

DEPARTMENT OF ECONOMIC DEVELOPMENT

Objectives

The Department of Economic Development was created to implement the Government's economic vision for Canberra and the region and provide a more coordinated approach to economic development in the Australian Capital Territory.

The Department is responsible for implementing the economic development strategies in the Government's Economic White Paper, business development programs, tourism policy and services, racing and gaming, and sport and recreation, as well as portfolio responsibility for ACTTAB (Limited).

The Department brings together a number of key government functions including BusinessACT, Sport and Recreation ACT, the Australian Capital Tourism Corporation, ACTTAB and ACT Gambling and Racing Commission. The Department is responsible for providing policy and strategic advice to the Minister for Economic Development and the Government, and for delivering a range of services to the community.

2005-06 Highlights

Strategic and operational issues to be pursued in 2005-06 include:

- managing the refurbishment activity at the National Convention Centre;
- facilitating the development of the City West area in accordance with the ANU/City West Deed of Agreement;
- supporting the work of the Small Business Commissioner. The Small Business Commissioner has set a number of operational goals for 2005-06 including the development of Customer Service Charters for government agencies and the establishment of a small business dispute mediation service;
- overseeing the ANU/MTAA Commercialisation Investment Fund to come on stream in early 2005-06;
- drawing on and utilising the collective skills of the Canberra Partnership Board to drive private sector development strategies for the ACT;
- building critical mass in key industry sectors in accordance with sector development strategies agreed by the Canberra Partnership Board;
- completing an ACT Recreation Strategy that aims to promote recreation opportunities and provide planning guidelines for the provision and development of land in urban and non-urban settings for the long-term recreation needs of the ACT;
- lodging the Lyneham sports precinct/Southwell master plan;
- expanding the Kids at Play program to double its capacity to service programs in after school settings and at community events;

- expanding the Actively Ageing program to operate in five community locations and provide physical activity programs to adults aged 60 to 70 years; and
- preparing ACT Academy of Sport athletes for the Commonwealth Games selections being well represented in Australian Teams and Squads.

Output Classes

	Total Cost		Government Payment for Outputs	
	2004-05	2005-06	2004-05	2005-06
	Est. Outcome \$'000	Budget \$'000	Est. Outcome \$'000	Budget \$'000
Output Class 1				
Economic Development	38 329	40 443	24 004	35 946
Output 1.1 BusinessACT	26 233	22 539	11 908	18 042

Output Description

The role of BusinessACT, the Government's business development agency, is to proactively assist in the development and growth of the private sector in the ACT and region. Economic sustainability, jobs and supporting innovation are major themes underlying BusinessACT's activities.

	Total Cost		Government Payment for Outputs	
	2004-05	2005-06	2004-05	2005-06
	Est. Outcome \$'000	Budget \$'000	Est. Outcome \$'000	Budget \$'000
Output 1.2 Small Business Commissioner	214	346	214	346

Output Description

The role of the Office of the Small Business Commissioner will be to enhance a competitive, cooperative and fair operating environment for small business in the ACT. The Small Business Commissioner is a statutory appointment whose duties include the development of a dispute mediation service involving small business; development of customer service charters for government agencies; and promoting informed decision making by small business and advising government on small business issues.

	Total Cost		Government Payment for Outputs	
	2004-05	2005-06	2004-05	2005-06
	Est. Outcome \$'000	Budget \$'000	Est. Outcome \$'000	Budget \$'000
Output 1.3 Tourism	11 882	17 558	11 882	17 558

Output Description

Develop and grow tourism in the ACT, by increasing the levels of awareness in domestic target markets, domestic visitation, international visitation, length of stay by visitors, and economic benefit from tourism.

Output Classes cont.

	Total Cost		Government Payment for Outputs	
	2004-05	2005-06	2004-05	2005-06
	Est. Outcome \$'000	Budget \$'000	Est. Outcome \$'000	Budget \$'000
Output Class 2				
Sport, Recreation, Gaming and Racing	9 661	15 544	9 370	14 840
Output 2.1 Sport, Recreation and Racing Sector Development	7 504	10 143	7 323	9 499

Output Description

The development of capacity and capabilities of the sport, recreation and racing sectors to deliver quality programs and services to the community. This is done through the provision of grants, programs, education and training and with the support of appropriate policies and legislation.

	Total Cost		Government Payment for Outputs	
	2004-05	2005-06	2004-05	2005-06
	Est. Outcome \$'000	Budget \$'000	Est. Outcome \$'000	Budget \$'000
Output 2.2				
Athlete Scholarships and Services	1 312	1 746	1 202	1 686

Output Description

Athlete scholarships and services provide 250 elite, and potentially elite, athletes with scholarships, coaching, sports science advice and support services.

