

**PORTFOLIO ADDITIONAL  
ESTIMATES STATEMENTS 2011-12**

RESOURCES, ENERGY AND TOURISM  
PORTFOLIO

EXPLANATIONS OF ADDITIONAL ESTIMATES 2011-12

ISBN 978-1-921812-80-4



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The document must be attributed as the *Portfolio Budget Statements 2011-12, Resources, Energy and Tourism Portfolio*.

Printed by:  
Canprint Communications Pty Ltd  
16 Nyrang Street  
FYSHWICK ACT 2609



## **MINISTER**

**PARLIAMENT HOUSE  
CANBERRA 2600**

President of the Senate  
Australian Senate  
Parliament House  
CANBERRA ACT 2600

Speaker  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Mr President  
Dear Mr Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2011-12 Additional Estimates for the Resources, Energy and Tourism Portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the funding requirements being sought for the Portfolio.

I present these statements by virtue of my ministerial responsibility for accountability to the Parliament and, through it, the public.

Yours sincerely

Martin Ferguson



## **Abbreviations and conventions**

The following notation may be used:

NEC/nec	not elsewhere classified
..	nil
na	not zero, but rounded to zero
nfp	not applicable (unless otherwise specified)
\$m	not for publication
\$b	\$ million
	\$ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

## **Enquiries**

Should you have any enquiries regarding this publication please contact Jo-Ann Rose, Chief Financial Officer, Department of Resources, Energy and Tourism on (02) 6243 7303.

A copy of this document can be located on the Australian Government Budget website at: <http://www.budget.gov.au>.



**USER GUIDE  
TO THE  
PORTFOLIO ADDITIONAL  
ESTIMATES STATEMENTS**



## USER GUIDE

The purpose of the Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements (PB Statements), is to inform Senators and Members of Parliament and the public of the proposed allocation of resources to Government outcomes by agencies within the portfolio. The focus of the PAES differs from the PB Statements in one important aspect. While the PAES include an Agency Resource Statement to inform Parliament of the revised estimate of the total resources available to an agency, the focus of the PAES is on explaining the changes in resourcing by outcome(s) since the Budget. As such, the PAES provide information on new measures and their impact on the financial and/or non-financial planned performance of programs supporting those outcomes.

The PAES facilitate understanding of the proposed appropriations in Appropriation Bills (No. 3 and No. 4) 2011-12. In this sense the PAES is declared by the Additional Estimates Appropriation Bills to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the *Mid-Year Economic and Fiscal Outlook 2011-12* is a mid-year budget report which provides updated information to allow the assessment of the Government's fiscal performance against its fiscal strategy, the PAES update the most recent budget appropriations for agencies within the portfolio.

## STRUCTURE OF THE PORTFOLIO ADDITIONAL ESTIMATES STATEMENTS

The PAES are presented in three parts with subsections.

<b>User guide</b>	
Provides a brief introduction explaining the purpose of the PAES.	
<b>Portfolio overview</b>	
Provides an overview of the portfolio, including a chart that outlines the outcomes for agencies in the portfolio.	
<b>Agency additional estimates statements</b>	
A statement (under the name of the agency) for each agency affected by Additional Estimates.	
<b>Section 1: Agency overview and resources</b>	This section details the total resources available to an agency, the impact of any measures since Budget, and impact on Appropriation Bills No. 3 and No. 4.
<b>Section 2: Revisions to outcomes and planned performance</b>	This section details <b>changes</b> to Government outcomes and/or <b>changes</b> to the planned performance of agency programs.
<b>Section 3: Explanatory tables and budgeted financial statements</b>	This section contains updated explanatory tables on special account flows and staffing levels and revisions to the budgeted financial statements.
<b>Glossary</b>	Explains key terms relevant to the Portfolio.
<b>Index (Optional)</b>	Alphabetical guide to the Statements

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# **PORTFOLIO OVERVIEW**



## PORTFOLIO OVERVIEW

On 15 September 2011, the Australian Parliament passed a package of amendments to the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGGS Act) and associated Acts that implement a number of major reforms to the regulation of upstream petroleum in Commonwealth offshore areas.

These reforms had been announced on 25 May 2011 by the Minister for Resources and Energy, the Hon Martin Ferguson AM MP, when he released the Government's responses to the Productivity Commission Review of Regulatory Burden on the Upstream Petroleum (Oil & Gas) Sector and the Report of the Montara Commission of Inquiry.

The reforms included creating the National Offshore Petroleum Titles Administrator (NOPTA) in the Department of Resources, Energy and Tourism (RET) to advise the Joint Authorities on petroleum titles in Commonwealth offshore areas and to administer titles and data. NOPTA will also advise the responsible Commonwealth Minister on greenhouse gas storage titles in these areas. It is intended that NOPTA will also administer mining titles in Commonwealth offshore areas subject to necessary amendments to the *Offshore Minerals Act 1994*. NOPTA will operate on a full cost recovery basis through a Special Account.

Other major reforms include expanding the National Offshore Petroleum Safety Authority (NOPSA) to become the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA).

The functions of NOPSEMA will encompass the responsibilities of NOPSA and they will be the regulator of occupational health and safety, integrity of facilities, wells and well related equipment, environmental management and day-to-day petroleum and greenhouse gas storage activities in Commonwealth offshore areas.

NOPTA and NOPSEMA commenced operations on 1 January 2012.

Portfolio outcomes are represented in Figure 1 on page 5.

### **ADDITIONAL ESTIMATES AND VARIATIONS – PORTFOLIO LEVEL**

Additional estimates and variations are being sought for the Department of Resources, Energy and Tourism (RET). These are detailed in the respective statements later in this document, with a brief outline of the changes summarised below.

Portfolio Overview

**Table 1: Portfolio resources 2011-12**

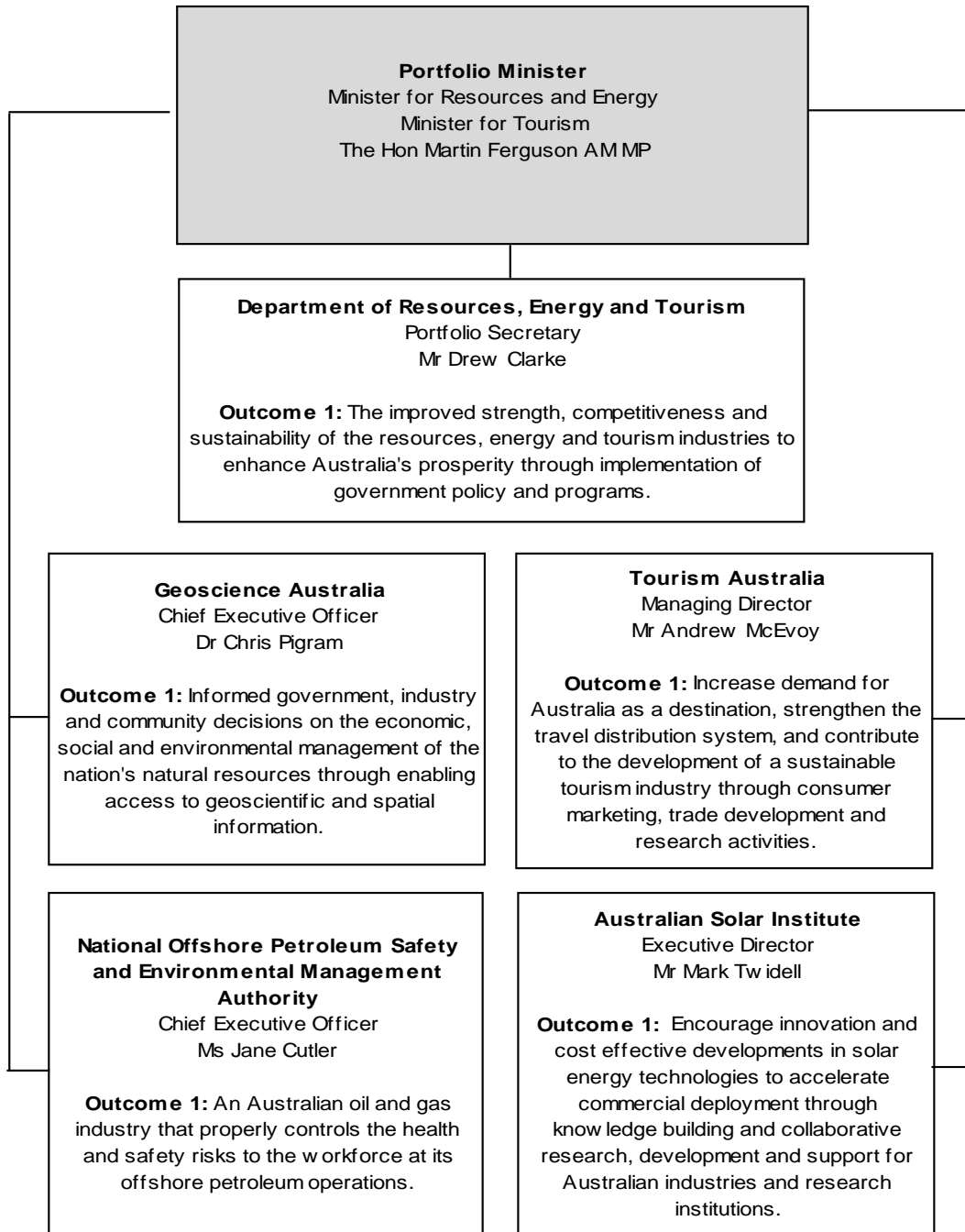
	Appropriation			Receipts	Total
	Bill No. 1 & 3	Bill No. 2 & 4	Special		
	\$m	\$m	\$m	\$m	\$m
<b>Department of Resources, Energy and Tourism</b>					
Administered appropriations	1,123,562	-	18,861	7,136	1,149,559
Departmental appropriations	114,045	4,963	-	12,492	131,500
<b>Total:</b>	<b>1,237,607</b>	<b>4,963</b>	<b>18,861</b>	<b>19,628</b>	<b>1,281,059</b>
<b>Geoscience Australia</b>					
Administered appropriations	-	20	-	857	877
Departmental appropriations	116,722	-	-	-	116,722
<b>Total:</b>	<b>116,722</b>	<b>20</b>	<b>-</b>	<b>857</b>	<b>117,599</b>
<b>National Offshore Petroleum Safety and Environmental Management Authority</b>					
Administered appropriations	-	-	-	-	-
Departmental appropriations	123	-	-	18,183	18,306
<b>Total:</b>	<b>123</b>	<b>-</b>	<b>-</b>	<b>18,183</b>	<b>18,306</b>
<b>Tourism Australia</b>					
Administered appropriations	-	-	-	-	-
Departmental appropriations	136,821	-	-	-	136,821
<b>Total:</b>	<b>136,821</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>136,821</b>
<b>Australian Solar Institute</b>					
Administered appropriations	-	-	-	-	-
Departmental appropriations	-	-	-	37,665	37,665
<b>Total:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,665</b>	<b>37,665</b>
<b>Portfolio total</b>	<b>1,491,273</b>	<b>4,983</b>	<b>18,861</b>	<b>76,333</b>	<b>1,591,450</b>
Less amounts transferred within portfolio	(136,821)	-	-	(37,665)	(174,486)
<b>Resources available within portfolio:</b>					<b>1,416,964</b>

## Department of Resources, Energy and Tourism

RET will have a net increase of \$310.3 million in Appropriation Bill 3, and no changes through Appropriation Bill 4. RET's administered special appropriation has increased by \$2.3 million and receipts increased by \$6.0 million.

Since the publication of the PB Statements, RET has assumed responsibility for the Office of Spatial Data Management (OSDM), now the Office of Spatial Policy, transferred from Geoscience Australia.

**Figure 1: Resources, Energy and Tourism portfolio structure and outcomes**



*Portfolio Overview*

**PORTFOLIO RESOURCES**

Table 1 shows for those agencies reporting in the Portfolio Additional Estimates Statements the additional resources provided to the portfolio in the 2011-12 budget year, by agency.

