is the percentage of full-time students in Year 12 compared with the number of students in Year 8 four years earlier, and in Year 10 two years earlier. The term 'apparent' is used because no adjustments are made for migration, student movements between jurisdictions, students repeating a year level or students engaged in apprenticeships and similar activities.

The full-time equivalent Year 8 to Year 12 apparent retention rate for government schools was 72.4 per cent in 2005 compared to 70 per cent in 2004. While South Australia's Indigenous full time equivalent Year 10 to Year 12 rate increased from 36.4 to 36.7 per cent in 2005.

Student Completion

The Senior Secondary Assessment Board of South Australia (SSABSA) data indicates an increase in the proportion of students completing SACE. SSABSA completion rates are based on defining a baseline cohort of students who were attempting to complete the SACE in that year (known as potential completers). The completion rate for students in metropolitan schools was 88.5 per cent (compared with 87.2 per cent in 2004) whereas the completion rate for students in country schools was 87.8 per cent (compared with 88.7 per cent in 2004).

Overseas Students

Of the 180 overseas students who sat for the SACE, 150 successfully completed the SACE, scoring up to a TER score of 90, with four students achieving merits in IT, Maths and Languages and six students scoring five A grades.

Students with Additional Needs

Daws Road and Prospect Transition centres collaborated to develop a state-wide transition service for students with disabilities 15+ years of age. Together these centres offer curriculum in seven VET courses and 17 SACE courses which enable young students to develop pathways into supported/open employment. The new service offers expertise to fellow professionals, information to parents and collaborates with many agencies to open up new post school options for students.

Student Action Teams

A trial of Student Action Teams was completed. This initiative is directly linked to the *DECS Statement of Directions* goal to ensure student involvement in local decisions. Students from 50 schools participated in the inaugural Student Voice Expo, which identified ways of engaging students whose voices are not usually heard.

Performance Indicators	2006-07 Target	2005-06 Estimated Result	2005-06 Target	2004-05 Actual
No. of students in Year 11 to Year 12+[a]				
• total no. of students	22 582[b]	22 720	22 249	22 700
• no. of Aboriginal students	544	530	525	500
• no. of students with disabilities[c]	1 399	1 350	1 385	1 380
• no. of students with English as a second language (ESL)[d]	2 290	2 530	2 455	2 380
• no. of rural and isolated students[e]	6 141	6 010	6 155	6110
Apparent retention rate Years 8–12 (full-time equivalent) all students[f]	Continue to increase to meet *South Australia's Strategic Plan* target	72.4	Increase to meet *South Australia's Strategic Plan* target	70.0
Apparent retention rate Years 10–12 (full-time equivalent) all students[f]	Continue to increase to meet *South Australia's Strategic Plan* target	75.4	Increase to meet *South Australia's Strategic Plan* target	75.8
Apparent retention rate Years 8–12 (full-time equivalent) Indigenous students[f]	increase	36.7	increase	36.4

continued

Sub-program: 3.3	Year 11 to Year 12 Education Provision continued			
Performance Indicators	**2006-07 Target**	**2005-06 Estimated Result**	**2005-06 Target**	**2004-05 Actual**
Apparent retention rate Years 10–12 (full-time equivalent) Indigenous students[f]	increase	43.9	increase	46.6
Apparent retention rate Years 8–12 (full-time equivalent) male students[f]	increase	64.0	increase	61.2
Apparent retention rate Years 10–12 (full-time equivalent) male students[f]	increase	66.9	increase	66.3
Apparent retention rate Years 8–12 (full-time equivalent) female students[f]	increase	81.2	increase	79.3
Apparent retention rate Years 10–12 (full-time equivalent) female students[f]	increase	84.3	increase	85.7
Total Years 11–12+ funding (government schools) per student[g]	$13 899	$13 154	$12 732	$12 797

Footnotes

(a) Number of students are expressed in full-time equivalent (that is full-time equivalent plus full-time equivalent of part time) as at the August Census each year. Totals for 2005-06 are actuals rounded based on the DECS School Enrolment Census Term 3 2005. Totals are in accordance with those provided in the National Schools Statistics Collection. All figures include students not allocated to a year level, apportioned based on their age.

(b) 2006-07 Targets are based on population estimates provided by the Australian Bureau of Statistics (ABS) and Planning SA.

