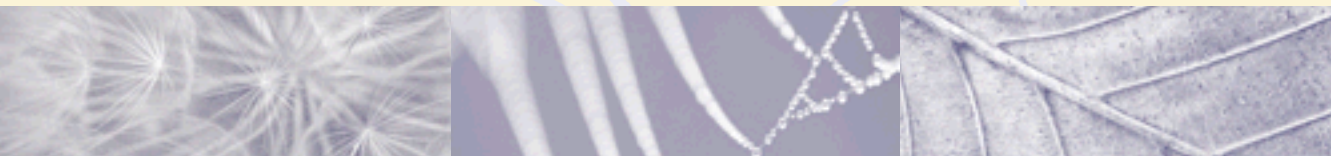




AUSTRALIAN CAPITAL TERRITORY

BUDGET

2004 – 2005



PAPER NO 2

BUDGET AT A GLANCE

*Presented on 4 May 2004 by Ted Quinlan MLA
Treasurer of the Australian Capital Territory*



building **our city**
building **our community**
ACT Government

Guide to the Budget Papers

Structure and content of the 2004-2005 Budget Papers

The 2004-2005 Budget is presented in four budget papers.

PAPER N° 1

SPEECH

The Treasurer's speech to the Legislative Assembly highlights the Government's Budget strategies and key features of the Budget.

PAPER N° 2

BUDGET AT A GLANCE

A summary of the overall budgetary position together with information on the Government's expenditure in key service delivery areas. It provides cross references to other budget papers to assist readers in locating details of specific budget measures.

PAPER N° 3

BUDGET OVERVIEW

Summarises the 2004-2005 Budget and forward estimates for the general government sector, the public trading enterprise sector and the total Territory Government. Details of the projected 2004-2005 Budget results are provided, as well as background information on the development of the 2004-2005 Budget, including consultations with the community, economic conditions, and intergovernmental financial relations.

The *Appropriation Bill 2004-2005* is appended.

PAPER N° 4

BUDGET ESTIMATES

Information on each department and their respective output classes, including descriptions of functions, roles and responsibilities, together with major strategic highlights. Full accrual financial information is provided for the general government sector as well as details of the Territory's public trading enterprises.

SUPPLEMENTARY PAPER

FRAMEWORK FOR FUTURE BUDGET PRESENTATION DISCUSSION PAPER

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Telephone: Canberra 13ACT1 or 132281

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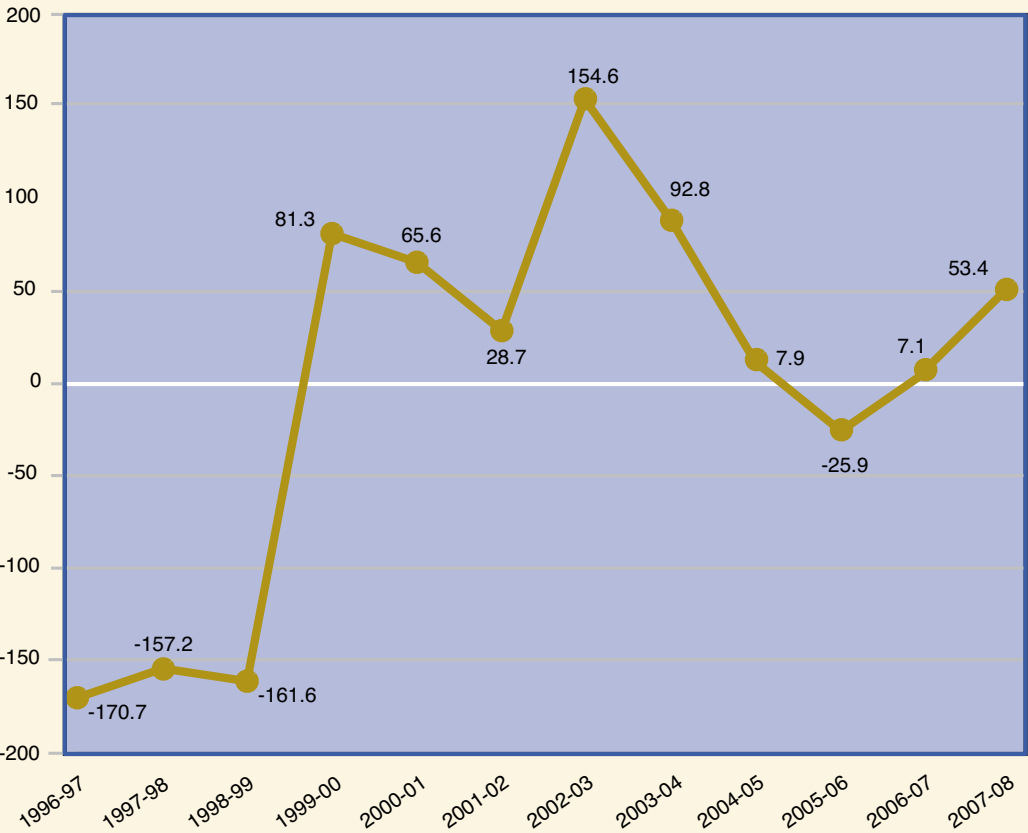
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General Government Sector Operating Results

Million \$



1996 - 1997	(170.7m)	
1997 - 1998	(157.2m)	
1998 - 1999	(161.6m)	
1999 - 2000	81.3m	
2000 - 2001	65.6m	
2001 - 2002	28.7m	
2002 - 2003	154.6m	
2003 - 2004	92.8m	Forecast
2004 - 2005	7.9m	Budget
2005 - 2006	(25.9m)	Estimate
2006 - 2007	7.1m	Estimate
2007 - 2008	53.4m	Estimate

An Aggregate Surplus Over Four Years

2004-2005 Budget: General Government Sector

Operating Surplus: \$8m

Total Expenses: \$2,584m

Increase of \$38m (0.8%) on the estimated outcome for 2003-2004.

Total Revenue: \$2,592m

Down \$55m (2.1%) on the estimated outcome for 2003-2004.

<i>Aggregate Operating Result</i>	<i>2002-03 Audit \$m</i>	<i>2003-04 Est.Out \$m</i>	<i>2004-05 Budget \$m</i>	<i>2005-06 Estimate \$m</i>	<i>2006-07 Estimate \$m</i>	<i>2007-08 Estimate \$m</i>
General Government Sector Operating Result	155	93	8	-26	7	53
Aggregate Result 2002-03 to 2005-06				229		
Aggregate Result 2004-05 to 2007-08						42

The strategy of a balanced budget across the forward estimates continues with an aggregate surplus forecast over the original economic cycle of 2002-2003 to 2005-2006, and also with an aggregate surplus over the budget economic cycle of 2004-2005 to 2007-2008.

The 2004-2005 Budget Highlights:

- A surplus of \$7.9m in 2004-2005.
- An aggregate surplus of \$229.4m over four years (2002-2003 to 2005-2006).
- An aggregate surplus of \$42.4m over four years (2004-2005 to 2007-2008).
- A responsible budget that will continue the AAA credit rating for the Territory.
- Provision for new capital works commitments of \$329.9m, with \$110.3m cash expenditure in 2004-2005. Works-in-progress from previous years is \$122.5m cash.
- No new major asset sales.
- No new borrowings for general government.
- No new taxes.