**Table 1: Portfolio resources 2011-12**

	Appropriation			Receipts	Total
	Bill No. 3 \$m	Bill No. 4 \$m	Special \$m	\$m	\$m
<b>Department of Resources, Energy and Tourism</b>					
Administered appropriations	296,735	-	2,301	4,316	303,352
Departmental appropriations	13,613	-	-	1,668	15,281
<b>Total:</b>	<b>310,348</b>	<b>-</b>	<b>2,301</b>	<b>5,984</b>	<b>318,633</b>
<b>Portfolio total</b>	<b>310,348</b>	<b>-</b>	<b>2,301</b>	<b>5,984</b>	<b>318,633</b>
Less amounts transferred w ithin portfolio	-	-	-	-	-
	<b>Resources available within portfolio:</b>				<b>318,633</b>

# **AGENCY ADDITIONAL ESTIMATES STATEMENTS**

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# DEPARTMENT OF RESOURCES, ENERGY AND TOURISM

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# DEPARTMENT OF RESOURCES, ENERGY AND TOURISM

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

The resources, energy and tourism sectors are key drivers of the Australian economy underpinning the competitiveness of regions, industries and businesses across the economy. These sectors are at the forefront of the economic and environmental challenges facing Australia, accounting for over 15 per cent of Australia's GDP, over 60 per cent of Australia's export earnings and over 40 per cent of Australia's energy use.

The purpose of the Department of Resources, Energy and Tourism (the Department) is to enhance Australia's economic prosperity by improving the productivity, competitiveness, security and sustainability of the resources, energy and tourism sectors through the provision of high quality policy advice and program delivery services for the Australian Government.

The strategic direction for the Department is structured around four key areas: strategic policy development; enhancing productivity and international competitiveness; enhancing environmental and social sustainability; and enhancing national security. These issues cut across all sectors in the portfolio, and the key priorities and proposed mechanisms for addressing these areas are detailed in each program's objectives on the following pages.

The specific actions include:

- facilitating exploration and the sustainable development of petroleum, mineral and geological storage resources;
- facilitating a competitive downstream fuels market;
- developing and implementing effective legal and regulatory regimes for the resources sector;
- promoting more competitive and efficient energy markets;
- improving the resilience and security of energy systems;
- fostering low emissions energy technologies and improving industrial energy efficiency;

RET – Additional Estimates 2011-12

- furthering Australia’s interests in international forums and markets;
- facilitating growth in international tourism to Australia; and
- facilitating the development of a competitive and sustainable tourism industry.

## 1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for the Department at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2011-12 Budget year, including variations through Appropriation Bills No.3 and No.4, special appropriations and special accounts.

**Table 1.1: RET resource statement — Additional estimates for 2011-12 as at Additional Estimates February 2012**

	Estimate as at Budget +	Proposed Additional = Estimate	Total estimate at Additional Estimates	Total available appropriation
	2011-12 \$'000	2011-12 \$'000	2011-12 \$'000	2010-11 \$'000
<b>Ordinary annual services<sup>1</sup></b>				
<b>Departmental appropriation</b>				
Prior year departmental appropriation <sup>2</sup>	16,489	-	16,489	-
Departmental appropriation	100,432	13,613	114,045	84,661
<b>Total</b>	<b>116,921</b>	<b>13,613</b>	<b>130,534</b>	<b>84,661</b>
<b>Administered expenses</b>				
Outcome 1	690,006	296,735	986,741	686,155
Payments to CAC Act bodies	136,821	-	136,821	136,101
<b>Total</b>	<b>826,827</b>	<b>296,735</b>	<b>1,123,562</b>	<b>822,256</b>
<b>Total ordinary annual services A</b>	<b>943,748</b>	<b>310,348</b>	<b>1,254,096</b>	<b>906,917</b>
<b>Other services<sup>3</sup></b>				
<b>Departmental non-operating</b>				
Equity injections	6,841	-	6,841	1,878
<b>Total</b>	<b>6,841</b>	<b>-</b>	<b>6,841</b>	<b>1,878</b>
<b>Administered non-operating</b>				
Administered assets and liabilities	5,300	-	5,300	6,400
<b>Total</b>	<b>5,300</b>	<b>-</b>	<b>5,300</b>	<b>6,400</b>
<b>Total other services B</b>	<b>12,141</b>	<b>-</b>	<b>12,141</b>	<b>8,278</b>
<b>Total available annual appropriations</b>	<b>955,889</b>	<b>310,348</b>	<b>1,266,237</b>	<b>915,195</b>

<sup>1</sup> Appropriation Bill (No.1& 3) 2011-12

<sup>2</sup> Estimated adjusted balance carried from previous year for annual appropriations

<sup>3</sup> Appropriation Bill (No.2 & 4) 2011-12

**Table 1.1: RET resource statement — Additional estimates for 2011-12 as at Additional Estimates February 2012 (continued)**

	Estimate as at Budget +	Proposed Additional =	Total estimate at Additional Estimates	Total available appropriation
	2011-12 \$'000	2011-12 \$'000	2011-12 \$'000	2010-11 \$'000
<b>Special appropriations</b>				
<b>Special appropriations limited by criteria/entitlement</b>				
- <i>Offshore Petroleum and Greenhouse Gas Storage Act 2006 - Ashmore and Cartier Islands</i>	1,500	301	1,801	1,500
- <i>Offshore Petroleum and Greenhouse Gas Storage Act 2006 - Offshore Petroleum Fees</i>	15,000	2,000	17,000	15,000
- <i>Offshore Minerals Act 1994 - Offshore Minerals Act (Fees)</i>	60	-	60	60
<b>Total special appropriations</b> C	<b>16,560</b>	<b>2,301</b>	<b>18,861</b>	<b>16,560</b>
<b>Total appropriations excluding Special Accounts</b>	<b>972,449</b>	<b>312,649</b>	<b>1,285,098</b>	<b>931,755</b>
<b>Special Accounts</b>				
Opening balance <sup>4</sup>	507,629	75,657	583,286	292,802
Appropriation receipts <sup>5</sup>	528,715	24	528,739	400,791
Non-appropriation receipts to Special Accounts	13,644	(108)	13,536	14,678
<b>Total Special Account</b> D	<b>1,049,988</b>	<b>75,573</b>	<b>1,125,561</b>	<b>708,271</b>
<b>Total resourcing</b>				
A+B+C+D	2,022,437	388,222	2,410,659	1,640,026
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	(665,536)	(24)	(665,560)	(523,711)
<b>Total net resourcing for RET</b>	<b>1,356,901</b>	<b>388,198</b>	<b>1,745,099</b>	<b>1,116,315</b>

<sup>4</sup> Estimated opening balance for special accounts (less 'Special Public Money' held in accounts like Other Trust Monies (OTM) and Services for other Government and Non-agency Bodies (SOG) accounts). For further information on special accounts see Table 3.12.

<sup>5</sup> Appropriation receipts from the Department's annual and special appropriations for 2010-11 included above  
Reader note: All figures are GST exclusive.

*RET - Additional Estimates 2011-12*

**Third Party Drawdowns from and on behalf of other agencies**

	Estimate at Budget	Estimate at Additional Estimates
	2011-12 \$'000	2011-12 \$'000
Payments made to CAC Act bodies w ithin the Portfolio		
Tourism Australia                      Appropriation Bill No. 1 & 2	136,821	136,821

### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2011-12 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

**Table 1.2: Agency 2011-12 Measures since Budget**

	Program	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
<b>Expense measures</b>					
Clean Energy Future - Supporting jobs - coal mining					
	2				
Administered expenses <sup>1</sup>		218,800	10,000	244,900	255,500
Departmental expenses <sup>2</sup>		3,582	509	1,769	1,651
<b>Total</b>		<b>222,382</b>	<b>10,509</b>	<b>246,669</b>	<b>257,151</b>
TQUAL Grants - Redirection of funding - Expansion of Enterprise Connect to the Tourism Sector (DIISR)					
	3				
Administered expenses		(553)	(1,291)	(1,996)	-
<b>Total</b>		<b>(553)</b>	<b>(1,291)</b>	<b>(1,996)</b>	<b>-</b>
Alternative fuels - continuing the existing arrangements for ethanol, biodiesel, renew able diesel and methanol - Extension of Ethanol Production Grants					
	1				
Administered expenses <sup>3</sup>		77,763	170,500	173,600	200,300
<b>Total</b>		<b>77,763</b>	<b>170,500</b>	<b>173,600</b>	<b>200,300</b>
Clean Energy Future - Innovation in Renew able Energy - ARENA					
	2				
Administered expenses <sup>4</sup>		-	-	(1,500)	(1,000)
Departmental expenses		500	1,000	1,000	-
<b>Total</b>		<b>500</b>	<b>1,000</b>	<b>(500)</b>	<b>(1,000)</b>
Clean Energy Future - closure of emissions-intensive electricity generation capacity					
	2				
Departmental expenses		7,381	-	-	-
<b>Total</b>		<b>7,381</b>	<b>-</b>	<b>-</b>	<b>-</b>
Clean Energy Future - Improving Energy Efficiency					
	2				
Departmental expenses		921	693	-	-
<b>Total</b>		<b>921</b>	<b>693</b>	<b>-</b>	<b>-</b>

<sup>1</sup> Includes +\$290.0m in 2015-16 and + \$304.3m in 2016-17.

<sup>2</sup> Includes +\$1.659m in 2015-16 and +\$1.289m in 2016-17.

<sup>3</sup> Includes +\$200.3m annually from 2015-16 to 2019-20.

<sup>4</sup> Includes +\$75.0m in 2018-19 and 2019-20.

**Table 1.2: Agency 2011-12 Measures since Budget (continued)**

	Program	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
<b>Expense measures</b>					
Clean Energy Future - implementation - establishment of program office in DCCEE	ALL				
Departmental expenses		(189)	(119)	-	-
<b>Total</b>		<b>(189)</b>	<b>(119)</b>	-	-
Electricity Regulation Initiatives	2				
Administered expenses		725	1,485	1,100	1,100
Departmental expenses		149	145	143	141
<b>Total</b>		<b>874</b>	<b>1,630</b>	<b>1,243</b>	<b>1,241</b>
Clean Energy Future - Improving Energy Efficiency - Energy Efficiency Opportunities Program	2				
Departmental expenses <sup>5</sup>		-	1,448	7,850	7,732
<b>Total</b>		-	<b>1,448</b>	<b>7,850</b>	<b>7,732</b>
<b>Total expense measures</b>					
Administered		296,735	180,694	416,104	455,900
Departmental		12,344	3,676	10,762	9,524
<b>Total</b>		<b>309,079</b>	<b>184,370</b>	<b>426,866</b>	<b>465,424</b>
<b>Decisions taken but not yet announced</b>					
		-	-	-	-

Prepared on a Government Finance Statistics (fiscal) basis

<sup>5</sup> Includes +\$7.573m in 2015-16 and +\$6.957m in 2016-17.

## 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for the Department at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2011-12 Budget in Appropriation Bills No.3 and No.4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

**Table 1.3: Additional estimates and variations to outcomes from measures since 2011-12 Budget**

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
<b>Outcome 1</b>					
<b>Increase in estimates (administered)</b>					
Clean Energy Future - Supporting jobs - coal mining <sup>1</sup>	2	218,800	10,000	244,900	255,500
Alternative fuels - continuing the existing arrangements for ethanol, biodiesel, renew able diesel and methanol - Extension of Ethanol Production Grants <sup>2</sup>	1	77,763	170,500	173,600	200,300
Electricity Regulation Initiatives	2	725	1,485	1,100	1,100
Clean Energy Future - Innovation in Renew able Energy - ARENA <sup>3</sup>	2	-	-	-	-
<b>Decrease in estimates (administered)</b>					
TQUAL Grants - Redirection of funding - Expansion of Enterprise Connect to the Tourism Sector (DIISR)	3	(553)	(1,291)	(1,996)	-
Clean Energy Future - Innovation in Renew able Energy - ARENA	2	-	-	(1,500)	(1,000)
<b>Net impact on estimates for Outcome 1 (administered)</b>		<b>296,735</b>	<b>180,694</b>	<b>416,104</b>	<b>455,900</b>
<b>Increase in estimates (departmental)</b>					
Clean Energy Future - Supporting jobs - coal mining <sup>4</sup>	2	3,582	509	1,769	1,651
Clean Energy Future - Innovation in Renew able Energy - ARENA	2	500	1,000	1,000	-
Clean Energy Future - closure of emissions-intensive electricity generation capacity	2	7,381	-	-	-

<sup>1</sup> Includes +\$290.0m in 2015-16 and + \$304.3m in 2016-17.