(c) Includes those with physical, intellectual or sensory impairments and/or disabilities in communication and language, who have been referred for special education support by the guidance or speech pathology service.

(d) Includes students receiving support.

(e) Includes all areas outside the Adelaide Statistical Division.

(f) Retention is one measure contributing to *South Australia's Strategic Plan* target. Apparent retention rates refer to the percentage of students of a given cohort group who continued to a particular level/year of education. Care should be taken in the interpretation of apparent retention rates since a range of factors affecting the calculation have not been taken into account. These factors are more significant when calculating the rate at small area levels such as distinct groups (eg Aboriginal retention rates).

(g) Derived from total sub-program cost divided by the number of enrolments.

DEPARTMENT OF EDUCATION AND CHILDREN'S SERVICES

Income statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Expenses				
Employee benefits and costs —				
Salaries, wages, annual and sick leave	**1 238 962**	1 200 342	1 146 795	1 050 579
Long service leave	**24 954**	24 580	24 571	46 186
Payroll tax	**72 940**	68 063	63 989	67 565
Superannuation	**138 771**	130 186	118 309	123 703
Other	**—**	4 779	—	44 384
Supplies and services —				
General supplies and services	**475 937**	472 016	459 830	474 722
Depreciation and amortisation	**52 691**	52 126	52 306	56 292
Borrowing costs	**845**	845	845	678
Grants and subsidies	**7 174**	7 613	7 181	10 122
Intra government transfers	**—**	218	—	989
Other expenses	**1 569**	1 572	206	34 879
Total expenses	**2 013 843**	1 962 340	1 874 032	1 910 099
Income				
Commonwealth revenues	**213 698**	217 337	214 238	213 003
Intra government transfers	**11 510**	11 307	9 433	9 994
Other grants	**—**	—	—	1 650
Sales of goods and services	**100 551**	98 097	90 396	82 582
Interest revenues	**7 700**	14 028	14 028	17 420
Net gain or loss from disposal of assets	**—**	—	—	-1 151
Other income	**63 115**	61 569	56 679	83 275
Total income	**396 574**	402 338	384 774	406 773
Net cost of providing services	**1 617 269**	1 560 002	1 489 258	1 503 326
Income from / Expenses to SA Government				
Income —				
Appropriation	**1 616 095**	1 505 967	1 494 042	1 494 024
Other income	**—**	62 204	—	1 460
Net income from / expenses to SA Government	**1 616 095**	1 568 171	1 494 042	1 495 484
Net result	**-1 174**	8 169	4 784	-7 842

DEPARTMENT OF EDUCATION AND CHILDREN'S SERVICES

Balance sheet

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and cash equivalents	**352 907**	351 131	280 928	322 805
Receivables	**42 793**	43 189	39 931	19 362
Inventories	**1 150**	1 150	889	1 150
Financial assets	**3 927**	3 927	8 594	3 927
Other current assets	**959**	959	4 405	949
Total current assets	**401 736**	400 356	334 747	348 193
Non current assets				
Financial assets	**905**	905	861	905
Land and improvements	**2 014 128**	2 007 469	1 773 563	2 013 246
Plant and equipment	**31 663**	34 056	24 287	36 463
Intangible assets	**4 282**	4 282	—	4 282
Total non-current assets	**2 050 978**	2 046 712	1 798 711	2 054 896
Total assets	**2 452 714**	2 447 068	2 133 458	2 403 089
Liabilities				
Current liabilities				
Payables	**121 944**	120 987	87 131	98 299
Short-term borrowings	**2 367**	2 367	6 463	7 987
Employee benefits —				
Salaries and wages	**6 816**	6 680	8 786	2 223
Annual leave	**63 096**	61 932	60 360	60 793
Long service leave	**34 864**	34 272	32 508	33 693
Short-term provisions	**19 562**	19 562	17 750	19 562
Other current liabilities	**15 132**	15 132	8 313	8 580
Total current liabilities	**263 781**	260 932	221 311	231 137
Non current liabilities				
Long-term borrowings	**6 523**	7 723	7 577	6 777
Long-term employee benefits —				
Long service leave	**268 798**	263 627	260 602	258 558
Long-term provisions	**82 042**	82 042	64 133	82 042
Other non-current liabilities	**170**	170	85	170
Total non-current liabilities	**357 533**	353 562	332 397	347 547
Total liabilities	**621 314**	614 494	553 708	578 684
Net assets	**1 831 400**	1 832 574	1 579 750	1 824 405
Equity				
Contributed capital	**4 463**	4 463	4 463	4 463
Retained earnings	**1 198 874**	1 200 048	1 156 819	1 191 879
Asset revaluation reserve	**628 063**	628 063	418 468	628 063
Total equity	**1 831 400**	1 832 574	1 579 750	1 824 405

Balances as at 30 June end of period.