Where Our Money Comes From

2004-2005 Revenue

Taxes, Fees and Fines: \$840.2m

Revenue from taxes, fees and fines will increase marginally from \$838.3m in 2003-2004 to \$840.2m in 2004-2005. Growth in payroll tax, general rates and land tax is offset by a reduction in conveyance revenue.

Commonwealth Grants: \$1,067.2m

An increase of \$20.4m from the 2003-2004 estimate of \$1,046.8m due to increases in the Consumer Price Index, offset by a drop in funding due to an overestimate of population estimates during the Census collection.

User Charges: \$197.2m

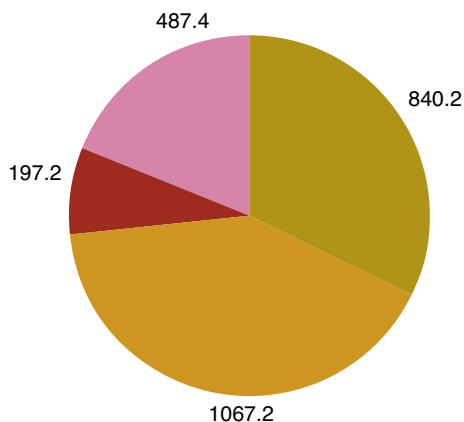
User charges to increase by \$1.8m. Charges represents revenues generated from the sale of goods and services to customers.

Other Revenue: \$487.4m

Other revenues include items such as dividends from Territory Owned Corporations, revenue from joint ventures, land sales and investment returns. This revenue will decrease by \$77.4m from the 2003-2004 estimated outcome.

2004-2005 Government Revenue

	Taxes, Fees and Fines	\$840.2m
	Commonwealth Grants	\$1,067.2m
	User Charges	\$197.2m
	Other Revenue	\$487.4m



Taxes, Fees and Fines

Taxes, fees and fines represent 32% of the Territory’s total revenue.

There are no new taxes in the 2004-2005 Budget.

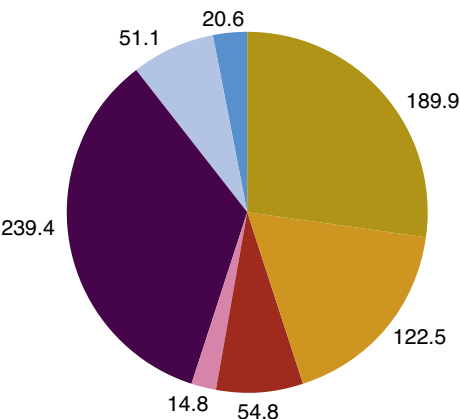
Revenue initiatives introduced in the 2004-2005 Budget include.

- **Payroll Tax Exemption** - Providing payroll tax exemptions to employers for maternity, adoption and/or primary care giver leave.
- **Home Buyer Concession Scheme** - Updating the Home Buyer Concession Scheme to reflect current property prices and income levels.
- **Land Tax Rates** - Reducing the residential land tax rates and increasing Average Improved Value thresholds to reflect current property values.
- **Increase in Rate Rebate Cap** - The rebate on residential rates for pensioners increases from \$250 to \$305.

Taxes: \$693.2m

Payroll Tax	\$189.9m
General Rates	\$122.5m
Land Tax	\$54.8m
Financial Taxes	\$14.8m
Duties	\$239.4m
Gambling Taxes	\$51.1m
Other Taxes	\$20.6m

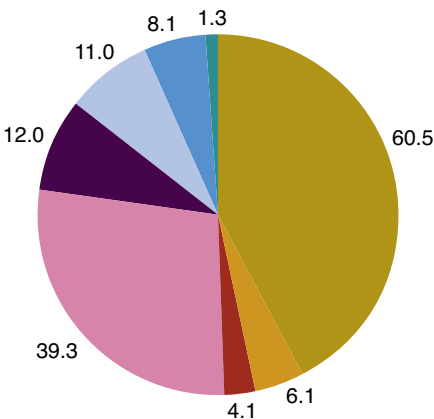
Notes: Does not include tax waivers of \$4.6m
Totals may not add up due to rounding.



Fees and Fines: \$142.4m

Vehicle Registration	\$60.5m
Drivers Licences	\$6.1m
Change of Use Charge	\$4.1m
Regulatory Fees	\$39.3m
Traffic Fines	\$12.0m
Water Abstraction Charge	\$11.0m
Parking Fines	\$8.1m
Other Fees and Fines	\$1.3m

Note: Totals may not add up due to rounding.



What Your Money Delivers

Total Expenses

*2004-2005
Budget*

Health	628.9m
Government Schooling	386.3m
Urban Services (excluding Transport and Environment)	295.8m
Non-government Schooling	126.8m
Housing	118.0m
Disability and Community Services	109.8m
Justice and Community Safety	98.3m
Vocational Educational and Training including Canberra Institute of Technology	94.3m
Policing	90.8m
Treasury (including the administration of the GST and FHOG)	90.8m
Chief Minister's (including Business and Employment)	86.2m
Transport	72.0m
Children's, Youth and Family Services	62.6m
Emergency Services	55.3m
Planning	39.6m
Environment	31.2m
Legislative Assembly	10.2m
Executive	4.9m
Auditor-General	3.6m

CAPITAL – INVESTING FOR THE FUTURE

The total value of the new capital works program in 2004-2005 is \$329.9m.

Funding of \$232.8m is provided for capital works projects in 2004-2005. This comprises \$110.3m for new works and \$122.5m for works-in-progress.

Funding of \$110m is provided for the correctional facility, with \$10m to be spent in 2004-2005.

The convention centre upgrade will commence at a value of \$40m.

The Traffic Congestion and Roads Safety Program is ongoing, with 14 of the 17 projects completed so far. \$26.9m will be spent in 2004-2005.

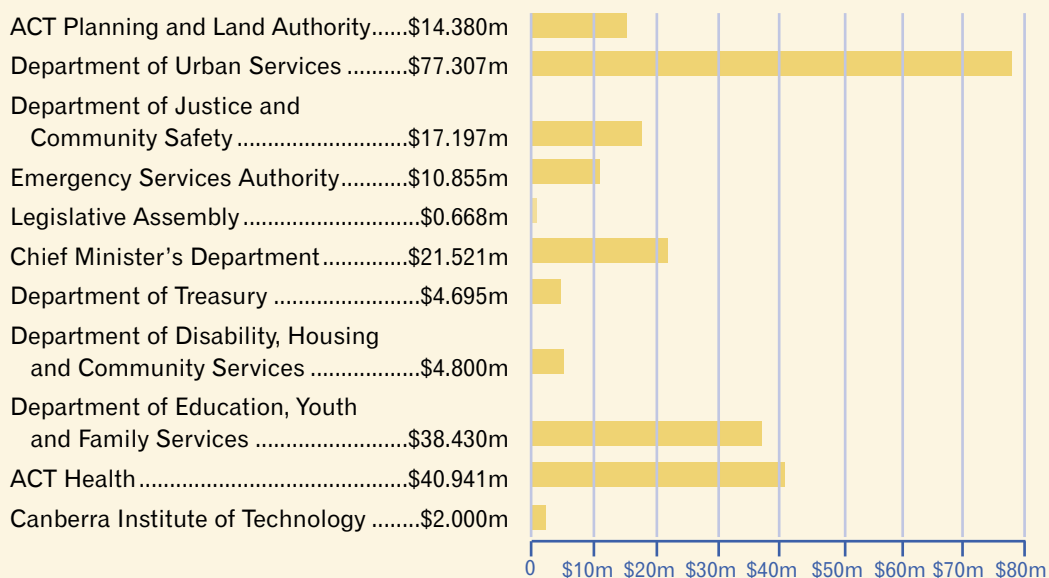
Major projects forecast for completion during 2004-2005 are Fairbairn Avenue Upgrade (\$9m) and Morshead Drive/Pialligo Stage 1 (\$4m).