<sup>2</sup> Includes +\$200.3m annually from 2015-16 to 2019-20.

<sup>3</sup> Includes +\$75.0m in 2018-19 and 2019-20.

<sup>4</sup> Includes +\$1.659m in 2015-16 and +\$1.289m in 2016-17.

**Table 1.3: Additional estimates and variations to outcomes from measures since 2011-12 Budget (continued)**

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
<b>Outcome 1</b>					
<b>Increase in estimates (departmental) (continued)</b>					
Clean Energy Future - Improving Energy Efficiency	2	921	693	-	-
Electricity Regulation Initiatives	2	149	145	143	141
Clean Energy Future - Improving Energy Efficiency - Energy Efficiency Opportunities Program <sup>1</sup>	2	-	1,448	7,850	7,732
<b>Decrease in estimates (departmental)</b>					
Clean Energy Future - implementation - establishment of program office in DCCEE	ALL	(189)	(119)	-	-
<b>Net impact on estimates for Outcome 1 (departmental)</b>					
		<b>12,344</b>	<b>3,676</b>	<b>10,762</b>	<b>9,524</b>
<b>Decisions taken but not yet announced</b>					
		-	-	-	-

<sup>1</sup> Includes +\$7.573m in 2015-16 and +\$6.957m in 2016-17.

**Table 1.4: Additional estimates and variations to outcomes from other variations**

	Program impacted	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
<b>Outcome 1</b>					
<b>Increase in estimates (departmental)</b>					
Change in prices and wages indices <sup>1</sup>	ALL	-	77	129	59
Transfer of OSDM from GA to RET <sup>2</sup>	1	1,269	1,272	1,275	1,279
<b>Decrease in estimates (departmental)</b>					
Efficiency Dividend <sup>3</sup>	ALL	-	-	-	-
One-off efficiency dividend <sup>4</sup>	ALL	-	(2,095)	(1,946)	(1,771)
<b>Net impact on estimates for Outcome 1 (departmental)</b>					
		<b>1,269</b>	<b>(746)</b>	<b>(542)</b>	<b>(433)</b>

<sup>1</sup> The change in estimates due to changes in prices and wages indices in 2015-16 is \$1.027m.

<sup>2</sup> Includes ongoing funding from 2015-16

<sup>3</sup> The change in estimates due to the efficiency dividend in 2015-16 is -\$0.520m.

<sup>4</sup> Includes -\$1.554m in 2015-16.

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for the Department through Appropriation Bills No.3 and No.4.

**Table 1.5: Appropriation Bill (No. 3) 2011-12**

	2010-11 Available \$'000	2011-12 Budget \$'000	2011-12 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
<b>ADMINISTERED ITEMS</b>					
<b>Outcome 1</b>					
The improved strength, competitiveness and sustainability of the resources, energy and tourism industries to enhance Australia's prosperity through implementation of government policy and programs.	822,256	826,827	1,123,562	296,735	-
<b>Total</b>	<b>822,256</b>	<b>826,827</b>	<b>1,123,562</b>	<b>296,735</b>	<b>-</b>
<b>DEPARTMENTAL PROGRAMS</b>					
<b>Outcome 1</b>					
The improved strength, competitiveness and sustainability of the resources, energy and tourism industries to enhance Australia's prosperity through implementation of government policy and programs.	84,661	100,432	114,045	13,613	-
<b>Total</b>	<b>84,661</b>	<b>100,432</b>	<b>114,045</b>	<b>13,613</b>	<b>-</b>
<b>Total administered and departmental</b>	<b>906,917</b>	<b>927,259</b>	<b>1,237,607</b>	<b>310,348</b>	<b>-</b>

**Table 1.6: Appropriation Bill (No. 4) 2011-12**

	2010-11 Available \$'000	2011-12 Budget \$'000	2011-12 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
<b>Non-operating</b>					
Equity injections					
Upstream Regulatory Reform - Establishment of a National Offshore Petroleum Safety and Environmental Management Authority	950	3,465	3,465	-	-
Upstream Petroleum Regulatory Reform - Establishment of a National Offshore Petroleum Titles Administrator	-	1,498	1,498	-	-
Montara - Commission of Inquiry	928	-	-	-	-
Loans					
Departmental Supplementation					
Administered assets and liabilities	6,400	-	-	-	-
<b>Total non-operating</b>	<b>8,278</b>	<b>4,963</b>	<b>4,963</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>8,278</b>	<b>4,963</b>	<b>4,963</b>	<b>-</b>	<b>-</b>

## Section 2: Revisions to agency resources and planned performance

### 2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programs which contribute to Government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs, specifying the performance indicators and targets used to assess and monitor the performance of the Department in achieving Government outcomes.

**Outcome 1: The improved strength, competitiveness and sustainability of the resources, energy and tourism industries to enhance Australia's prosperity through implementation of government policy and programs.**

#### Outcome 1 strategy

The key performance indicator utilised to measure the achievement of the outcome is the contribution of the resources, energy and tourism sectors to the Gross Domestic Product.

The Department has three programs:

1. Resources related initiatives and management;
2. Energy related initiatives and management; and
3. Tourism related initiatives and management.

In the period since Budget 2011-12, the Department reviewed its program structure, and determined that a program for 'Assistance to state and territory government for resources and energy' was no longer required. This program is a legacy from when the Department had responsibility for making royalty payments and Snowy Hydro Tax Compensation payments to state and territory governments. In 2009-10, the Department of the Treasury assumed responsibility for these payments as part of the Federal Financial Relations (FFR) arrangements. Items previously listed under this program can be found under the 'Resources related initiatives and management' program.

*RET – Additional Estimates 2011-12*

Through these programs the Department supports the achievement of the outcome and its indicators by improving the strength, competitiveness and sustainability of the resources, energy and tourism sectors through the provision of high quality advice, services and access to funding by stakeholders.

Specific areas being targeted by the Department in the current and future years include:

- renewable, efficient, low emission and clean energy;
- carbon capture and storage;
- energy security;
- competitive and efficient energy markets;
- consistent, effective and efficient safety and regulatory regimes for the petroleum and minerals industries;
- a National Long-Term Tourism Strategy and a National Tourism Accreditation Framework; and
- international relationships in the resources, energy and tourism sectors.

**Outcome Expense and Resources Statement**

The table below provides an overview of the total expenses for Outcome 1, by program.

**Table 2.1 Budgeted Expenses and Resources for Outcome 1**

<b>Outcome 1: The improved strength, competitiveness and sustainability of the resources, energy and tourism industries to enhance Australia's prosperity through implementation of government policy and programs.</b>	2010-11 Actual expenses \$'000	2011-12 Revised estimated expenses \$'000
<b>Program 1: Resources related initiatives and management</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	226,678	174,062
Ordinary annual services (Appropriation Bill No. 1 & 3) - credited to special accounts	54,762	150,297
Special appropriations	10,536	18,861
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	30,314	41,647
Revenues from independent sources (s31)	2,204	324
Expenses not requiring appropriation in the Budget year	444	155
<b>Total for Program 1</b>	<b>324,938</b>	<b>385,346</b>
<b>Program 2: Energy related initiatives and management</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	44,638	275,172
Ordinary annual services (Appropriation Bill No. 1 & 3) - credited to special accounts	62,818	274,618
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	38,020	49,521
Revenues from independent sources (s31) and special accounts	7,326	16,708
Interest	31	-
Expenses not requiring appropriation in the Budget year	444	155
<b>Total for Program 2</b>	<b>153,277</b>	<b>616,174</b>
<b>Program 3: Tourism related initiatives and management</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	4,250	9,097
Payment to CAC Act agency (Appropriation Bill No. 1 & 3)	136,101	132,821
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	17,583	18,149
Revenues from independent sources (s31) and special accounts	4,529	2,136
Expenses not requiring appropriation in the Budget year	186	65
<b>Total for Program 3</b>	<b>162,649</b>	<b>162,268</b>

**Note:** Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

**Table 2.1 Budgeted Expenses and Resources for Outcome 1 (continued)**

<b>Outcome 1: The improved strength, competitiveness and sustainability of the resources, energy and tourism industries to enhance Australia's prosperity through implementation of government policy and programs.</b>	2010-11 Actual expenses \$'000	2011-12 Revised estimated expenses \$'000
<b>Outcome 1 Totals by appropriation type</b>		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	275,566	458,331
Ordinary annual services (Appropriation Bill No. 1 & 3) - credited to special accounts	117,580	424,915
Special appropriations	10,536	18,861
Payment to CAC Act agency (Appropriation Bill No. 1 & 3)	136,101	132,821
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	85,917	109,317
Revenues from independent sources (s31) and special accounts	14,059	19,168
Interest	31	0
Expenses not requiring appropriation in the Budget year	1,074	375
<b>Total expenses for Outcome 1</b>	<b>640,864</b>	<b>1,163,788</b>
	2010-11	2011-12
<b>Average Staffing Level (number)</b>	471	538

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

## Contributions to Outcome 1

### Program 1: Resources related initiatives and management

#### Program 1 Objectives

- Lead development and implementation of the Government's resources policy to drive investment and development of the sector through the promotion of consistent, effective and efficient legislative and regulatory regimes. Related activities include:
  - working with state and territory governments to promote consistent, effective and efficient regulatory regimes for the offshore petroleum and minerals industries. The program aims to optimise the environment for investment in petroleum and mineral activities through improvements to the regulatory regime in consultation with state and territory governments;
  - optimising royalty revenue from petroleum and mineral resources and provide funding for state and territory governments to administer petroleum activities in the Commonwealth offshore areas. The program aims to efficiently and effectively administer offshore petroleum royalties, offshore petroleum fees (including Ashmore and Cartier Island fees) and uranium royalties in the Northern Territory (NT);
  - improving communication, consultation and action across jurisdictions promoting the progressive and sustainable development of the Australian mining, minerals and petroleum industries; and
  - promoting a consistent and effective framework for mine and offshore petroleum safety to improve safety outcomes and to provide an efficient regulatory regime for industry.
- Develop and maintain Government policy and programs in relation to resources industries. The key objective of the program is to enhance Australia's economic prosperity by ensuring that Australia maintains its international competitiveness, improves its productivity and sustainability, and responds to increasing globalisation and technology developments of the resources industry. Related activities include:
  - driving the sustainable discovery and development of petroleum and minerals resources and ensuring that the Government's broader investment framework is conducive to positioning the resources sector for sustained growth and employment;
  - working with stakeholders to encourage petroleum development in the Joint Petroleum Development Area and protect Australian rights and meet Australian obligations under the Timor Sea Treaty;

**Program 1 Objectives (continued)**

- developing and implementing sound policy frameworks to facilitate a competitive downstream fuels market including the development of alternative fuels on a commercial basis to enhance Australia’s energy security;
- supporting the development and implementation of low emissions technologies for fossil fuels domestically and internationally to facilitate a cost-effective transition to a lower carbon economy;
- developing and implementing a long-term solution to the management of Australia’s radioactive waste to maximise the safety and environmental security of the waste;
- pursuing active international engagement to advance Australia’s resources interests, including promoting investment in the resources sector;
- promote wider resource policy and sector development through the support of strategic research and analysis and quality data;
- promote the productivity and international competitiveness of Australia, enhance environmental and social sustainability, and to support Australian national security within the resources and energy sector;
- working with stakeholders and other government agencies to ensure the development of the resource sector contributes to the Government’s Indigenous objectives and reforms;
- working with state governments, industry and the community to support the ongoing development of Australia’s coal seam gas industry, recognising multiple resource use opportunities, environmental objectives and social needs; and
- supporting Government initiatives contributing to future resources sector workforce needs.