DEPARTMENT OF EDUCATION AND CHILDREN'S SERVICES

Statement of changes in equity

	Contributed capital	Asset revaluation reserve	Retained earnings	Total
	$000	$000	$000	$000
Balance at 30 June 2005	4 463	628 063	1 191 879	1 824 405
Adjustments	—	—	—	—
Restated balance at June 2005	4 463	628 063	1 191 879	1 824 405
Net gain/loss on revaluation of property, plant and equipment during 2005-06	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2005-06	—	—	—	—
Net result after restructure for 2005-06	—	—	8 169	8 169
Total recognised income and expense for 2005-06	**—**	**—**	**8 169**	**8 169**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2006	**4 463**	**628 063**	**1 200 048**	**1 832 574**
Net gain/loss on revaluation of property, plant and equipment during 2006-07	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2006-07	—	—	—	—
Net result after restructure for 2006-07	—	—	-1 174	-1 174
Total recognised income and expense for 2006-07	**—**	**—**	**-1 174**	**-1 174**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2007	**4 463**	**628 063**	**1 198 874**	**1 831 400**

DEPARTMENT OF EDUCATION AND CHILDREN'S SERVICES

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
OPERATING ACTIVITIES:				
Cash outflows				
Employee payments	**1 467 607**	1 414 995	1 340 709	1 321 872
Supplies and services	**475 937**	472 016	459 830	455 775
Borrowing costs	**845**	845	845	678
Grants and subsidies	**7 174**	7 613	7 181	11 354
Net GST paid	**—**	—	—	49 386
Intra government transfers	**—**	218	—	989
Other payments	**1 366**	1 366	—	14 496
Cash used in operations	**1 952 929**	1 897 053	1 808 565	1 854 550
Cash inflows				
Intra government transfers	**11 510**	11 307	9 433	9 994
Commonwealth receipts	**213 698**	217 337	214 238	213 003
Other grants	**—**	—	—	1 650
Sales of goods and services	**100 726**	98 275	90 574	73 363
Interest received	**7 893**	14 040	14 040	17 425
Net GST received	**—**	—	—	48 117
Other receipts	**62 940**	61 391	56 501	59 849
Cash generated from operations	**396 767**	402 350	384 786	423 401
SA GOVERNMENT:				
Appropriation	**1 616 095**	1 505 967	1 494 042	1 494 024
Other receipts	**—**	62 204	—	1 460
Net cash provided by Government	**1 616 095**	1 568 171	1 494 042	1 495 484
Net cash provided by (+) / used (-) in operating activities	**59 933**	73 468	70 263	64 335
INVESTING ACTIVITIES:				
Cash outflows				
Purchase of property, plant and equipment	**62 357**	48 942	47 526	79 263
Other payments	**—**	—	—	534
Cash used in investing activities	**62 357**	48 942	47 526	79 797
Cash inflows				
Proceeds from sale of property, plant and equipment	**5 400**	5 000	13 900	2 384
Other receipts	**—**	—	—	4 924
Cash generated from investing activities	**5 400**	5 000	13 900	7 308
Net cash provided by (+) / used in (-) investing activities	**-56 957**	-43 942	-33 626	-72 489

DEPARTMENT OF EDUCATION AND CHILDREN'S SERVICES

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
FINANCING ACTIVITIES:				
Cash outflows				
Repayment of borrowings	**1 200**	1 200	1 200	—
Cash used in financing activities	**1 200**	1 200	1 200	—
Net cash provided by (+) / used in (-) financing activities	**-1 200**	-1 200	-1 200	—
Net increase (+) / decrease (-) in cash equivalents	**1 776**	28 326	35 437	-8 154
Cash and cash equivalents at the beginning of the financial year	**351 131**	322 805	245 491	330 959
Cash and cash equivalents at the end of the financial year	**352 907**	351 131	280 928	322 805