Construction will commence in 2004-2005 on the Gungahlin Drive Extension at a project value of \$70m. The project is forecast for completion in 2005-006.

The 2004-2005 new capital works program provides for:

- **Chief Minister's Department**
Dragway Facility (\$8m).
- **Arts and Culture**
Civic Library and Link Project (\$14.0m).
Glassworks at the Powerhouse Building (\$4.2m, totalling \$9.3m).
- **Community Youth and Family Services**
Quamby Youth Detention Centre (\$6.8m, totalling \$20m).
- **Education/Schools**
Older School Refurbishments \$2.5m, to Ainslie, Majura and Lyneham Primary Schools.
Birragai Outdoor Educational Centre (\$2.1m).
New gymnasiums - Melrose and Belconnen high schools (\$3m)
- **ACT Health**
Calvary Hospital Upgrades (\$6.9m).
ANU Medical School (\$6.4m, totalling \$13.9m).
- **Emergency Services**
Forward Design Emergency Services Bureau Headquarters and Training Centre (\$0.9m).
- **Traffic Congestions and Road Safety**
Gungahlin Drive Extension (\$17m totalling \$70m).
- **Treasury**
Sustainable Infrastructure Project (\$4m).

Capital Works Expenditure by Department for 2004-2005





THE CANBERRA PLAN

The Canberra Plan contains the Government's vision for Canberra is to be recognised throughout the world not only as the beautiful city uniquely designed in harmony with its environment, the seat of Australia's government and the home of its pre-eminent national institutions, but as a place that ***represents the best in Australian creativity, community living and sustainable development.***

The 2004-05 Budget commits significant resources to a range of actions and measures identified in the strategic plans.

The Social Plan

The Social Plan is about **people** - increasing the well-being of community; ensuring Canberra is a place where all people can reach their potential, make a contribution and share the benefits of our community.

The Social Plan is a framework to guide government and community decision-making in social policy over the next 10 to 15 years.

Through the Plan, the Government acknowledges that not all services can or should be delivered by government. It therefore sets out a new policy framework for the partnership with the community sector which gives providers the stability and certainty they need to deliver quality service to the Canberra community, while encouraging innovation and building on best-practice at the local level.

The Social Plan is also about ensuring that Canberra's community builds on the things it does well; to allow Canberrans to enjoy Canberra's diversity, its cultural facilities and its open spaces; and children are raised and educated in the best environment possible - a safe, healthy and cohesive community.

The Plan includes specific targets to be achieved for Canberra's Centenary in 2013:

- increase the proportion of young people with a Year 12 certificate or equivalent to 95 per cent;
- increase the proportion of adults with a post school qualification to 70 per cent;
- reduce long term unemployment to 12.5 per cent of total unemployment;
- reduce primary homelessness to as near as possible to zero; and
- reduce income inequality as measured by Gini coefficient to average at most 0.25 over the next decade to 2013.

The Economic White Paper

The Economic White Paper is about economic **prosperity** - providing greater economic opportunity and employment by supporting commercial, educational and research activities.

The Economic White Paper outlines an economic and industry policy framework to achieve sustainable growth and development. The Paper is about creating highly productive and competitive regional economy and recognising that growth, properly managed, is the foundation of superior social and community outcomes.

The Economic White Paper is also a strategy about building from within, looking to the firms, industries and institutions that have already committed to the ACT and working with them to grow and develop our economy, city and region.

The four strategic themes of the Economic White Paper are:

- Supporting Business;
- Capitalising on Competitive Advantage;
- Leveraging Intellectual Assets; and
- Supportive Planning and Infrastructure.

The Spatial Plan

The Spatial Plan is about **place** - how we use and manage competing demands for the land and environs of the ACT. It outlines where we 'live, work, learn and relax'.

The Spatial Plan is the key strategic planning document for directing and managing urban growth and change over the next 30 years and beyond.

The key principles underpinning *The Spatial Plan* are to:

- contain growth within 15 kms of the city centre to reduce sprawl and protect biodiversity;
- increase the number of homes within 7.5 kms of the city centre to provide a wider range of housing close to employment and services;
- locate new residential areas close to town centres and transport routes;
- locate employment close to residential areas and transport routes;
- provide good travel connections to minimise journey times and trip length;
- protect areas of high conservation value from the impact of development;
- protect and enhance important assets; and
- be a responsible partner in the region.

HOUSING AFFORDABILITY

Following the report of the Affordable Housing Taskforce, the Government has developed a comprehensive package of measures to alleviate housing stress and improve housing affordability.

The package is being implemented progressively and covers homelessness and crisis accommodation, public and community housing, rental accommodation and home ownership. The cost of the measures in the 2004-2005 budget is **\$63.6m**.

- **Homelessness:** the 2003-2004 budget provided \$13.4m over 4 years to address homelessness. The Government has adopted a target of zero homelessness in its *Social Plan*.
- **Emergency Accommodation:** \$1.6m over 4 years.
- **Public and Community Housing:** Appropriation Bill No. 3 provided \$33.2m for public housing and community housing. An additional \$20m is being provided over 4 years for affordable housing options.
- **Rental Accommodation:** reducing the tax burden on rental properties (\$5.2m)
 - land tax is payable on the Average Unimproved Value of land of a rental property.
 - a new tax bracket of \$50,000 will be introduced, with a reduced marginal tax rate of 0.65%, compared to the current rate of 1%. This reduces the tax burden on lower value properties by 35%.
 - increase in AUV bracket thresholds to reduce the impact of bracket creep.
- **Home Ownership:** revising the eligibility criteria for stamp duty concessions (\$5.2m):
 - property value thresholds will be linked to the market activity and prices, and adjusted every six months.
 - the income threshold is increased to \$100,000, with allowance for children of \$3,300 per child (and linked to the Family Tax Benefits arrangements).
 - targeting land release of 500 blocks over five years for first homebuyers and people on low to moderate incomes.

HEALTH

2004-2005 Total Expenses: \$628.9m

An increase of **\$59.3m** from the 2003-2004 Estimated Outcome.