**Program 1 Expenses**

	2010-11 Actuals \$'000	2011-12 Revised budget \$'000	2012-13 Forw ard year 1 \$'000	2013-14 Forw ard year 2 \$'000	2014-15 Forw ard year 3 \$'000
<b>Annual administered expenses:</b>					
- Petroleum Royalties Administration	40	40	40	40	40
- Ethanol Production Grants	124,668	144,900	170,500	173,600	200,300
- Establishment of the National Offshore Petroleum Regulatory Authority	619	-	-	-	-
- Global Carbon Capture and Storage Institute	100,000	25,000	35,000	20,000	20,000
- Radioactive Waste Management	132	2,858	-	-	-
- Maralinga Maintenance	204	239	-	-	-
- Rum Jungle	15	25	16	-	-
- Syntroleum Depreciation	1,000	1,000	1,000	1,000	1,000
<b>Special Account Expenses:</b>					
Clean Energy Initiative Special Account: <sup>1</sup>					
- Carbon Capture and Storage Flagships	7,132	82,325	93,000	155,000	238,138
- National Low Emissions Coal Initiative	47,630	48,656	51,870	70,567	35,000
- National CO <sub>2</sub> Infrastructure Plan	-	15,000	20,000	15,000	5,650
National Offshore Petroleum Titles Administrator <sup>2</sup>	-	4,316	-	-	-
<b>Special Appropriations:</b>					
- <i>Offshore Petroleum and Greenhouse Gas Storage Act 2006 - Offshore Petroleum Fees</i>	9,400	17,000	15,000	15,000	15,000
- <i>Offshore Petroleum and Greenhouse Gas Storage Act 2006 - Ashmore and Cartier Islands</i>	1,197	1,801	1,500	1,500	1,500
- <i>Offshore Minerals Act 1994 (Fees)</i>	(61)	60	60	60	60
<b>Annual departmental expenses:</b>					
- Program support	32,962	42,126	29,316	29,487	24,828
<b>Total program expenses</b>	<b>324,938</b>	<b>385,346</b>	<b>417,302</b>	<b>481,254</b>	<b>541,516</b>

<sup>1</sup>. The expenses from this special account are funded by administered appropriations from RET.

<sup>2</sup>. The expenses from this special account are funded by industry.

**Program 1 Deliverables**

- Legal and regulatory regimes for the resources sector are developed, reviewed and/or implemented, including:
  - revising institutional arrangements for offshore petroleum administration;
  - streamlining and consolidation of offshore petroleum regulations;
  - implementation of royalty regime for new uranium mines in the Northern Territory (NT);
  - implementation of legislative regime for national radioactive waste management; and
  - implementation of agreed amendments to the Oil code regulations.
- Efficient and effective delivery of administration of petroleum and uranium royalties and offshore petroleum and mineral fees:
  - collection, payment and reconciliation of uranium royalties for the NT and offshore petroleum royalties and fees in accordance with regulatory requirements.
- Improvement of communication, consultation and action with state and territory governments through:
  - Provision of secretariat support to the Standing Council on Energy and Resources (SCER) and progression of the Council’s work program; and
  - development of the National Mine Safety Framework, including consistent mine safety draft legislation across all jurisdictions; and
  - consulting with the Western Australian (WA) Government to establish a regulatory regime which is world's best practice for uranium mines and to consider regulatory streamlining options through the Uranium Council.
- Implementation of government responses to Independent Review of the National Offshore Petroleum Safety Authority (NOPSA), Better practice and the effectiveness of NOPSA, and Marine Issues (Bill/Agostini) and the Montara Commission of Inquiry.
- Identify and address impediments to the development and expansion of the resources sector.

**Program 1 Deliverables (continued)**

- Timely processing of applications for offshore petroleum and mineral titles and effective promotion of the offshore petroleum acreage release.
- Timely processing of uranium and controlled ores export permits and approvals.
- Support for Australian Commissioners to the Timor Sea Joint Commission and Sunrise Commission.
- Implementation of the Strategic Framework for Alternative Transport Fuels.
- Administration of the Ethanol Production Grants program.
- Management of the Government's funding agreement with the Global Carbon Capture and Storage Institute (GCCSI), including review of GCCSI reporting of achievement against the agreed work plan and approval of future work plans.
- Work with stakeholders to develop and implement low emissions fossil fuel technologies, particularly Carbon Capture and Storage (CCS), including:
  - delivery of the CCS Flagships Program, National CO<sub>2</sub> Infrastructure Plan and National Low Emissions Coal Initiative elements of the Clean Energy Initiative;
  - support to the National Carbon Capture and Storage Council to implement strategies aimed at ensuring early deployment of low emissions technologies in Australia;
  - a supportive legislative and regulatory regime for transport and geosequestration in offshore waters; and
  - international collaboration that builds on Australia's leadership to progress CCS as a viable global greenhouse solution through participation and support in various multilateral and bilateral forums.
- Effective international engagement on resources sector issues.
- High quality advice on secondary taxation issues, and effective engagement with state and territory governments.
- Assist the Government to implement the Minerals Resource Rent Tax (MRRT) and extension of the Petroleum Resources Rent Tax (PRRT) regime, through the Resource Tax Implementation Group and National Tax Liaison Group Resource Rent Tax Sub Committee.

**Program 1 Deliverables (continued)**

- Effective engagement between the resources sector and the Government's Indigenous agenda.
- As part of the Energy White Paper process, prepare a Review of the Development of Australia's Gas Resources to promote policies that encourage the optimal development of Australia's gas resources and enhance domestic gas market security.
- Joint implementation with the Department of Defence and the South Australian Government of the Review of the Woomera Prohibited Area Final Report recommendations.
- Establish the Bureau of Resource and Energy Economics (BREE) to deliver quality strategic research in the resources sector.
  - Publish high quality, timely and relevant reports on resources and energy for the benefit of Australia;
  - Collect, verify and manage key data sets on resources and energy in the national interest ; and
  - Undertake high-level economic research and analyses that promote productivity and international competitiveness, enhance environmental and social sustainability, and supports national security.
- Provision of accurate, timely and effective policy advice to the Minister and Government on resources sector issues.



**Program 1 Key Performance Indicators (continued)**

Key Performance Indicators	2010-11 Actuals	2011-12 Revised Target	2012-13 Forw ard year 1	2013-14 Forw ard year 2	2014-15 Forw ard year 3
<b>Efficient and effective delivery of administration of petroleum and uranium royalties and offshore petroleum and minerals fees:</b>					
- Collection, payment and reconciliation of uranium royalties for the NT biannually in accordance with regulatory requirements.		Jun 12			
- Timely processing of applications for offshore petroleum and mineral titles and promotion of offshore petroleum acreage release <sup>1</sup> ; and Support for Australian Commissioners to the Timor Sea Joint Commission and Sunrise Commission.		No timeframe			
- Delivery of the Ethanol Production Grant program.		Annual			
- Implementation plan for the Alternative Fuels Strategy Framework in place by June 2012.		Jun-12			
- Effective international engagement on resources sector issues in timelines agreed with partners.	Annual	Annual			
- Undertake and complete the Northw est Shelf verification audit.			Annual		
- Effective engagement between the resources sector and the Australian Government's Indigenous agenda.	Annual	Annual			

**Program 1 Key Performance Indicators (continued)**

Key Performance Indicators	2010-11 Actuals	2011-12 Revised Target	2012-13 Forward year 1	2013-14 Forward year 2	2014-15 Forward year 3
<b>Delivery of the CCS Flagships Program, National CO<sub>2</sub> Infrastructure Plan and National Low Emissions Coal Initiative elements of the Clean Energy Initiative</b>					
- Australian National Low Emission Coal Research and Development (ANLEC R&D) research program implemented in accordance with approved annual work program.	Annual	Oct-11 & Apr-12			
- Government announces next stage of CCS Flagships projects		Dec-11			
- Significant progress on implementation of successful CCS Flagship projects		Jun-12			
- Australia-China Joint Coordination Group on Clean Coal Technology - Scoping study for PCC feasibility study for commercial scale plant - stage one completed.	Dec-10	Dec-11			
- Host 2012 APEC Experts Group on Cleaner Fossil Energy.		Feb-12			
- CCUS Action Group - progress report and associated recommendations provided to the next CEM.		Apr-12			
- Hold JCG meeting and receive endorsement of key deliverables.	Jun-11	Sep-11			
- Proactive participation in international CCS forums - Japan Clean Coal Day - CSLF Ministerial.		Sep-12			

**Program 1 Key Performance Indicators (continued)**

Key Performance Indicators	2010-11 Actuals	2011-12 Revised Target	2012-13 Forw ard year 1	2013-14 Forw ard year 2	2014-15 Forw ard year 3
- Compliance, reporting, monitoring, responsiveness and payment provisions in funding agreements for ANLEC R&D, CCS Flagships, Otway project and other projects managed according to contracts.	No timeframe	Ongoing			
<b>Support to the National Carbon Capture and Storage Council to implement strategies aimed at ensuring early deployment of low emissions technologies in Australia</b>					
- National CCS Council provides strategic advice on deployment of CCS.		Nov-11 & May-12			
- National CCS Council provides an Annual Report based on agreed work program		Mar-12			
<b>Supportive legislative and regulatory regime for transport and geosequestration in offshore waters</b>					
- Storage work in NSW, QLD, Vic and WA significantly advanced by 30 June 2012.		Jun-12 VIC Jan-12			
- Offshore Greenhouse Gas acreage awarded		VIC Nov-11			
- Regulatory framework guidelines for CCS in Commonwealth waters.		Dec-12			
<b>Management of the Government's funding agreement with the GCCSI</b>					
- Government agrees forward year work program for GCCSI.		Jun-12			

## Program 2: Energy related initiatives and management

### Program 2 Objectives

- Lead the implementation of the Government's energy market reform agenda to deliver competitive and efficient energy markets and improved productivity.
- Promote international engagement to encourage the development of efficient, transparent and competitive global energy markets.
- Develop, implement and assess policies to improve domestic energy market reliability, adequacy and resilience.
- Build resilience in the energy sector through critical infrastructure protection and work with jurisdictions on effective emergency response arrangements that minimise the impact of liquid fuel, gas and electricity disruptions.
- Work with industry to improve industrial energy efficiency to reduce the cost of adjusting to a low carbon economy.
- Update Australian Electricity Generation Technology Costs Report.
- Foster the research, development and deployment of renewable energy technologies, to facilitate the transition to a lower carbon economy.
- Implement the renewable energy components of the Clean Energy Initiative, including the Solar Flagships Program, the Australian Solar Institute and the Australian Centre for Renewable Energy (ACRE), to support the research, development, demonstration and deployment of renewable energy technologies.
- Support the development and implementation of low emissions technologies for fossil fuels domestically and internationally to facilitate a cost-effective transition to a lower carbon economy.
- Develop and implement the Coal Sector Jobs Package.
- Establish the Australian Renewable Energy Agency (ARENA).
- Contribute to development and implementation of climate change and other environmental policies, particularly in relation to technology and clean energy, to ensure policies and frameworks that enhance environmental outcomes; deliver a smooth transition for our energy sector while providing for electricity market stability, energy security and reliability; and maintain the international competitiveness of our resources and energy sectors.

**Program 2 Objectives (continued)**

- Negotiate the orderly exit by 2020 of around 2,000 megawatts of highly emissions-intensive coal-fired electricity generation capacity.
- Promote wider energy policy and sector development through the support of strategic research and analysis and quality data.
- Promote the productivity and international competitiveness of Australia, enhance environmental and social sustainability, and to support Australian national security within the resources and energy sectors.