ADMINISTERED ITEMS FOR THE DEPARTMENT OF EDUCATION AND CHILDREN'S SERVICES

Income statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Income from SA Government				
Income —				
Appropriation	**143 779**	136 008	133 978	131 036
Other income	**—**	236	—	60
Net income from / expenses to SA Government	**143 779**	136 244	133 978	131 096
Income from other sources				
Commonwealth revenues	**435 661**	426 400	426 400	402 704
Intra government transfers	**—**	—	—	10 542
Other grants	**—**	—	—	38
Sales of goods and services	**1 968**	1 888	1 888	1 621
Interest revenues	**300**	247	377	716
Other income	**172**	254	—	511
Total income from other sources	**438 101**	428 789	428 665	416 132
Total income	**581 880**	565 033	562 643	547 228
Expenses				
Employee benefits and costs —				
Salaries, wages, annual and sick leave	**8 836**	8 167	10 495	7 760
Long service leave	**—**	—	—	341
Payroll tax	**590**	548	5	411
Superannuation	**1 115**	1 044	9	739
Other	**—**	—	—	228
Supplies and services —				
General supplies and services	**3 776**	4 209	3 560	4 758
Consultancy expenses	**31**	30	—	5
Depreciation and amortisation	**288**	354	220	289
Borrowing costs	**196**	289	289	441
Grants and subsidies	**564 515**	547 888	545 888	518 224
Intra government transfers	**2 232**	2 178	2 178	13 455
Other expenses	**38**	37	—	31
Total expenses	**581 617**	564 744	562 644	546 682
Net result	**263**	289	-1	546

ADMINISTERED ITEMS FOR THE DEPARTMENT OF EDUCATION AND CHILDREN'S SERVICES

Balance sheet

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Assets				
Current assets				
Cash and cash equivalents	**4 217**	3 706	4 577	3 404
Receivables	**4 396**	5 952	2 994	7 505
Other current assets	**74**	74	70	74
Total current assets	**8 687**	9 732	7 641	10 983
Non current assets				
Plant and equipment	**784**	976	257	936
Total non-current assets	**784**	976	257	936
Total assets	**9 471**	10 708	7 898	11 919
Liabilities				
Current liabilities				
Payables	**1 540**	1 540	783	1 540
Short-term borrowings	**1 460**	1 500	1 500	1 500
Employee benefits —				
Salaries and wages	**1**	1	29	1
Annual leave	**368**	368	323	368
Long service leave	**29**	29	33	29
Total current liabilities	**3 398**	3 438	2 668	3 438
Non current liabilities				
Long-term borrowings	**1 000**	2 460	1 460	3 960
Long-term employee benefits —				
Long service leave	**923**	923	667	923
Total non-current liabilities	**1 923**	3 383	2 127	4 883
Total liabilities	**5 321**	6 821	4 795	8 321
Net assets	**4 150**	3 887	3 103	3 598
Equity				
Retained earnings	**3 026**	2 763	2 271	2 474
Other reserves	**1 124**	1 124	832	1 124
Total equity	**4 150**	3 887	3 103	3 598

Balances as at 30 June end of period.

ADMINISTERED ITEMS FOR THE DEPARTMENT OF EDUCATION AND CHILDREN'S SERVICES

Statement of changes in equity

	Contributed capital	Asset revaluation reserve	Retained earnings	Total
	$000	$000	$000	$000
Balance at 30 June 2005	—	—	3 598	3 598
Adjustments	—	—	—	—
Restated balance at June 2005	—	—	3 598	3 598
Net gain/loss on revaluation of property, plant and equipment during 2005-06	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2005-06	—	—	—	—
Net result after restructure for 2005-06	—	—	289	289
Total recognised income and expense for 2005-06	**—**	**—**	**289**	**289**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2006	**—**	**—**	**3 887**	**3 887**
Net gain/loss on revaluation of property, plant and equipment during 2006-07	—	—	—	—
Net changes in reserves	—	—	—	—
Net income/expense recognised directly in equity for 2006-07	—	—	—	—
Net result after restructure for 2006-07	—	—	263	263
Total recognised income and expense for 2006-07	**—**	**—**	**263**	**263**
Equity contributions from SA Government	—	—	—	—
Repayment of equity contributions from SA Government	—	—	—	—
Estimated balance at 30 June 2007	**—**	**—**	**4 150**	**4 150**