2004-2005 Budget Highlights

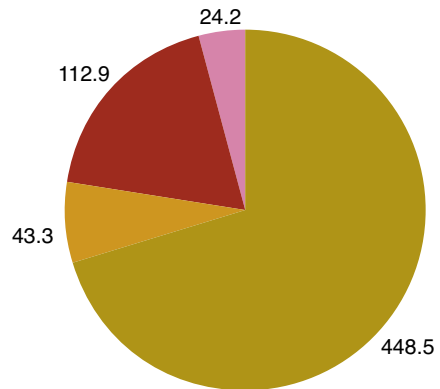
- **Aboriginal and Torres Strait Island Peoples Hearing Health Program (\$0.2m)** – providing for the Winnunga Nimmityjah Aboriginal Health Service to conduct a hearing health program for infants and children.
- **Dual Diagnosis (\$0.140m)** – providing two dual diagnosis outreach workers to work with Aboriginal and Torres Strait Islanders. Supporting people experiencing issues with drug and alcohol, emotional or social well being problems.
- **Aboriginal Midwifery Access Program (\$0.191m)** – supporting community based antenatal and postnatal care through the Winnunga Nimmityjah Aboriginal Health Service.
- **Newborn Hearing Screening Program (\$0.201m)** – expanding programs operating at The Canberra Hospital to Calvary and John James Memorial Hospitals.
- **Childhood Obesity Measures (\$0.207m)** – collating and analysing data to develop a better understanding of the determinants and trends of childhood obesity, providing for new programs and expansion of existing programs.
- **Increased General Surgery (\$3.225m)** – increasing access to elective surgery.
- **Reduce Waiting Times for Cataract and Joint Replacement (\$1m)** – increasing access to joint and eye elective surgery.
- **Breast Care Nurse Positions (\$0.160m)** – enhancing support services for women diagnosed with breast cancer.
- **Intensive Care Unit Beds (\$2.767m)** – improving access and increasing services in the intensive care unit at The Canberra Hospital.
- **Peak Winter Demand for Hospital Services (\$0.3m)** – providing additional inpatient capacity during the winter peak period from July to September.
- **Home Based Oxygen Scheme (\$0.145m)** – removing means-testing for home based oxygen scheme, to allow all clients with a clinical need to appropriate supplies.
- **Suicide Prevention Initiatives (\$0.365m)** – providing access for full time suicide prevention project officer and support for a range of community organisations engaged in suicide prevention, education, and support.
- **Community Based Forensic Mental Health Team (\$0.3m)** – providing specialist mental health clinical management to persons with forensic mental issues.
- **Manual Handling (\$1.553m)** – providing equipment to reduce manual handling injuries.
- **School Alcohol and Drug Education Programs (\$0.1m)** - reducing drug use, delaying uptake of drugs and developing resilience in school children.

The 2004-2005 Health Budget Will Fund...

- Hospital treatment for 64,981 inpatients and 235,000 outpatients;
- 91% of one year old children receiving the primary immunisation schedule;
- 175,000 mental health occasions of service;
- child and youth dental units of service of 18,300;
- 4,054 respite – centre based number of bed nights; and
- breast cancer screening for 12,000 women.

ACT Health

■ Acute Services	448.488m
■ Mental Health	43.326m
■ Community Health Services....	112.888m
■ Public Health Services	24.198m



EDUCATION

Government Schooling

2004-2005 Total Expenses: \$386.3m

An increase of **\$16.4m** from the 2003-2004 Estimated Outcome

2004-2005 Budget Highlights

- **Promoting Healthy Students (\$0.159m)** - improving the health and fitness of school students across government schools at the three levels of schooling.
- **College Health Co-ordinators (\$0.076m)** - providing health co-ordinators to co-ordinate community and health services on ACT secondary college campuses.
- **Indigenous Student Support (\$0.295m)** - mentoring and leadership programs to indigenous students in years 10-12, and literacy and numeracy support to year 4 students not meeting literacy and numeracy benchmarks.
- **Enhanced Capacity for Students with a Disability (\$0.930m)** - supplementing resources for students with disabilities in government schools.
- **Improve the Condition of School Facilities (\$1.0m)** - improving buildings, addressing the repair and maintenance costs, including infrastructure and safety improvements, tree maintenance and landscape rectification.

A focus on IT in government schools

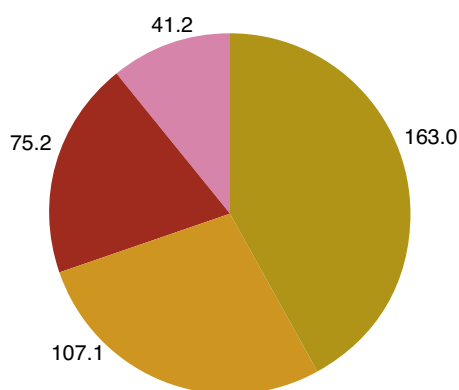
- **Student Digital Passkey (\$0.273m)** - providing students with a unique electronic "identity", allowing them access to a growing number of online services provided by schools and the department of education.
- **Schools' Website Enhancement (\$0.209m)** - providing enhanced, secure, and convenient web-based information access to government school communities including students, parents and teachers.
- **Technical Support for Student Computing (\$0.908m)** - providing government schools with qualified technical support for student computing networks.
- **Schools' ICT Infrastructure (\$0.495m)** - providing government schools with the capacity, on a shared cost basis, to purchase and upgrade IT resources. including hardware, software and communications and related facilities.

The 2004-2005 Education Budget Will Fund...

- education places for 34,727 students in 96 government schools;
- special needs education services for 1,606 students including 313 in 4 special schools and 1,293 in mainstream schools; and
- 5,235,000 annual student curriculum hours provided by the Canberra Institute of Technology and other vocational education training providers.

Government Schooling

Government Primary School Education.....	162.959m
Government High School Education.....	107.081m
Government Secondary College Education.....	75.152m
Government Special Education	41.150m



Non-Government Schooling

2004-2005 Total Expenses: \$126.8m

An increase of \$7.8m from the 2003-2004 Estimated Outcome

2004-2005 Budget Highlights

- **Non-Government Schools ICT (\$0.6m)** - schools will receive a tied per capita grant, to improve student information and communications technology.
- **Broadband Connection for Non-Government Schools (\$0.2m)** - connecting non-government schools to broadband internet services.
- **Enhanced Capacity for Students with a Disability (\$0.070m)** - supplementary resources for students with disabilities in non-government schools.
- **Promoting Healthy Students (\$0.073m)** - improving the health and fitness of school students across non-government schools at the three levels of schooling.

Vocational Education and Training including Canberra Institute of Technology

2004-2005 Total Expenses: \$94.3m

An increase of \$0.5m from the 2003-2004 Estimated Outcome

2004-2005 Budget Highlights

- **Reduced Casual Teaching (\$0.390m)** - support the conversion of casual teaching positions in the CIT workforce to contract and permanent teaching positions.
- **Training Pathway Guarantee (\$0.3m)** - providing a safety net for school leavers, who are not already in some form of employment, post school study or training within a year of leaving school, to access one year's post school training in a relevant and available vocational course.
- **Skilling ACT (\$2m)** - resourcing increased demand for apprenticeship and traineeship places in the ACT.