**Program 2 Expenses**

	2010-11 Actuals	2011-12 Revised budget	2012-13 Forw ard year 1	2013-14 Forw ard year 2	2014-15 Forw ard year 3
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Annual administered expenses:</b>					
- Asia Pacific Partnership on Clean Development and Climate	10,979	2,708	360	-	-
- Climate Change Action Fund	(23)	-	-	-	-
- Smart Grid, Smart City	33,682	51,064	9,410	-	-
- Connecting Renew ables to the Grid	-	2,000	48,000	49,000	50,000
- Coal Mining Abatement Technology Support Package	-	-	10,000	15,000	14,000
- Coal Sector Jobs Package	-	218,800	-	229,900	241,500
- Electricity Regulation Initiatives	-	600	-	-	-
<b>Special Account Expenses:</b>					
Clean Energy Initiative Special Account: <sup>1</sup>					
- Australian Centre for Renew able Energy	14,370	72,625	45,550	87,098	125,752
- Australian Solar Institute	30,000	32,665	21,000	8,000	-
- Solar Flagships	17,348	67,753	201,197	209,215	112,489
- Low Emission Technology Demonstration Fund	-	100,450	700	-	-
Energy Special Account <sup>2</sup>	1,100	1,125	1,485	1,100	1,100
<b>Annual departmental expenses:</b>					
- Program support	45,821	66,384	52,043	45,394	45,914
<b>Total program expenses</b>	<b>153,277</b>	<b>616,174</b>	<b>389,745</b>	<b>644,707</b>	<b>590,755</b>

<sup>1</sup> The expenses from this special account are funded by administered appropriations from RET.

<sup>2</sup> The expenses from this special account are funded by contributions from other Australian Government agencies; state and territory governments; and administered and departmental appropriation from RET.

**Program 2 Deliverables**

- Develop a National Energy White Paper that addresses the long term challenge of ensuring Australia's resources and energy security.
- Develop the second National Energy Security Assessment (NESA) to inform the Government of the key influences on energy security in Australia.
- Provision of secretariat support to the SCER and progression of the Council's work program.
- Contribute to the implementation of the National Energy Customer Framework (NECF).
- Contribute to the establishment of a gas Short Term Trading Market (STTM) in Brisbane and further development of a potential upstream trading market in Queensland.
- Contribute to the implementation of the National Strategy on Energy Efficiency and the Government's response to the Prime Minister's Task Group on Energy Efficiency (PMTGEE).
- Manage the delivery of the Government's conditional commitment to the proposed Townsville to Mt. Isa Transmission line under the Connecting Renewables Initiative.
- Launch the ACRE's Emerging Renewables Program and the Renewable Energy Venture Capital (REVC) Fund.
- Support the ACRE Board to enable it to deliver on its work program.
- Establish the Australian Biofuels Research Institute (ABRI), including James Cook University (JCU) Foundation project, development of program guidelines and selection of projects for funding.
- Undertake off-grid renewable energy studies.
- Efficient and effective delivery of the Solar Flagships Program, the ACRE programs and the Low Emissions Technology Demonstration Fund.
- Support the development and implementation of the US Australia Solar Energy Collaboration initiative (USASEC).
- Manage Australia's engagement in the Asia Pacific Partnership on Clean Development and Climate (APPCDC) program, including project acquittal and associated transition processes.

**Program 2 Deliverables (continued)**

- Lead the Government's engagement with the International Renewable Energy Agency (IRENA) and the Clean Energy Ministerial.
- Contribute to the development of a carbon price mechanism, including energy security implications, and other environmental policies.
- Support Australia's contribution to international climate change action under the United Nations Framework Convention on Climate Change (UNFCCC) and the new technology transfer mechanism under the UNFCCC post 2012 framework.
- Represent Australia at other relevant fora, including at the International Energy Agency (IEA) and the International Partnership for Energy Efficiency Cooperation (IPEEC) and the International Energy Federation.
- Administer the EEO Act (2006) and deliver the Energy Efficiency Opportunities (EEO) program to large energy users and the expansion of EEO to electricity generators.
- Delivery of necessary regulatory change to extend EEO to electricity and gas transmission and distribution networks, major greenfield and expansion projects, and voluntarily to medium-sized energy users.
- Provision of accurate, timely and effective policy advice to the Minister and Government on energy and energy technology-related issues.
- Payments made to eligible coal mines to provide assistance in the transition to the carbon pricing mechanism in accordance with the stated objective for the programs and announced by the Government.
- Coal Mine Abatement Technology and Support Program (CMATSP) developed and launched.
- Establish the Australian Renewable Energy Agency (ARENA) and develop and transitional and consequential arrangements required for ARENA operation.
- Jointly with Department of Finance and Deregulation, manage the Commonwealth's interest in Snowy Hydro Limited.
- Establish the BREE to deliver quality strategic research in the energy sector.
- Support the investigation of a national energy savings initiative in joint working group with DCCEE.

**Program 2 Deliverables (continued)**

- Negotiate the orderly exit, by 2020, of around 2,000MW of highly emissions-intensive coal-fired electricity generation capacity.
- Enter into Contracts for Closure with coal-fired electricity generators by 30 June 2012.
- Publish high quality, timely and relevant reports in resources and energy for the benefit of Australia.
- Collect, verify and manage key data sets on resources and energy in the national interest.
- Undertake high-level economic research and analysis that promote productivity and international competitiveness, enhance environmental and social sustainability, and supports national security.

**Program 2 Key Performance Indicators**

Key Performance Indicators	2010-11 Actuals	2011-12 Revised Target	2012-13 Forward year 1	2013-14 Forward year 2	2014-15 Forward year 3
<b>Deliver key energy security activities:</b>					
- Public release of second NESAs to inform the Government of the key influences on energy security in Australia.		Dec-11			
- Conduct multiple exercises for critical energy infrastructure.	Ongoing	Ongoing			
- Administration of <i>Liquid Fuel Emergency Act</i> .	Ongoing	Ongoing			
<b>Provision of secretariat support to the Standing Council on Energy and Resources (SCER) and its predecessors:</b>					
- Council and committee briefing papers and reports prepared to timelines in the protocols.					
- Manage transitional arrangements for the MCE and MCMPR to the new SCER based on the COAG agreed implementation plan arising from the Hawke Review of Ministerial Councils.	In progress	Commence in the 1st quarter			
- Work program and progress reports to COAG agreed by jurisdictions.	Progress through the year	Annual			
- Milestones in the SCER's work program met.	Progress through the year	Progress through the year			
<b>Contribute to the implementation of the National Energy Customer Framework (NECF):</b>					
- Energy Minister's approval of participating jurisdictions application Acts for implementation of NECF.		Jun-12			

**Program 2 Key Performance Indicators**

Key Performance Indicators	2010-11 Actuals	2011-12 Revised Target	2012-13 Forward year 1	2013-14 Forward year 2	2014-15 Forward year 3
<b>Contribute to the establishment of the gas Short Term Trading Market (STTM):</b>					
- Changes to gas rules in place in time for Brisbane hub commencement in December 2011.		Dec-11			
<b>Deliver elements of the National Strategy on Energy Efficiency:</b>					
- Commence update of energy Audit Standard based on findings from consultation process.		Jun-12			
- Launch redeveloped Energy Efficiency Exchange website.		Feb-12			
- Commence first suite of training resources targeting Higher Education Engineering courses.		Jun-12			
- Implement agreed elements of the Energy Efficiency Data Project under the National Framework on Energy Efficiency.	In progress	Jun-12			
- Complete first phase of the information projects under the Long Term Training Strategy on energy efficiency assessment.	In progress	Mar-12			
<b>Manage the delivery of the Smart Grid, Smart City demonstration project:</b>					
- Payments under the Transfer Agreement made to agreed milestones and within government guidelines.	Dec-10 and May-11	Ongoing			
- Project and operational reports assessed within agreed timeframes.	Dec-10 and May-11	Ongoing			
- Administer the Regulatory Steering Committee and the Standards Working Group.	May-11	Ongoing	Aug-12		



**Program 2 Key Performance Indicators**

Key Performance Indicators	2010-11 Actuals	2011-12 Revised Target	2012-13 Forward year 1	2013-14 Forward year 2	2014-15 Forward year 3
<b>Delivery of the Energy Efficiency Opportunities program to large energy users:</b>					
- Commence second assessment cycle of Energy Efficiency Opportunities. Extend the Energy Efficiency Opportunities to Generators (undertake generator trials and produce guidance materials), and produce a report on results of the first five year cycle and commence evaluation of the first five year cycle.			Jun-12		
- Conduct workshops.	Nov-10 & Jun-11	Nov-11			
- Verify 10 corporations.			Jun-12		
- Investigate, consult and do RIS and regulation changes to enable expansion of EEO to networks, Greenfields and voluntary to medium energy users.			Jun-12		
<b>Advance specific elements of Australia's domestic and international climate change policies:</b>					
- Contribute to Renewable Energy Target (RET) review.		Not assessed	2012		
- Contribute to the development of a carbon price mechanism.	Jun-11	Jun-12			
<b>Develop second National Energy Security Assessment (NESA) to inform the Australian Government of the key influences on energy security in Australia:</b>					
- Public release of second NESA to inform the Government of the key influences on energy security in Australia.			Dec-11		

**Program 2 Key Performance Indicators (continued)**

Key Performance Indicators	2010-11 Actuals	2011-12 Revised Target	2012-13 Forward year 1	2013-14 Forward year 2	2014-15 Forward year 3
- Conduct multiple exercises for critical energy infrastructure.	Ongoing	Ongoing			
- Administration of <i>Liquid Fuel Emergency Act</i> .	Ongoing	Ongoing			
<b>Lead the Australian Government's engagement with the International Renewable Energy Agency (IRENA):</b>					
- Influence the Development of IRENA's program of work, consistent with Government priorities.		Ongoing			
- Provide representation to IRENA's General Assembly and Council as well as other subsidiary bodies.	Jun-11	Jun-12			
<b>Lead Australia's participation in the Clean Energy Ministerial:</b>					
- Including supporting international forums delivery of an effective Clean Energy Solution Centre with United States, and ongoing work program .		Ongoing			
<b>Efficient and effective delivery of the Solar Flagships Program and ACRE elements of the Clean Energy Initiative:</b>					
- Review of Round 1 Solar Flagships Program.		Jun-12			
- Announcement of USASEC foundation projects.		Dec-11			
- Management of the Government's funding agreements with the Australian Solar Institute.		Ongoing			
- Manage the final stage of the Renewable Energy Equity Fund (REEF).		Jun-12			
- Review of the Advanced Electricity Storage Technology program.		Feb-12			

**Program 2 Key Performance Indicators (continued)**

Key Performance Indicators	2010-11 Actuals	2011-12 Revised Target	2012-13 Forw ard year 1	2013-14 Forw ard year 2	2014-15 Forw ard year 3
- Compliance, reporting, monitoring, responsiveness and payment provisions in the Australian Solar Institute, ACRE programs and solar flagships funding agreements managed according to departmental procedural rules.	Ongoing	Ongoing			
<b>Efficient and effective implementation of other energy sector programs including Low Emission Technology Demonstration Fund (LETDF):</b>					
- Compliance, reporting, monitoring, responsiveness and payment provisions in the LETDF funding agreements managed according to departmental procedural rules.	Ongoing	Ongoing			
<b>Provision of accurate, timely and effective policy advice to the Minister and the Australian Government on energy related issues.</b>					
- ACRE funding strategy and guidelines to be release by Minister.		Aug-11			
<b>Support the development and demonstration of clean and renewable energy technologies and energy storage:</b>					
- Emerging Renew ables Program guidelines released.		Sep-11			
- Implement agreed initiatives from ACRE Strategic Directions.		Jun-12			
- Emerging Renew ables applications assessed, projects announced.		Mar-12			
- REVC Fund with applications assessed and up to 2 fund managers announced.		Jan-12			