ADMINISTERED ITEMS FOR THE DEPARTMENT OF EDUCATION AND CHILDREN'S SERVICES

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
OPERATING ACTIVITIES:				
Cash inflows				
Intra government transfers	**—**	—	—	10 828
Commonwealth receipts	**435 661**	426 400	426 400	402 704
Other grants	**—**	—	—	38
Sales of goods and services	**1 968**	1 888	1 888	1 372
Interest received	**472**	503	377	716
Net GST received	**—**	—	—	11 876
Other receipts	**—**	—	—	1 578
Cash generated from operations	**438 101**	428 791	428 665	429 112
Cash outflows				
Employee payments	**10 541**	9 759	10 509	9 381
Supplies and services	**14 672**	14 668	13 989	14 280
Borrowing costs	**196**	289	289	452
Grants and subsidies	**553 650**	537 459	535 459	509 812
Net GST paid	**—**	—	—	12 355
Intra government transfers	**2 232**	2 178	2 178	13 455
Other payments	**38**	37	—	30
Cash used in operations	**581 329**	564 390	562 424	559 765
SA GOVERNMENT:				
Appropriation	**143 779**	136 008	133 978	131 036
Other receipts	**—**	236	—	60
Net cash provided by Government	**143 779**	136 244	133 978	131 096
Net cash provided by (+) / used in (-) operating activities	**551**	645	219	443
INVESTING ACTIVITIES:				
Cash inflows				
Repayment of advances	**1 556**	1 551	1 551	—
Cash generated from investing activities	**1 556**	1 551	1 551	—
Cash outflows				
Purchase of property, plant and equipment	**96**	394	94	676
Cash used in investing activities	**96**	394	94	676
Net cash provided by (+) / used in (-) investing activities	**1 460**	1 157	1 457	-676

ADMINISTERED ITEMS FOR THE DEPARTMENT OF EDUCATION AND CHILDREN'S SERVICES

Cash flow statement

	2006-07 Budget	2005-06 Estimated result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
FINANCING ACTIVITIES:				
Cash outflows				
Repayment of borrowings	**1 500**	1 500	1 500	2 000
Cash used in financing activities	**1 500**	1 500	1 500	2 000
Net cash provided by (+) / used in (-) financing activities	**-1 500**	-1 500	-1 500	-2 000
Net increase (+) / decrease (-) in cash equivalents	**511**	302	176	-2 233
Cash and cash equivalents at the beginning of the financial year	**3 706**	3 404	4 401	5 637
Cash and cash equivalents at the end of the financial year	**4 217**	3 706	4 577	3 404

Agency: Department of Education and Children's Services

Financial Commentary — Major resource variations

The following commentary relates to the Department of Education and Children's Services Budgeted Financial Statements presented in the previous sections. The following discussion relates to variations between the 2005-06 Estimated Result and the 2006-07 Budget.

Income statement — Controlled

The net increase in expenses of $51.5 million is mainly due to increased expenditure for:

- Salary Supplementation for education staff due to the recent Enterprise Bargaining Agreement — $68.7 million.
- Implementation of the SACE Review — $9.8 million.
- Extra 100 teachers to reduce Year 3 class sizes in Government schools — $4.4 million.
- Education Works — Implementation Teams and Project Support — $3 million.
- A book grant to government and non-government child care centres and preschools — $1 million.
- Additional funding for Children's Centres — $648 000.
- The Premier's Be Active Challenge for students from Reception to Year 9 — $483 000.
- Introduction of mandatory healthy food guidelines in all 1020 Government schools and preschools — $340 000.

The increase in expenditure is offset by:

- A decrease reflecting the slight reduction in predicted student enrolments — $11.9 million.
- Review of Priorities measures and the general efficiency dividend — $9.1 million.
- Ceasing of RegNet Commonwealth grant — $4.5 million.
- One-off funding in 2005-06 of $4.8 million for Targeted Voluntary Separation Packages (TVSPs).
- A decrease in expenditure due to TVSPs taken in 2005-06 — $3.2 million.

The net decrease in income of $5.8 million is primarily due to:

- A reduction in interest revenue due to changes to the cash alignment policy — $7.2 million.

Balance sheet — Controlled

There is no significant change in the net asset position of the department.

Cash flow statement — Controlled

The decrease in net cash provided in operating activities of $13.5 million is primarily due to the decrease in accrual provisions (for example employee entitlements and depreciation), together with the other items discussed under the Income Summary commentary.