CHILDREN'S, YOUTH AND FAMILY SERVICES

2004-2005 Total Expenses: \$62.6m

An increase of \$4.6m from the 2003-2004 Estimated Outcome

2004-2005 Budget Highlights

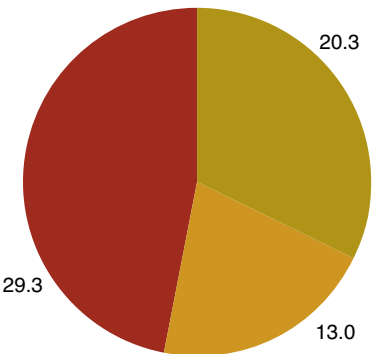
- **Supporting Children at Risk (\$6.2m)** - responding to dramatically increasing demand for intervention and support services in child protection.
- **Supporting Youth Justice Clients (\$0.450m)** - increasing resources to manage the high and complex workloads.
- **Increased Funding for Youth at Risk (\$0.640m)** - increasing support services to at-risk young people.
- **Increased Payments to Foster Carers (\$0.350m)** - increasing payments to foster carers to reflect costs incurred in meeting the day to day needs of children in their care.
- **Indigenous Family Support Service in North Canberra (\$0.075m)** - on-going funding for Jumby Mulla, an Indigenous-managed family support service in the north of Canberra.
- **Messengers Program (\$0.114m)** - building resilience in young people through arts based programs operated by Tuggeranong Community Arts Association.
- **Indigenous Early Childhood Support (\$0.214m)** - extending Koori preschool programs to five sites with multiple sessions per site.
- **Indigenous Foster Care (\$0.063m)** - establishing a viable Indigenous Foster Care service to provide support able to deliver positive outcomes for Indigenous children in foster care.

The 2004-2005 Children's, Youth And Family Budget Will Fund...

- education for 3,694 preschool children at 81 preschools;
- family services ability to follow up on an estimated 2,000 suspected instances of children requiring appraisal;
- 113,265 days of substitute care days used annually; and
- early intervention programs for 450 children with developmental delays and disabilities.

Children's, Youth and Family Services

Children's Services	20.294m
Youth Services	13.044m
Family Services.....	29.277m



DISABILITY, PUBLIC HOUSING AND COMMUNITY SERVICES

2004-2005 Total Expenses: \$109.8m

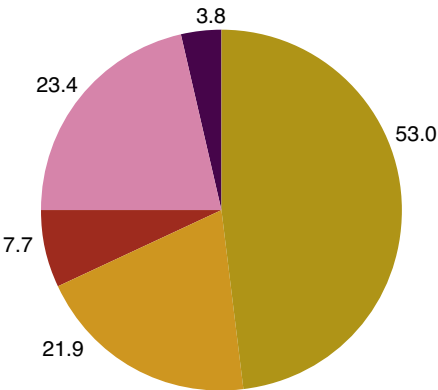
An increase of \$6.3m from the 2003-2004 Estimated Outcome.

2004-2005 Budget Highlights

- **Addressing Unmet Need for People with Disabilities (\$1.250m)** – supporting people with high and complex needs.
- **Autism Assessment and Support Services (\$0.318m)** – providing an autism support service for families and children newly diagnosed with autism, to provide intensive parent education and training programs.
- **Continuation of the Canberra Emergency Accommodation Service (CEAS) (\$0.381m)** – continuing an emergency accommodation information and referral telephone line for people who are homeless or at risk of homelessness.
- **Carer Recognition and Supporting ATSI Carers (\$0.2m)** – recognise, value and promote carers and their support needs in the community by providing them with more timely, accessible and effective support assisting them in their caring role.
- **Emergency Relief (\$0.150m)** – developing and implementing a more effective service system approach to the delivery of emergency relief services to vulnerable ACT residents.
- **Transport Initiatives for People with Disabilities (\$0.120m)** - extending eligibility for membership of the ACT Taxi Subsidy Scheme to include children under the age of 16.
- **New Energy Concession (\$0.740m)** - introducing a streamlined energy concession, replacing the existing electricity concession with a new concession for gas and electricity.
- **General Rates Concessions (\$0.305m)** - increasing the maximum general rates rebate from \$250 to \$305 per annum for people who became eligible post 1997.

Disability, Housing and Community Services

Disability Services and Policy.....	52.976m
Community Development Services and Policy.....	21.904m
Therapy Services.....	7.682m
Concessions Program	23.434m
Organisational Services	3.781m



Disability and Community Services Budget Will Fund:

- 23,000 hours of home-based and 8,000 bed nights of centre-based respite care;
- 55,500 hours of multidisciplinary therapy services;
- 39 managed community facilities; and
- concessions of \$23.4m to low income earners for core services including public transport, electricity, water and sewerage and rates.

HOUSING ACT

2004-2005 Total Expenses: \$118m

An increase of **\$8.6m** from the 2003-2004 Estimated Outcome.

2004-2005 Budget Highlights

- **Community Housing – Affordable Housing (\$5m)** - part of a package of measures to improve housing affordability

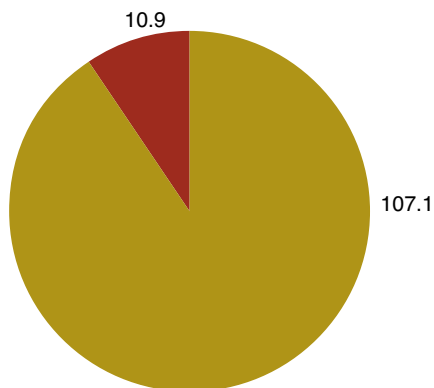
Other highlights relating to affordability can be found under the ‘Housing Affordability’ section earlier in this paper.

Housing Budget Will Fund...

- 11,200 public housing and 560 community housing tenancies with 87% of tenants receiving a rent rebate or subsidy

Housing

Public Housing Services and Policy	107.082m
Community and Supported Housing	10.882m



CHIEF MINISTER'S DEPARTMENT

2004-2005 Total Expenses: \$86.2m

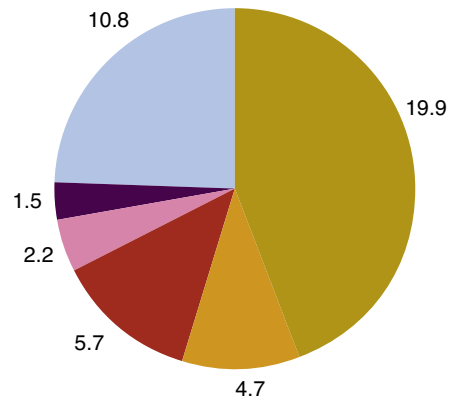
A decrease of \$11.180m from the 2003-2004 Estimated Outcome

2004-2005 Budget Highlights

- **Women's Grant Program (\$0.1m)** – enhancing the Government's commitment to improving the status of women in the ACT by supporting women's groups and research undertaken by the Office for Women.
- **Community Inclusion Board and Fund (\$1.549m)** – establishing a Community Inclusion Board administering the provision of additional human service staff and identify new programs to assist the most vulnerable members of our community.
- **Building a Stronger Community (\$2.845m)** – furthering the Social Compact between the Government and the community sector.
- **Child and Family Centres (\$1.562m)** – establishing two Child and Family Centres to provide specialised services for young children and their families with the first at Gungahlin.
- **Implementing of Shaping Our Territory (\$2.125m)** – beginning the task of implementing the recommendations from the Shaping Our Territory Final Report (November 2003) relating to post-bushfires development and redevelopment.
- **Actively Ageing** - promoting positive ageing through programs such as ACT Seniors Card and the Canberra Active Living Model targeting older sedentary people.
- **Dragway Facility (\$8m capital)** - funding the commencement of the dragway facility.