**Program 2 Key Performance Indicators (continued)**

Key Performance Indicators	2010-11 Actuals	2011-12 Revised Target	2012-13 Forw ard year 1	2013-14 Forw ard year 2	2014-15 Forw ard year 3
- Establishment of up to 2 REVC funds.		Feb-12			
- Completion of Geothermal study.		Aug-11			
- Complete 2 off grid studies in WA.		Oct-12			
- Establishment of the Australian Biofuels advisory council.		Dec-11			
- ABRI Foundation project with JCU contracted.		Mar-12			
- ABRI projects to be announced, first half of 2012.		Jun-12			
- Compliance, reporting, monitoring, responsiveness and payment provisions in the funding agreement managed according to departmental procedural rules.		Ongoing			
- Support the investigation of a national energy savings initiative in joint working group with DCCEE.		1st quarter of 2012			
<b>Energy Market Reform: Direct Commonwealth Reform</b>					
- Bring forward review of current new work merits review appeal process.		Ongoing	Ongoing		
- Commission independent review to benchmark distribution network efficiency.		Jun-12			
- Undertake scoping study for establishment of energy information hub.		Jun-12			
<b>Energy Market Reform: SCER Special Account</b>					
- Review of networks reliability and investment framework.		Ongoing	Ongoing	Ongoing	Ongoing
- Demand side participation initiatives.		Ongoing	Ongoing	Ongoing	Ongoing

**Program 2 Key Performance Indicators (continued)**

Key Performance Indicators	2010-11 Actuals	2011-12 Revised Target	2012-13 Forward year 1	2013-14 Forward year 2	2014-15 Forward year 3
- Implementation of the National Energy Consumer Framework in participating jurisdictions.		Ongoing	Ongoing	Ongoing	Ongoing
<b>Enter into Contracts for Closure with coal-fired electricity generators by 30 June 2012:</b>					
- Invite expressions of interest from eligible coal-fired electricity generators.		Sep-11			
- conduct bilateral negotiations with selected generators on a potential contract for closure.		Dec-11			
- Enter into Contracts for Closure with successful generators.		Jun-12			
<b>Quality strategic research in the resources and energy sector</b>					
- Publication of Resources and Energy Statistics Annual.		Nov-11			
- Publication of Resources and Energy Statistics (Quarterly).		Dec-11			
- Publication of Resources and Energy Quarterly.		Dec-11			
- management and control of all BREE data bases by Data and Statistics Program and relevant RET data bases.		Jun-12			
- Completion of research reports on productivity in Australian mining sector; Resources commodity price boom; Value chain modelling in gas sector.		Jun-12			

**Program 2 Key Performance Indicators (continued)**

Key Performance Indicators	2010-11 Actuals	2011-12 Revised Target	2012-13 Forw ard year 1	2013-14 Forw ard year 2	2014-15 Forw ard year 3
<p><b>Payments made to eligible coal mines to provide assistance in the transition to the carbon pricing mechanism in accordance with the stated objectives for the programs and announced by the Government</b></p> <ul style="list-style-type: none"> <li>- Program design and implementation established.</li> <li>- Coal Sector Jobs Program launched.</li> <li>- Applications assessed for eligibility and payment profile for the program established.</li> <li>- Commence payment to applicable coal mines.</li> </ul>		<p>Aug-Dec-11</p> <p>Jan-12</p> <p>Mar-Apr-12</p> <p>May-12</p>			
<p><b>Coal mine Abatement Technology and Support Program (CMATSP) developed and launched.</b></p> <ul style="list-style-type: none"> <li>- The CMATSP is ready for implementation from 1 July 2012.</li> </ul>		<p>Jun-12</p>			
<p><b>Establish the Australian Renewable Energy Agency (ARENA) and develop any transitional and consequential arrangements required for ARENA operation</b></p> <ul style="list-style-type: none"> <li>- Legislation to establish ARENA passed by Parliament.</li> <li>- ARENA Board and CEO appointed.</li> <li>- Service Level Agreement (SLA) between ARENA and RET finalised.</li> </ul>		<p>May-12</p> <p>Jun-12</p> <p>Jun-12</p>			

### **Program 3: Tourism related initiatives and management**

#### **Program 3 Objectives**

- The Australian tourism industry is diverse in nature and is characterised by a prevalence of small and medium enterprises and a high level of labour intensity. The industry is facing a challenging environment with intense competitive pressures and is vulnerable to factors beyond its direct influence.
- The key objective of this program is to lead the development and implementation of the Government's tourism policy to maintain and promote a competitive tourism sector.
- This program seeks to strengthen and stimulate growth in the tourism industry through the following activities:
  - facilitating growth of domestic and international tourism;
  - working with relevant partners to address regulatory barriers to tourism;
  - working with government agencies to support adequate planning and management of border security, transport linkages and safety to enhance tourism security;
  - working with other government agencies and stakeholders to ensure that infrastructure development contributes to the competitiveness of the tourism sector;
  - promoting the development of innovative products, services or systems within the tourism industry to improve the quality of Australia's tourism products and services;
  - working collaboratively with stakeholders to support the development of sustainable Indigenous tourism businesses;
  - actively engaging with government agencies to ensure that the Government's labour and skills policies contribute to a sustainable and productive tourism industry;
  - working with relevant partners to improve the resilience of the tourism industry and its capacity to adapt to changing circumstances; and
  - facilitating the provision of research and statistics to support business investment and guide tourism policy development.

RET – Additional Estimates 2011-12

**Program 3 Expenses**

	2010-11 Actuals \$'000	2011-12 Revised budget \$'000	2012-13 Forw ard year 1 \$'000	2013-14 Forw ard year 2 \$'000	2014-15 Forw ard year 3 \$'000
<b>Annual administered expenses:</b>					
- TQUAL Grants <sup>1</sup>	3,267	9,047	8,309	7,604	9,600
- National Tourism Accreditation Framework - Establishment	46	50	50	50	-
- Queensland Tourism Industry Support Package	937	-	-	-	-
- Payment to CAC Act body <sup>2</sup>	136,101	132,821	133,894	136,064	136,887
<b>Annual departmental expenses:</b>					
- Program support	22,298	20,350	20,024	20,700	18,027
<b>Total program expenses</b>	<b>162,649</b>	<b>162,268</b>	<b>162,277</b>	<b>164,418</b>	<b>164,514</b>

<sup>1</sup> Formerly known as the Australian Tourism Development Program (ATDP).

<sup>2</sup> Represents payments made to Tourism Australia.

**Program 3 Deliverables**

- Provision of accurate, timely and effective policy advice to the Minister and Government on tourism related issues.
- Implementation of the National Long-Term Tourism Strategy (the Strategy) to improve the productive capacity of the tourism industry, including delivery of outputs for specific working groups as outlined in the Strategy work programs and agreed by Tourism Ministers.
- Strategic support for the Australian Standing Committee on Tourism and Tourism Ministers, to assist the Ministers to oversee and lead the implementation of the Strategy.
- Implementation of the National Tourism Accreditation Framework, working with relevant partners to improve the quality of tourism products and services.
- Delivery of an enhanced China Approved Destination Status (ADS) Scheme, to ensure a quality tourism experience for Chinese group leisure tourists.
- Delivery of the TQUAL Grants Program, and other tourism related programs, as required.
- Enhanced national tourism research agenda informing policy development and industry investment decisions through the production and dissemination of tourism research and analysis.
- Production and dissemination of tourism forecasts and surveys for inbound, domestic and outbound markets to provide a comprehensive source of information on the characteristics and travel patterns of international and domestic tourists.
- Development of policy initiatives to support Indigenous tourism and engagement with relevant partners to support Indigenous tourism development in selected regions.
- Engagement with key stakeholders to ensure that tourism interests are taken into account in broader context of Australian Government policy development and implementation, including in relation to labour and skills, infrastructure development, and regulatory issues that impact tourism.
- Engagement in multilateral and bilateral forums to influence beneficial outcomes for the Australian tourism industry.
- Engagement in air services negotiations to influence beneficial outcomes for the Australian tourism industry.

<p><b>Program 3 Deliverables (continued)</b></p> <ul style="list-style-type: none"> <li>• Engagement with Tourism Australia on governance and program issues.</li> <li>• Coordination and management of the National Tourism Incident Communication Plan.</li> </ul>
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**Program 3 Key Performance Indicators**

Key Performance Indicators	2010-11 Actuals	2011-12 Revised Target	2012-13 Forward year 1	2013-14 Forward year 2	2014-15 Forward year 3
<p><b>National Long-Term Tourism Strategy:</b></p> <ul style="list-style-type: none"> <li>- Progress priorities and outputs agreed by Tourism Ministers to the Strategy – as outlined in the Strategy Two Year Forward Work Program for 2011-12 and 2012-13 and Tourism 2020 Implementation Plan.</li> </ul>		Jun-12			
<p><b>National Tourism Accreditation Framework:</b></p> <ul style="list-style-type: none"> <li>- Launch the National Tourism Accreditation Framework and the Tourism Quality (TQUAL) brand to consumers.</li> </ul>		Sep-11			
<ul style="list-style-type: none"> <li>- 50% of existing accreditation programs successfully registered under the National Tourism Accreditation Framework</li> </ul>		Jun-12			
<ul style="list-style-type: none"> <li>- 20% of businesses from registered programs have been granted sub-licences to utilise and market the TQUAL brand.</li> </ul>		Jun-12			
<ul style="list-style-type: none"> <li>- Preferential listing of accredited Australian tourism product established on <a href="http://www.australia.com">www.australia.com</a>.</li> </ul>		Jun-12			

**Program 3 Key Performance Indicators (continued)**

Key Performance Indicators	2010-11 Actuals	2011-12 Revised Target	2012-13 Forw ard year 1	2013-14 Forw ard year 2	2014-15 Forw ard year 3
<b>China Approved Destination Status (ADS) Scheme:</b>					
- Annual growth of at least 5% in the number of ADS visitors to Australia (while increasing ADS visitor numbers are not a direct objective of the program, trends in ADS visitor numbers do reflect the success of the program).	39% increase in 2010/11	5% or more			
- Annual growth of at least 5% in the overall number of Chinese tourists visiting Australia (trends in overall visitor numbers from China indirectly reflect the success of the ADS program).	30% increase in 2010/11	5% or more			
- 70% or more of ADS visitors indicate satisfaction with their tour group experience (survey would be required to collect this information).	Not assessed	70% or more			
<b>TQUAL Grants Program:</b>					
- Finalise funding agreements for successful Tourism Quality Project grant applicants (Round 1)		Sep-11			
- Advertise and conduct application round for Tourism Quality Projects grants (Round 2).		Mar-12			
- Complete assessment of applications for funding for Tourism Quality Projects (Round 2).		Jun-12			
- Finalise funding agreements for successful Strategic Tourism Investment Grants.		Jun-12			

**Program 3 Key Performance Indicators (continued)**

Key Performance Indicators	2010-11 Actuals	2011-12 Revised Target	2012-13 Forw ard year 1	2013-14 Forw ard year 2	2014-15 Forw ard year 3
- Establish key performance indicators to measure the performance outcomes of the TQUAL Grants Program, including in relation to the level of business turnover, employment and additional investment attracted.		Jun-12			
<b>Tourism Research:</b>					
- Timely release of National Visitor Survey (quarterly releases scheduled for March, June, September and December).	Quarterly	Quarterly			
- Timely release of International Visitor Survey (quarterly releases scheduled for March, June, September and December).	Quarterly	Quarterly			
- Timely release of forecasts through the Tourism Forecasting Committee (bi-annual releases scheduled for May and October).	Bi-annually	Bi-annually			
- Release of the <i>State of the Industry Report</i> at the annual Tourism Directions Conference (annual publication).	Annually	Annually			
- Annual grow th of 5% or more in subscriptions for Tourism Research Australia (TRA) Online (establish baseline in 2010-11).	Baseline established	5% or more			
- Annual grow th of 5% or more in number of requests to purchase TRA data (establish baseline 2010-11).	Baseline established	5% or more			
- Annual grow th of 5% or more in number of visitors to TRA w ebsite (establish baseline in 2010-11).	Baseline established	5% or more			

**Program 3 Key Performance Indicators (continued)**

Key Performance Indicators	2010-11 Actuals	2011-12 Revised Target	2012-13 Forw ard year 1	2013-14 Forw ard year 2	2014-15 Forw ard year 3
<b>Aviation Capacity:</b>					
- Level of aviation capacity continues to exceed demand (as measured by the Bureau of Infrastructure and Transport Research Economics).	Exceed demand	Exceed demand			
<b>Stakeholder Satisfaction:</b>					
<i>High degrees of stakeholder satisfaction from survey of Tourism Directions Conference participants:</i>					
- Conference (jointly organised with Tourism Australia) : At least 80% of respondents indicate good/very good against areas surveyed.	99%	80% or more			
- Quality of outputs (e.g. TRA publications, including the State of the Industry Report) : At least 80% of respondents indicate good/very good against areas surveyed.	70-99%	80% or more			
<i>High degrees of stakeholder satisfaction, as measured through the annual RET Stakeholder Satisfaction Survey:</i>					
- Staff Attributes : At least 80% of respondents indicate good/very good against areas surveyed.	88%	80% or more			
- Enquiries in General : At least 80% of respondents indicate good/very good against areas surveyed.	79%	80% or more			
- Policy Development Process : At least 80% of respondents indicate good/very good against areas surveyed.	63%	80% or more			

**Program 3 Key Performance Indicators (continued)**

Key Performance Indicators	2010-11 Actuals	2011-12 Revised Target	2012-13 Forward year 1	2013-14 Forward year 2	2014-15 Forward year 3
- <i>Level of Consultation</i> : At least 80% of respondents indicate good/very good against areas surveyed.	73%	80% or more			
- <i>Overall Satisfaction</i> : At least 80% of respondents indicate rating of satisfied/very satisfied.	70%	80% or more			

## Section 3: Explanatory tables and budgeted financial statements

### 3.1 EXPLANATORY TABLES

#### Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by RET. The corresponding table in the 2011-12 PB Statements is Table 3.1.2.