The increase in net cash used for investing activities of $13 million is primarily due to additional funding for new Government initiatives of $11.7 million (additional Children's Centres $1.5 million, Trade Schools $2.9 million and the implementation costs of the Education Works initiative $7.3 million).

Administered Items

The following commentary relates to the Administered Items for the Department of Education and Children's Services Budgeted Financial Statements presented in previous sections. The discussion relates to variations between the 2005-06 Estimated Result and the 2006-07 Budget.

Income statement — Administered

The increase in expenses of $16.9 million between the 2005-06 Estimated Result and the 2006-07 Budget is primarily due to the increase in non-government schools per capita grants of $15.8 million.

The increase in income of $16.8 million between the 2005-06 Estimated Result and the 2006-07 Budget is primarily as a result of the increase in Commonwealth revenues of $9.3 million and the increase in State funding of $7.5 million, which includes an additional $4 million for students with special needs.

Balance sheet — Administered

There is no significant change in the net asset position of the Administered Items.

Cash flow statement — Administered

The cash position of the Administered Items is expected to increase by $511 000, which is in line with the approved budget plan.

Additional Information for Administered Items

Detailed information on Administered Items is included in the following table.

Additional Information for Administered Items
Department of Education and Children's Services

Cash flow statement

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
CASH FLOWS FROM:				
Operating activities				
Receipts				
Intra Government transfers —				
Senior Secondary Assessment Board of South Australia	**—**	—	—	10 828
Commonwealth Government grants and payments —				
Non-Government schools	**435 661**	426 400	426 400	402 704
Grants —				
Senior Secondary Assessment Board of South Australia	**—**	—	—	38
Sales of goods and services —				
Senior Secondary Assessment Board of South Australia	**1 968**	1 888	1 888	1 372
Interest —				
School Loans Assistance Scheme	**196**	289	289	519
Senior Secondary Assessment Board of South Australia	**276**	214	88	197
Net GST received –				
Expenses for Administered Items	**—**	—	—	11 341
Senior Secondary Assessment Board of South Australia	—	—	—	535
State Government – Appropriation —				
Expenses for Administered Items	**143 552**	136 039	133 773	130 891
Other Receipts —				
Parliamentary Salaries and Electorate and Expense Allowances	**227**	205	205	205
School Loans Assistance Scheme	**—**	—	—	1 331
Senior Secondary Assessment Board of South Australia	—	—	—	247
Total operating receipts	**581 880**	565 035	562 643	560 208
Payments				
Employee payments —				
Consultative Committees	**1 099**	1 077	1 077	1 289
Parliamentary Salaries and Electorate and Expense Allowances	**227**	205	205	205
Senior Secondary Assessment Board of South Australia	**9 215**	8 477	9 227	7 887
Supplies and services —				
Consultative Committees	**224**	219	219	156
Senior Secondary Assessment Board of South Australia	**3 583**	4 020	3 341	3 645
Transport Concession to Students and Children	**10 865**	10 429	10 429	10 479
Interest and Other Financial Payments —				
School Loans Assistance Scheme	**196**	289	289	452
Grants and subsidies —				
Multicultural Grants — Funding from Commonwealth Government	**711**	694	694	640
Multicultural Grants — Funding State	**698**	913	681	280
Non-Government Schools — National Enquiry Program for Schools Funding	**3 266**	3 186	3 186	3 553

Additional Information for Administered Items
Department of Education and Children's Services