Chief Minister's Department (excluding Business and Tourism)

Strategic Policy Coordination and Development	19.857m
Community Affairs	4.675m
Public Service Management	5.666m
Work Safety and Labour Policy	2.189m
Corporate Services.....	1.462m
Sport and Recreation.....	10.847m



BUSINESS AND TOURISM

- Tourism Marketing and Promotion (\$7.8m)** – enhancing Tourism development programs and initiatives aimed at increasing domestic and international visitation.

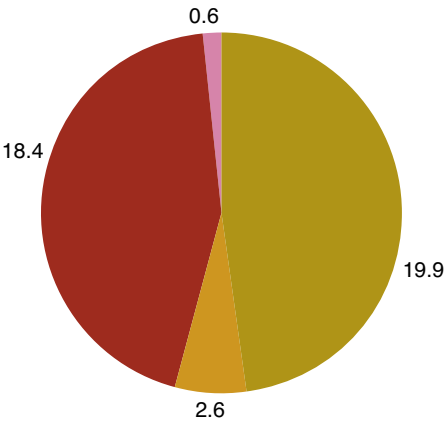
This funding will be used to implement eight interdependent program strategies:

- research;
- product and industry development;
- marketing;
- events;
- national sales and distribution;
- international sales;
- community strategy; and
- corporate support.

- Small and Micro Business Programs (\$3.395m)** – new and existing programs to assist in the start-up process, growing the business, commercialisation of intellectual property and identifying export markets. These include:
 - *Knowledge Fund* - supports the development and commercialisation of innovative and entrepreneurial concepts;
 - *Export Growth Program* - builds the export capacity of local companies and fosters new trading relationships;
 - *Business Acceleration Program* - provides strategic support options for small and micro businesses;
 - *Small Business Employment Ready Program* - provides assistance to non-employing business operators to overcome barriers of taking on staff;
 - *Mentoring Assistance* - provides assistance to businesses looking to expand and grow, in particular knowledge-based businesses; and
 - *Industry Capability Network* - provides resources to increase ACT business participation in the Industry Capability Network.
- Office of Film, Television and Digital Media (\$0.3m)** – the office, to be known as screenACTion will provide coordination, liaison, marketing and industry development.

Business and Tourism

<div></div> BusinessACT.....	19.950m
<div></div> Canberra Partnership	2.593m
<div></div> Tourism	18.407m
<div></div> Territorial Expenditure incl. Grant program	0.590m



JUSTICE AND COMMUNITY SAFETY

2004-2005 Total Expenses: \$98.3m

A decrease of **\$1.3m** from the 2003-2004 Estimated Outcome (backcast for the removal of Emergency Services).

2004-2005 Budget Highlights

- **Restorative Justice Unit (\$0.432m)** – establishing a restorative justice model within the criminal justice system, which assists in reducing recidivism and increasing victim satisfaction.
- **Security Planning and Coordination Unit (\$0.267m)** – establishing a dedicated Unit to provide enhanced capacity for the Government to create specific counter-terrorism policy and response management arrangements.
- **Reducing Property Crime (\$1.325m)** – addressing property crime by providing intensive responses to recidivist and high-risk property offenders, including intervention programs and supported accommodation.
- **Aboriginal Justice Centre (\$0.352m)** – establishing a community-managed facility to provide a coordinated approach to Aboriginal and Torres Strait Islander justice programs and services in the ACT.
- **Implementing the ACT Human Rights Act (\$0.252m)** - supporting the implementation of Human Rights Legislation.

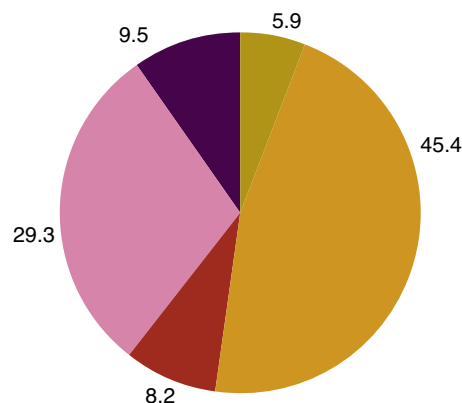
The 2004-2005 Justice And Community Safety Budget Will Fund..

- the listing of 102,650 hearings before the Magistrates and Supreme Courts;
- 6,500 clients seeking services from the Human Rights Office;
- 2030 matters heard before Consumer Tribunals; and
- the detention of an average of 127 prisoners and 70 remandees per day.

Justice and Community Safety

Policy Advice	5.896m
Justice and Legal Services	45.424m
Regulatory Services	8.232m
Correctional Services	29.271m
Territorial Expenditure*	9.499m

* primarily Legal Aid and criminal Injury compensation



POLICING

2004-2005 Total Expenses: \$90.8m

An increase of **\$4.5m** from the 2003-2004 Estimated Outcome.

2004-2005 Budget Highlights

- **Increased Police Numbers (\$1.100m)** – providing for the establishment of 10 additional police officer positions, increasing to 20 in 2005-2006.

The 2004-2005 Police Budget Will Fund...

- more than 770 police personnel;
- 60% of priority one incidents responded within eight minutes; and
- 90% of priority one incidents responded to within 12 minutes.

EMERGENCY SERVICES

The Emergency Services Authority will be established on 1 July 2004 by the *Emergencies Act 2004*. The principle objectives of the Authority are to meet the community's need to minimise the effects of fire, road accidents, medical and other emergencies and to mitigate the potential effects of disaster. This is achieved through the integration of services from the ACT Fire Brigade, and the ACT Ambulance, Rural Fire and State Emergency Services.

The primary goal of the Authority is to work in partnership with all stakeholders in the community as an innovative, professional and responsive organisation whose purpose is to "Protect life, property and the environment in the ACT".

2004-2005 Total Expenses: \$55.3m

An increase of **\$8.6m** from the 2003-2004 Estimated Outcome.

The 2004-2005 Emergency Services Budget Will Fund...

- 8,200 activities to reduce various hazards;
- 150 emergency management activities;
- 1,500 community awareness and education activities; and
- the attendance at 36,730 call outs including 26,500 by the Ambulance Service, 10,000 by the Fire Brigade, 130 by the Rural Fire Service and 100 by the State Emergency Service.