**Table 3.1.1: Estimates of special account flows**

		Opening balance <b>2011-12</b> <i>2010-11</i>	Receipts <b>2011-12</b> <i>2010-11</i>	Payments <b>2011-12</b> <i>2010-11</i>	Adjustments <b>2011-12</b> <i>2010-11</i>	Closing balance <b>2011-12</b> <i>2010-11</i>
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Ranger Rehabilitation (A)	1	<b>58,184</b> <i>54,390</i>	<b>2,820</b> <i>3,794</i>	- -	- -	<b>61,004</b> <i>58,184</i>
Energy Special Account <sup>1</sup> (D)	1	<b>20,518</b> <i>16,301</i>	<b>6,348</b> <i>10,266</i>	<b>(16,384)</b> <i>(6,049)</i>	- -	<b>10,482</b> <i>20,518</i>
Services for Other Entities and Trust Moneys (D)	1	<b>1,012</b> <i>987</i>	<b>1,506</b> <i>1,558</i>	<b>(2,000)</b> <i>(1,533)</i>	- -	<b>518</b> <i>1,012</i>
Clean Energy Initiative Special Account (A)	1	<b>503,572</b> <i>221,124</i>	<b>527,285</b> <i>399,851</i>	<b>(467,273)</b> <i>(117,403)</i>	- -	<b>563,584</b> <i>503,572</i>
National Offshore Petroleum Titles Administrator Special Account <sup>2</sup> (A)		- -	<b>4,316</b> -	<b>(4,316)</b> -	- -	- -
Building Australia Fund - Energy Portfolio Special Account (A)	1	- -	- -	- -	- -	- -
<b>Total Special Accounts 2011-12 Budget estimate</b>		<b>583,286</b>	<b>542,275</b>	<b>(489,973)</b>	-	<b>635,588</b>
<i>Total Special Accounts 2010-11 estimate actual</i>		<i>292,802</i>	<i>415,469</i>	<i>(124,985)</i>	-	<i>583,286</i>

(A) = Administered (D) = Departmental

<sup>1</sup> The Energy Special Account was established to facilitate financial management of funds relating to the work program of the Ministerial Council on Energy (MCE). Under the new Council of Australian Government (COAG) Ministerial Council system agreed in February 2011, the Standing Council on Energy and Resources replaced the MCE from 17 September 2011 and the energy efficiency components of the MCE transferred to the Select Council on Climate Change from 18 January 2012.

<sup>2</sup> The National Offshore Petroleum Titles Administrator Special Account was established under section 21 of the FMA Act, within Division 3, Section 695H - 695K of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Analysis of budgeted financial statements**

The financial framework upon which the financial statements are based has not changed since the 2011-12 Budget.

### 3.2.2 Budgeted financial statements

#### Departmental financial statements

**Table 3.2.1: Comprehensive Income Statement**  
(for the period ending 30 June 2012)

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000	Forw ard estimate 2014-15 \$'000
<b>EXPENSES</b>					
Employee benefits	50,519	50,146	41,911	39,385	35,624
Supplier expenses	47,762	77,544	58,510	55,235	52,182
Grants	179	1,000	1,000	1,000	1,000
Depreciation and amortisation	1,419	170	170	170	170
Losses from asset sales	14	-	-	-	-
Finance costs	24	-	-	-	-
Write-down and impairment of assets	1,106	-	-	-	-
<b>Total expenses</b>	<b>101,023</b>	<b>128,860</b>	<b>101,591</b>	<b>95,790</b>	<b>88,976</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	14,059	19,168	19,376	19,376	19,376
Interest	31	-	-	-	-
Other	12	-	-	-	-
<b>Total revenue</b>	<b>14,102</b>	<b>19,168</b>	<b>19,376</b>	<b>19,376</b>	<b>19,376</b>
<b>Gains</b>					
Other	1,062	205	205	205	205
<b>Total gains</b>	<b>1,062</b>	<b>205</b>	<b>205</b>	<b>205</b>	<b>205</b>
<b>Total own-source income</b>	<b>15,164</b>	<b>19,373</b>	<b>19,581</b>	<b>19,581</b>	<b>19,581</b>
<b>Net cost of (contribution by) services</b>	<b>85,859</b>	<b>109,487</b>	<b>82,010</b>	<b>76,209</b>	<b>69,395</b>
Revenue from Government	85,917	109,317	81,840	76,039	69,225
<b>Surplus (Deficit)</b>	<b>58</b>	<b>(170)</b>	<b>(170)</b>	<b>(170)</b>	<b>(170)</b>
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>58</b>	<b>(170)</b>	<b>(170)</b>	<b>(170)</b>	<b>(170)</b>
<b>Total comprehensive income attributable to the Australian Government</b>	<b>58</b>	<b>(170)</b>	<b>(170)</b>	<b>(170)</b>	<b>(170)</b>
<b>Note: Reconciliation of operating result attributable to the agency</b>					
	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
<b>Total comprehensive income (loss) attributable to the Australian Government</b>	58	(170)	(170)	(170)	(170)
plus non-appropriated expenses depreciation and amortisation expenses	1,419	170	170	170	170
<b>Total comprehensive income (loss) attributable to the Australian Government</b>	<b>1,477</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000	Forw ard estimate 2014-15 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	558	558	558	558	558
Trade and other receivables	37,938	35,450	35,450	35,450	35,450
<b>Total financial assets</b>	<b>38,496</b>	<b>36,008</b>	<b>36,008</b>	<b>36,008</b>	<b>36,008</b>
<b>Non-financial assets</b>					
Land and buildings	1,251	1,251	1,251	1,251	1,251
Property, plant and equipment	1,440	6,233	6,063	5,893	5,723
Intangibles	900	900	900	900	900
Other	651	651	651	651	651
<b>Total non-financial assets</b>	<b>4,242</b>	<b>9,035</b>	<b>8,865</b>	<b>8,695</b>	<b>8,525</b>
<b>Total assets</b>	<b>42,738</b>	<b>45,043</b>	<b>44,873</b>	<b>44,703</b>	<b>44,533</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	37	37	37	37	37
Other	24,467	21,979	21,979	21,979	21,979
<b>Total payables</b>	<b>24,504</b>	<b>22,016</b>	<b>22,016</b>	<b>22,016</b>	<b>22,016</b>
<b>Provisions</b>					
Employee provisions	15,061	15,061	15,061	15,061	15,061
Other	506	506	506	506	506
<b>Total provisions</b>	<b>15,567</b>	<b>15,567</b>	<b>15,567</b>	<b>15,567</b>	<b>15,567</b>
<b>Total liabilities</b>	<b>40,071</b>	<b>37,583</b>	<b>37,583</b>	<b>37,583</b>	<b>37,583</b>
<b>Net assets</b>	<b>2,667</b>	<b>7,460</b>	<b>7,290</b>	<b>7,120</b>	<b>6,950</b>
<b>EQUITY</b>					
<b>Attributed to Non-Controlling Interest</b>					
Contributed equity	4,399	9,362	9,362	9,362	9,362
Retained earnings	(1,732)	(1,902)	(2,072)	(2,242)	(2,412)
<b>Total minority interest</b>	<b>2,667</b>	<b>7,460</b>	<b>7,290</b>	<b>7,120</b>	<b>6,950</b>
<b>Total equity</b>	<b>2,667</b>	<b>7,460</b>	<b>7,290</b>	<b>7,120</b>	<b>6,950</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget year 2011-12)**

	Retained earnings	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2011</b>			
Balance carried forward from previous period	(1,732)	4,399	2,667
<b>Adjusted opening balance</b>	<b>(1,732)</b>	<b>4,399</b>	<b>2,667</b>
<b>Comprehensive income</b>			
Surplus (deficit) for the period	(170)	-	(170)
<b>Total comprehensive income recognised directly in equity</b>	<b>(1,902)</b>	<b>4,399</b>	<b>2,497</b>
<b>Transactions with owners</b>			
<i>Contributions by owners</i>			
Appropriation (equity injection)	-	4,963	4,963
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>4,963</b>	<b>4,963</b>
<b>Estimated closing balance as at 30 June 2012</b>	<b>(1,902)</b>	<b>9,362</b>	<b>7,460</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Budgeted departmental statement of cash flows (as at 30 June)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000	Forw ard estimate 2014-15 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	17,925	19,168	19,376	19,376	19,376
Appropriations	80,284	106,829	81,840	76,056	69,225
Net GST received	99	-	-	-	-
<b>Total cash received</b>	<b>98,308</b>	<b>125,997</b>	<b>101,216</b>	<b>95,432</b>	<b>88,601</b>
<b>Cash used</b>					
Employees	49,413	50,146	41,911	40,606	35,624
Suppliers	48,051	74,851	58,305	53,826	51,977
Other	134	1,000	1,000	1,000	1,000
<b>Total cash used</b>	<b>97,598</b>	<b>125,997</b>	<b>101,216</b>	<b>95,432</b>	<b>88,601</b>
<b>Net cash from (used by) operating activities</b>	<b>710</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment	1,183	4,963	-	-	-
<b>Total cash used</b>	<b>1,183</b>	<b>4,963</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from (used by) investing activities</b>	<b>(1,183)</b>	<b>(4,963)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Capital injections	580	4,963	-	-	-
<b>Total cash received</b>	<b>580</b>	<b>4,963</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from (used by) financing activities</b>	<b>580</b>	<b>4,963</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash held</b>	<b>107</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	451	558	558	558	558
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>558</b>	<b>558</b>	<b>558</b>	<b>558</b>	<b>558</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Capital Budget Statement — Departmental**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000	Forw ard estimate 2014-15 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Equity injections - Bill 2	1,878	4,963	-	-	-
<b>Total capital appropriations</b>	<b>1,878</b>	<b>4,963</b>	-	-	-
<b>Total new capital appropriations</b>					
<b>Represented by:</b>					
Purchase of non-financial assets	950	4,963	-	-	-
Other Items	928	-	-	-	-
<b>Total Items</b>	<b>1,878</b>	<b>4,963</b>	-	-	-
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	950	4,963	-	-	-
<b>TOTAL</b>	<b>950</b>	<b>4,963</b>	-	-	-
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	950	4,963	-	-	-
<b>Total cash used to acquire assets</b>	<b>950</b>	<b>4,963</b>	-	-	-

Prepared on Australian Accounting Standards basis.