Cash flow statement

	2006-07 Budget	2005-06 Estimated Result	2005-06 Budget	2004-05 Actual
	$000	$000	$000	$000
Non-Government Schools — per capita Grants — Funding From Commonwealth Government	**416 869**	405 008	403 240	377 036
Non-Government Schools — per capita Grants — Funding From State	**110 762**	106 835	106 835	103 574
Other Organisations	**805**	785	785	672
Special Schools — Funding from Commonwealth Government National Equity Program for Schools	**10 349**	10 096	9 438	15 469
Special Schools — Funding from State	**1 401**	1 368	2 026	311
Consultative Committees	**—**	—	—	190
Non-Government Schools — Capital — Funding from Commonwealth Government	**8 789**	8 574	8 574	8 087
Net GST Paid —				
Expenses for Administered Items	—	—	—	11 793
Senior Secondary Assessment Board of South Australia	—	—	—	562
Intra Government Transfers —				
Special Schools — Funding from State — Child & Youth Health	**1 453**	1 418	1 418	1 618
Special Schools — Funding from Commonwealth — Child & Youth Health	**779**	760	760	775
Senior Secondary Assessment Board of South Australia	—	—	—	10 542
Other	—	—	—	520
Other Payments —				
Senior Secondary Assessment Board of South Australia	**38**	37	—	30
Total operating payments	**581 329**	564 390	562 424	559 765
Net cash provided by operating activities	**551**	645	219	443
Investing activities				
Receipts				
School Loans Assistance Scheme	**1 556**	1 551	1 551	—
Total investing receipts	**1 556**	1 551	1 551	—
Payments				
Purchase of Property, Plant and Equipment —				
Payments for Administered Items	**—**	—	—	10
Senior Secondary Assessment Board of South Australia	**96**	394	94	666
Total investing payments	**96**	394	94	676
Net cash provided by investing activities	**1 460**	1 157	1 457	-676
Payments				
Repayment of Borrowings – To the Consolidated Account by the School Loans Assistance Scheme	**1 500**	1 500	1 500	2 000
Total financing payments	**1 500**	1 500	1 500	2 000
Net cash provided by financing activities	**-1 500**	-1 500	-1 500	-2 000
Net increase (+) / decrease (-) in cash held	**511**	302	176	-2 233
Opening cash balance as at 1 July	**3 706**	3 404	4 401	5 637
Closing cash balance as at 30 June	**4 217**	3 706	4 577	3 404

ACCOUNTING STANDARDS

ACCOUNTING STANDARDS

Estimates in these portfolio statements have been prepared on a basis consistent with Australian equivalents to International Financial Reporting Standards, except where these notes indicate otherwise.

Estimated results for 2005-06 are based on projected outcomes and information available at the time of preparation.

The financial statements included in the portfolio statements are special purpose financial reports.

Basis of Measurement

One or more of the following measurement bases have been adopted for assets of an agency recognised in the financial statements:

- 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 an estimate of fair value)
- 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
- acquisition cost
- written-down historical cost
- an amount recognised in the accounts of a transferor entity upon a restructure.

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 116 *Property, Plant and Equipment* 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 most common methods used for calculating depreciation expense are straight line and reducing balance.

Certain heritage assets 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 those assets.

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

Reporting Entities

Reporting Entities for Budget Purposes

In accordance with Australian Accounting Standard AASB 127 *Consolidated and Separate Financial Statements*, the financial reports include all assets, liabilities, income and expenses of individual entities and portfolio agencies (administrative groupings of entities).

In the process of reporting on portfolios, agencies or other entities as single economic entities, transactions and balances between controlled entities are 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 controlled and administered activities.

Agency/portfolio 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 and superannuation benefits) reflect those benefits accrued as a result of services provided by employees up to the reporting date.

Short-term employee benefits (fall due within twelve months) are measured at a nominal amount based on the remuneration rates an agency expects to pay. Examples of short-term employee benefits include salaries and wages and annual leave.

Long-term employee benefits (fall due later than twelve months) are measured as the present value of estimated future cash flows. An example of a long-term employee benefit is long service leave.

Sick leave

For the majority of agencies, no liability will be recognised for 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.

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

Superannuation

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

Two types of superannuation plans 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. Deficits in defined benefit superannuation plans are recognised as liabilities in the statement of financial position for the Treasurer. 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.

Income recognition

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

Opening balances

The opening balance for cash in 2005-06 in the Cash Flow Statement of an agency is based on the closing 2004-05 cash balance as stated in the audited financial reports for the agency.

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

Accrual appropriation

The investment program requirements for an agency may be funded through recurrent appropriation, operating receipts, the proceeds of asset sales, 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 *Appropriation*).

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 Balance Sheet.

Cash Alignment Policy

In most cases where agencies have returned excess cash held to the Treasurer in accordance with the Cash Alignment Policy, the payment is recorded as a 'payment to government' in the Income Statement. Some agencies have elected to repay debt or return contributed capital with excess cash balances. These transactions will be reflected in the Balance Sheet or Statement of Changes in Equity.

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 format is consistent with the *Model Financial Reports* (prepared by the Department of Treasury and Finance for statutory reporting requirements) and is consistent with the requirements of:

AASB 101 *Presentation of Financial Statements* and AASB 107 *Cash Flow Statements*.