2004-2005 Budget Highlights

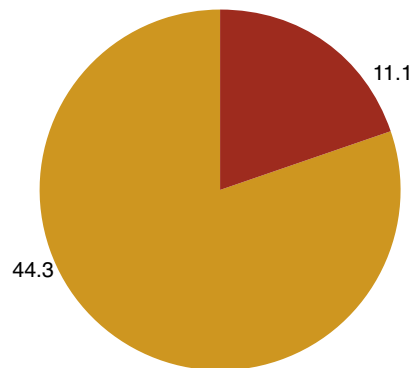
- **Response Capability (\$1.567m)** - providing for increased capability to respond to chemical, biological, radiological (CBR) and hazardous material (HAZMAT) incidents.
- **Community Fire Units (\$0.130m)** - expanding the existing Community Fire Unit Program, by providing for an additional 20 new trailer units and the cost of their ongoing maintenance.
- **Additional Base Funding (\$3m)** – providing additional resources to help maintain service staffing at optimal levels and to fund any associated costs.
- **Capability Enhancement (\$0.885m)** – enhancing equipment, maintenance, training and OH&S standards of the new Authority.
- **New Emergency Services Authority (\$3.686m)** – providing additional funding to create a new structure to enhance planning and response capability.
- **Continuing programs introduced during 2003-2004 including:**
 - the upgrade of broadband communications links to stations;
 - risk management and community education for emergencies;
 - command and control capability for bushfire and emergency services;
 - computer aided fire data management; and
 - commitment to the national aerial fire fighting strategy.

Previous Funding in 2004-05 resulting from the McLeod Review

- Broadband Data Links to Emergency Services Bureau suburban and volunteer stations (\$0.442m);
- risk management and community education (\$0.402m);
- computer Aided Fire Data Management (\$0.245m);
- improved training capacity (\$0.477m).

Emergency Services

■ Prevention/Mitigation	11.065m
■ Response	44.260m



URBAN SERVICES

2004-2005 Total Expenses: \$295.8m

An increase of **\$2.6m** from the 2003-2004 Estimated Outcome (backcast for the inclusion of ex-Totalcare business units).

2004-2005 Budget Highlights

- **ACT Arts Funding Program (\$0.390m)** – increasing community access and participation in the arts.
- **Visual Arts (\$0.060m)** - implementing the recommendations of the Report of the Contemporary Visual Arts and Craft Inquiry (the Myer Report) in the ACT.
- **Powerhouse Glass Centre (\$0.085m)** – operating costs of the Powerhouse Glass Centre.
- **Integrated Document Management System (IDMS) (\$3.2m)** – implementing of a second pilot of IDMS.
- **Urban Tree Safety (\$0.250m)** – improving urban tree maintenance works and for further development of the Asset Management Plan for urban trees.
- **City Maintenance Growth (\$0.250m)** – increasing horticultural, cleaning and asset maintenance services to the new and expanding areas of the city.
- **ACT NOWaste (\$0.133m)** – increasing waste services to meet growth in the new and expanding areas.

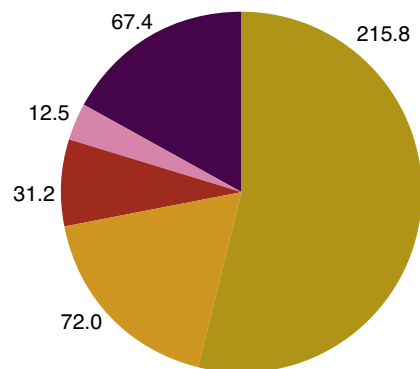
THE 2004-2005 URBAN SERVICES BUDGET WILL FUND...

- maintenance of the city's urban infrastructure including parks, trees, playgrounds, sportsgrounds and park facilities;
- 760,000 financial transactions through the ACT Shopfronts, Web and Voice based services, and 2,600,000 public library loans;
- household waste services to 129,000 households; and
- development of National road transport reforms and provision of services to promote user safety and road user efficiency.

Urban Services

Municipal Services*	215.837m
Transport	71.974m
Environment	31.225m
Arts and Cultural Services	12.546m
Fee for Service Activities	67.418m

* Includes \$1.6m for Heritage



ENVIRONMENT

2004-2005 Total Expenses: \$ 31.2m

A decrease of **\$2.1m** from the 2003-2004 Estimated Outcome.

2004-2005 Budget Highlights

- **Improved Catchment Management (\$0.5m)** – enhancing catchment management and implementing new management measures to overcome the problems caused by the January 2003 bushfire.
- **Bushfire Fire Fuel Management and Fuel Reduction (\$0.5m)** – increasing capacity for Bushfire Management work including the development of a Bushfire Fuel Management Plan for 2005-2007.
- **Riparian Habitat Renewal (\$0.318m)** – facilitating the riparian zone renewal and revegetation from the January 2003 bushfire.
- **Implement 2004 Greenhouse Strategy (\$0.3m)** – increasing capacity for a range of programs aimed at reducing the ACT's greenhouse gas emissions.
- **Indigenous Employment Opportunities (\$0.145m)** – providing Indigenous Traineeships within Environment ACT.
- **Threatened Species Recovery (\$0.140m)** - researching priorities identified in ACT Threatened Species Action Plans.
- **International Arboretum (\$10m capital)** - developing a world class arboretum to the west of Lake Burley Griffin.

THE 2004-2005 ENVIRONMENT BUDGET WILL FUND...

- the implementation of the water resource strategy and improved catchment management;
- the delivery of sustainable natural and cultural resources management;
- the implementation of the 2004 Greenhouse Strategy;
- regulatory reform concerning air, water and hazardous materials management; and
- the implementation of fire fuel management measures;

TRANSPORT

2004-2005 Total Expenses: \$72.0m

An increase of **\$2.1m** from the 2003-2004 Estimated Outcome.

2004-2005 Budget Highlights

- **Additional Peak and Feeder ACTION Services (\$1.114m)** – increasing capacity by providing an additional 10 express services to be initiated from selected outlying suburbs at peak hours on weekdays in order to reduce the travel time for journeys.

THE 2004-2005 TRANSPORT BUDGET WILL FUND...

- additional services from all outlying suburbs during peak hours;
- public transport passenger boardings of 16.5 million;
- 61,600 vehicles inspected; and
- 557,000 public bus transport in-service hours.

ACTION BUS SERVICES

Government funding of \$54m to ACTION Authority provides for:

- general fare subsidies;
- late night/weekend services;
- concessions and special needs transport;
- school services; and
- subsidy on general operations.

Implementation begins on the Sustainable Transport Plan

- Major investment to make the public transport system more competitive and attractive than cars.
- Bus lane and bus priority measures, Stage One of a busway from Gungahlin to Civic (\$0.980m).
- Additional peak and feeder services for ACTION.
- \$0.1m on concept design of a real-time passenger information system.
- \$6m over two years on planning and detailed design of a dedicated busway from Belconnen to Civic.
- Trial and installation of bike racks on ACTION buses which service inter town routes. Civic.

PLANNING

2004-2005 Total Expenses: \$39.6m

An increase of **\$1.1m** from the 2003-2004 Estimated Outcome.