**Table 3.2.6: Statement of Asset Movements (2011-12)**

	Buildings \$'000	Other property, plant and equipment \$'000	Intangibles \$'000	Total \$'000
<b>As at 1 July 2011</b>				
Gross book value	1,693	2,548	1,515	5,756
Accumulated depreciation/amortisation and impairment	(442)	(1,108)	(615)	(2,165)
<b>Opening net book balance</b>	<b>1,251</b>	<b>1,440</b>	<b>900</b>	<b>3,591</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - appropriation ordinary annual services	-	4,963	-	4,963
<b>Total additions</b>	<b>-</b>	<b>4,963</b>	<b>-</b>	<b>4,963</b>
<b>Other movements</b>				
Depreciation/amortisation expense	-	170	-	170
<b>As at 30 June 2012</b>				
Gross book value	1,693	7,511	1,515	10,719
Accumulated depreciation/amortisation and impairment	(442)	(1,278)	(615)	(2,335)
<b>Closing net book balance</b>	<b>1,251</b>	<b>6,233</b>	<b>900</b>	<b>8,384</b>

Prepared on Australian Accounting Standards basis.

**Schedule of administered activity****Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000	Forw ard estimate 2014-15 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Taxation revenue</b>					
Other	342	175	175	175	175
<b>Total taxation revenue</b>	<b>342</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>
<b>Non-taxation revenue</b>					
Fees and fines	10,622	16,861	16,560	16,560	16,560
Interest	3,904	3,939	4,199	4,476	4,772
Dividends	28,600	24,700	27,300	27,300	28,600
Industry contributions	-	15,300	15,300	-	-
Royalties	1,610,678	1,863,291	1,813,910	1,795,648	1,740,856
Other	9,711	5,916	1,600	1,600	1,600
<b>Total non-taxation revenue</b>	<b>1,663,515</b>	<b>1,930,007</b>	<b>1,878,869</b>	<b>1,845,584</b>	<b>1,792,388</b>
<b>Total revenues administered on behalf of Government</b>	<b>1,663,857</b>	<b>1,930,182</b>	<b>1,879,044</b>	<b>1,845,759</b>	<b>1,792,563</b>
<b>Total income administered on behalf of Government</b>	<b>1,663,857</b>	<b>1,930,182</b>	<b>1,879,044</b>	<b>1,845,759</b>	<b>1,792,563</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Supplier expenses	24,001	7,924	1,501	1,100	1,100
Subsidies	124,667	144,900	170,500	173,600	200,300
Grants	254,014	748,284	561,046	883,034	868,729
Depreciation and amortisation	1,000	1,000	1,000	1,000	1,000
Write-down and impairment of assets	49	-	-	-	-
CAC Act body payment item	136,101	132,821	133,894	136,064	136,887
<b>Total expenses administered on behalf of Government</b>	<b>539,832</b>	<b>1,034,929</b>	<b>867,941</b>	<b>1,194,798</b>	<b>1,208,016</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000	Forw ard estimate 2014-15 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Receivables	66,322	62,383	58,184	53,708	48,936
Investments	594,363	581,182	581,182	581,182	581,182
Other	166,632	166,632	166,632	166,632	166,632
<b>Total financial assets</b>	<b>827,317</b>	<b>810,197</b>	<b>805,998</b>	<b>801,522</b>	<b>796,750</b>
<b>Non-financial assets</b>					
Intangibles	4,083	8,383	2,083	1,083	83
<b>Total non-financial assets</b>	<b>4,083</b>	<b>8,383</b>	<b>2,083</b>	<b>1,083</b>	<b>83</b>
<b>Total assets administered on behalf of Government</b>	<b>831,400</b>	<b>818,580</b>	<b>808,081</b>	<b>802,605</b>	<b>796,833</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Payables</b>					
Suppliers	15	15	15	15	15
Grants	12,402	12,402	12,402	12,402	12,402
Other	3,884	3,884	3,884	3,884	3,884
<b>Total payables</b>	<b>16,301</b>	<b>16,301</b>	<b>16,301</b>	<b>16,301</b>	<b>16,301</b>
<b>Total liabilities administered on behalf of Government</b>	<b>16,301</b>	<b>16,301</b>	<b>16,301</b>	<b>16,301</b>	<b>16,301</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.9: Schedule of budgeted administered cash flows (for the period ended 30 June)**

	Actual 2010-11 \$'000	Revised budget 2011-12 \$'000	Forw ard estimate 2012-13 \$'000	Forw ard estimate 2013-14 \$'000	Forw ard estimate 2014-15 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Dividends	28,600	24,700	27,300	27,300	28,600
Taxes	342	175	175	175	175
Royalties and fees	1,622,191	1,901,368	1,847,370	1,813,808	1,759,016
<b>Total cash received</b>	<b>1,651,133</b>	<b>1,926,243</b>	<b>1,874,845</b>	<b>1,841,283</b>	<b>1,787,791</b>
<b>Cash used</b>					
Grants, royalties and fees	268,876	748,284	561,046	883,034	868,729
Suppliers	13,652	7,924	1,501	1,100	1,100
Subsidies	123,126	144,900	170,500	173,600	200,300
CAC Act body payment item	136,101	132,821	133,894	136,064	136,887
<b>Total cash used</b>	<b>541,755</b>	<b>1,033,929</b>	<b>866,941</b>	<b>1,193,798</b>	<b>1,207,016</b>
<b>Net cash from (used by) operating activities</b>	<b>1,109,378</b>	<b>892,314</b>	<b>1,007,904</b>	<b>647,485</b>	<b>580,775</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment	-	5,300	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>5,300</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from (used by) investing activities</b>	<b>-</b>	<b>(5,300)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash held</b>	<b>1,109,378</b>	<b>887,014</b>	<b>1,007,904</b>	<b>647,485</b>	<b>580,775</b>
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for:					
- Appropriations	426,110	589,506	434,992	689,786	594,987
- Special Accounts	117,402	574,285	474,886	433,442	796,414
	543,512	1,163,791	909,878	1,123,228	1,391,401
Cash to Official Public Account for:					
- Appropriations	1,652,890	2,050,805	1,917,782	1,770,713	1,972,176
<b>Cash and cash equivalents at end of reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.10: Schedule of Administered Capital Budget**

	Actual	Revised	Forw ard	Forw ard	Forw ard
	2010-11	budget	estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>CAPITAL APPROPRIATIONS</b>					
Administered assets and liabilities - Bill 2	6,400				
<b>Total capital appropriations</b>	<b>6,400</b>				
<b>Total new capital appropriations</b>					
<b>Represented by:</b>					
Purchase of non-financial assets	6,400				
<b>Total Items</b>	<b>6,400</b>				
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	1,100	5,300	-	-	-
<b>TOTAL</b>	<b>1,100</b>	<b>5,300</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	1,100	5,300	-	-	-
<b>Total cash used to acquire assets</b>	<b>1,100</b>	<b>5,300</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.11: Statement of Administered Asset Movements (2011-12)**

	Buildings	Other	Intangibles	Total
	\$'000	property, plant and equipment \$'000	\$'000	\$'000
<b>As at 1 July 2011</b>				
Gross book value	-	-	15,000	15,000
Accumulated depreciation/amortisation and impairment	-	-	(10,917)	(10,917)
<b>Opening net book balance</b>	<b>-</b>	<b>-</b>	<b>4,083</b>	<b>4,083</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - other	-	-	5,300	5,300
<b>Total additions</b>	<b>-</b>	<b>-</b>	<b>5,300</b>	<b>5,300</b>
<b>Other movements</b>				
Depreciation/amortisation expense	-	-	1,000	1,000
<b>As at 30 June 2012</b>				
Gross book value	-	-	20,300	20,300
Accumulated depreciation/amortisation and impairment	-	-	(11,917)	(11,917)
<b>Closing net book balance</b>	<b>-</b>	<b>-</b>	<b>8,383</b>	<b>8,383</b>

Prepared on Australian Accounting Standards basis.

**Notes to the financial statements**

**Basis of Accounting**

The agency budget statements have been prepared on an accrual accounting basis in accordance with:

- The Finance Minister's Orders; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board.

## GLOSSARY

<b>Term</b>	<b>Meaning</b>
Accrual Accounting	System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.
Accumulated Depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Administrative Arrangements Order (AAOs)	The functions and activities of the Government are administered in accordance with AAOs, issued from time to time by the Government and signed by the Governor-General. The AAOs establish the principal matters or government outcomes to be dealt with by each Department of State, and the Acts of Parliament to be administered by each Minister.
Administered Item	Appropriation that consists of funding managed on behalf of the Commonwealth. This funding is not at the discretion of the agency and any unspent appropriation is returned to the Consolidated Revenue Fund at the end of the financial year. An administered item is a component of an administered program. It may be a measure but will not constitute a program in its own right.
Additional Estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Appropriation	An amount of public money parliament authorises for spending (i.e. funds to be withdrawn from the Consolidated Revenue Fund). Parliament makes laws for appropriating money under the Annual Appropriation Acts and under Special Appropriations, with spending restricted to the purposes specified in the Appropriation Acts.

## *Glossary*

<b>Term</b>	<b>Meaning</b>
Annual Appropriation	Acts of Parliament, which provide appropriation for the government's activities during a specific financial year. Three appropriation Bills are introduced into Parliament in May and comprise the Budget. Further supplementary Bills are introduced later in the financial year as part of the Additional Estimates process. The Parliamentary Departments have their own Appropriation Bills.
Capital expenditure	Expenditure by an agency on capital projects, for example purchasing a building.
Consolidated Revenue Fund (CRF)	The principal operating fund from which money is drawn to pay for the activities of the Government. Section 81 of the Australian Constitution provides that all revenue raised or monies received by the Executive Government forms one consolidated revenue fund from which appropriation are made for the purposes of the Australian Government.
Departmental Item	Resources (assets, liabilities, revenues and expenses) that agency Chief Executive Officers control directly. This includes outsourced activities funded and controlled by the agency. Examples of departmental items include agency running costs, accrued employee entitlements and net appropriations. A departmental item is a component of a departmental program.
Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or passage of time.
Estimated Actual Expenses	Details the current year's estimated full final figures as included in the Budget documentation. As the Budget is released in May each year, but the financial year does not close off until 30 June, the current year numbers that are used for comparison with Budget amounts can only be estimates.

<b>Term</b>	<b>Meaning</b>
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	Expenses represent the full costs of an activity, that is, the total value of all the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of the entity. Expenses include cash items such as salary payments as well as expenses that have been incurred, such as accruing employee entitlements that will be paid in the future.
Fair value	Valuation methodology: The amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.
Measure	A new policy or savings decision of the Government with financial impacts. Such proposals are normally made in the context of the annual Budget process.
Operating result	Equals revenue less expenses.
Outcomes	The Government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end-results or impacts actually achieved.
Output Groups	A logical aggregation of agency outputs, where useful, and based either on homogeneity, type of product, business line or beneficiary target group. Aggregation of outputs may also be needed for the provision of adequate information for performance monitoring, or based on a materiality test.
Outputs	The goods and services produced by agencies on behalf of government for external organisations or individuals. Outputs also include goods and services for other areas of government external to the agency.

## *Glossary*

<b>Term</b>	<b>Meaning</b>
Portfolio	A Minister's area of responsibility as a member of Cabinet. A portfolio consists of a Department of State (a.k.a the Portfolio Department) and a number of agencies with similar general objectives and outcomes.
Price	One of the three key efficiency indicators. The amount the government or the community pays for the delivery of agreed outputs.
Quality	One of the three key efficiency indicators. Relates to the characteristics by which customers or stakeholders judge an organisation, product or service. Assessment of quality involves use of information gathered from interested parties to identify differences between user's expectations and experiences.
Quantity	One of the three key efficiency indicators. Examples include: the size of an output; count or volume measures; how many or how much.
Revenue	Total value of resources earned or received to cover the production of goods and services.
Special Accounts	Balances existing within the Consolidated Revenue Fund (CRF) that are supported by standing appropriations (Financial Management and Accountability (FMA) Act 1997, ss.20 and 21). Special accounts allow money in the CRF to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special Accounts can only be established by a written determination of the Finance Minister (s.20 FMA Act) or through an Act of Parliament (referred to in s.21 of the FMA Act).

<b>Term</b>	<b>Meaning</b>
Special Appropriations (including Standing Appropriations)	<p>An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year.</p> <p>Standing appropriations are a sub-category consisting of ongoing special appropriations – the amount appropriated will depend on circumstances specified in the legislation.</p>