2004-2005 Budget Highlights

- **Implementation of the Canberra Spatial Plan (\$1m)** – commencing implementation of the Canberra Spatial Plan.
- **Reform of Planning and Land System (\$0.250m)** – reviewing the ACT's planning and land administration system.

THE 2004-2005 PLANNING BUDGET WILL FUND...

- implementation of the Canberra Spatial Plan;
- preparation of land concept plans, providing for up to 2,640 dwelling sites available for potential development;
- development of streamlined planning and approval processes; and
- integrated land-use and transport planning.

SUPERANNUATION

The budget continues the strategy for meeting the Territory's superannuation liabilities. Key initiatives for 2004-2005 include:

- continuing the strategy to achieve a 90% funding level of the superannuation liability by 2039-2040;
- finalising and reviewing new fund manager appointments that complement the review of the investment strategy that commenced in 2002-2003;
- increasing the funding level of superannuation liabilities from 58% at the end of 2003-2004 to 67% in 2007-08;
- undertaking policy research and development in the implementation of continuous value-added investment strategies for the Territory;
- assisting in the ongoing review of superannuation arrangements for ACT Government staff; and
- supporting the Government in the consideration of appropriate superannuation arrangements for Members of the Legislative Assembly (MLAs).

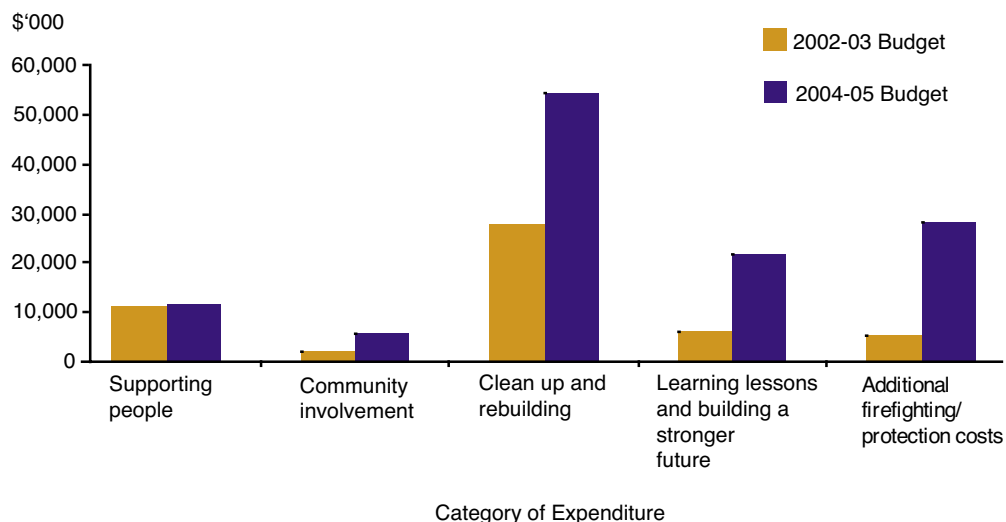
INDIGENOUS SUPPORT

The Budget presents a number of initiatives aimed at integrated services to address Indigenous disadvantage. These programs are across a number of agencies. The Budget demonstrates an ongoing commitment to develop and fund innovative and effective programs to support Canberra's Aboriginal and Torres Strait Islander community.

2004-2005 Budget Highlights

- **Aboriginal and Torres Strait Island Peoples Hearing Health Program (\$0.2m)** – providing for the Winnunga Nimmityjah Aboriginal Health Service to conduct a hearing health program for infants and children.
- **Dual Diagnosis (\$0.140m)** – providing two dual diagnosis outreach workers to work with Aboriginal and Torres Strait Islanders. Supporting people experiencing issues with drug and alcohol, emotional or social well being problems.
- **Aboriginal Midwifery Access Program (\$0.191m)** – supporting community based antenatal and postnatal care through the Winnunga Nimmityjah Aboriginal Health Service.
- **Indigenous Student Support (\$0.295m)** - mentoring and leadership programs to indigenous students in years 10-12, and literacy and numeracy support to year 4 students not meeting literacy and numeracy benchmarks.
- **Indigenous Family Support Service in North Canberra (\$0.075m)** - on-going funding for Jumby Mulla, an Indigenous-managed family support service in the north of Canberra.
- **Indigenous Early Childhood Support (\$0.214m)** - extending Koori preschool programs to 5 sites with multiple sessions per site.
- **Indigenous Foster Care (\$0.063m)** - establishing a viable Indigenous Foster Care service to provide support able to deliver positive outcomes for Indigenous children in foster care.
- **Bush Healing Farm (\$0.150m)** - assessing the viability of a Bush Healing Farm to develop culturally appropriate prevention, education, rehabilitation and outreach programs designed to address drug and alcohol abuse within Canberra's Indigenous community.
- **Indigenous Employment Opportunities (\$0.145m)** – providing Indigenous Traineeships within Environment ACT.
- **Aboriginal Justice Centre (\$0.352m)** – establishing a community-managed facility to provide a coordinated approach to Aboriginal and Torres Strait Islander justice programs and services in the ACT.

JANUARY 2003 BUSHFIRE



Through the 2003-2004 supplementary appropriations and the 2004-2005 Budget, additional funding of \$72.1m has been committed over the period from 2002-2003 to 2006-2007 from the previous Budget. This has been provided to continue the recovery effort, take the opportunity to rebuild and improve public assets in the affected areas, and enhance our future response capabilities. The graph above compares the 2003-2004 Budget and 2004-2005 Budget allocations.

Impact of the January 2003 Bushfire:

Impact on the General Government Sector Budget over 2002-2003 to 2006-2007

\$m

Total Cost of Initiative and non insurance related work*	122.6
Plus: work funded from 'self-insurance' fund	9.0
Plus: net provision for public liability claims	5.0
Less: total estimated return from NDRA	15.2
Estimated Net cost of event over five years	121.4

* this excludes any reconstruction, clean-up or reinstatement in ACT Forests

ACT Economic Outlook

Looking ahead

While the ACT economy is expected to record solid growth of around 3% over the next few years, its growth rate is expected to be lower than the national average of around 3.5%. This expectation reflects the reality that the national economy benefits far more than the ACT economy from improved agricultural conditions and increasing global demand for Australian exports, particularly mining exports.

Key Indicators

(percentage change on previous year)

	2003-2004 Forecast	2004-2005 Forecast	3 year planning assumptions 2004-2005 to 2006-2007	
Gross State Product	2.7	3.0	2.9 to 3.0	*
Employment Growth	0.7	1.3	1.0 to 1.2	**
Consumer Price Index	2.25	2.0	2.5	
State Final Demand	2.6	2.6	2.8 to 2.9	***
Population	0.9	0.9	0.9	

* Gross State Product is 3.0% in 2005-2006 and 2.9% in 2006-2007 and 2007-2008

** Employment growth is 1.2% in 2005-2006 and 1.0% in 2006-2007 and 2007-2008

*** State final demand is 2.9% in 2005-2006 and 2.9% in 2006-2007 and 2006-2008

Further information: Budget Paper 3, Chapter 4.1