	Total Cost		Government Payment for Outputs	
	2004-05	2005-06	2004-05	2005-06
	Est. Outcome \$'000	Budget \$'000	Est. Outcome \$'000	Budget \$'000
Output 2.3				
Facilities Planning and Usage	845	3 655	845	3 655

Output Description

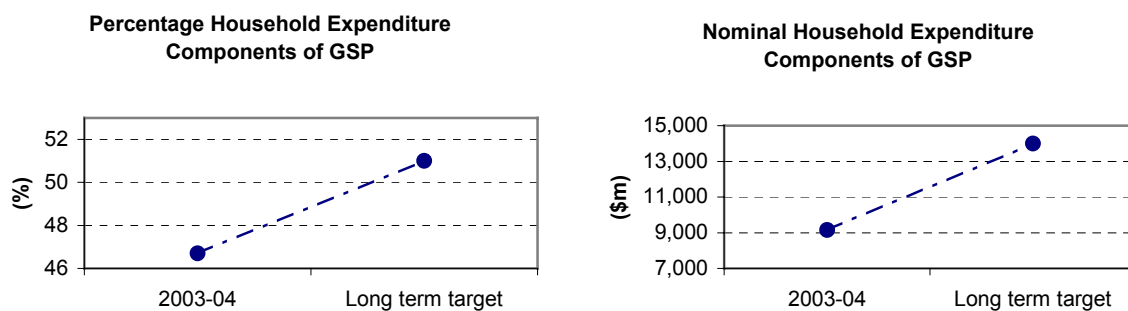
Undertaking facility planning and usage studies to maximises major stadium use, including the provision of performance fees to maintain optimum use of Canberra Stadium and Manuka Oval.

Strategic Indicators

Strategic Indicator 1

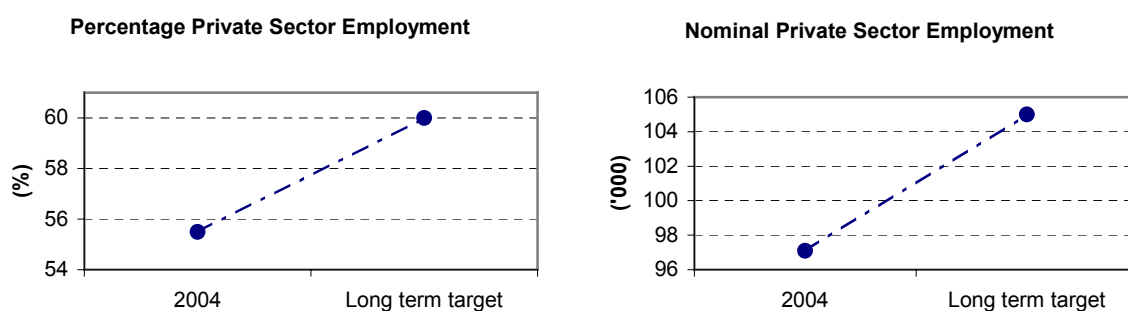
Private sector development/economic diversification

The high level strategic indicators that measure the Government's overall performance in private sector development are:



Household expenditure component of Gross State Product (GSP) (as a percentage of total government and household expenditure) – this measure is drawn from the national accounts data and measures non-government economic activity as a proportion of total economic activity.

Household expenditure component of GSP (nominal contribution) – also drawn from the national accounts data, this is a nominal measure of private sector economic activity in the ACT. Given the size of the public sector in the ACT economy and the potential volatility arising from changes in Australian Government administration activity, a nominal measure of total non-government economic activity should be viewed alongside proportionate measures.



Private sector share of total employment – this measure is drawn from national employment data and measures the private and public sector shares of total employment in the ACT. Again, because of the influence and potential volatility of Australian Government employment in the ACT, a nominal private sector employment figure is also presented.

Strategic Indicators cont.

Strategic Indicator 2

ACTC's strategic indicator is to grow Gross State Product (GSP) and employment by increasing visitor numbers and yield from both international and domestic markets.

The ACT tourism industry directly accounts for \$530m of GSP. In addition, tourism indirectly contributed a further \$227m in GSP to the ACT economy. Combining direct plus indirect contributions, tourism contributed \$757m in GSP to the ACT economy.

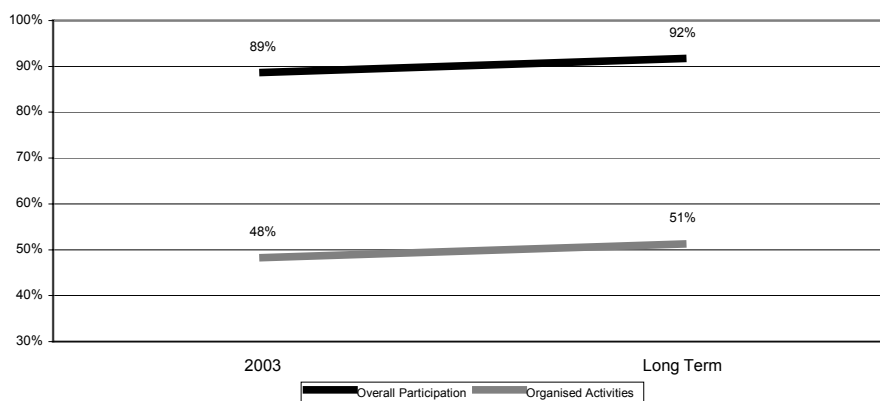
The ACT tourism industry contributes approximately 11,400 jobs to the ACT economy through direct and indirect employment in the ACT. The ACTC has commissioned Access Economics to conduct a yearly study into the value of tourism to the ACT economy.

¹. figures quoted relate to 2002-03.

Strategic Indicator 3

Participation Rates

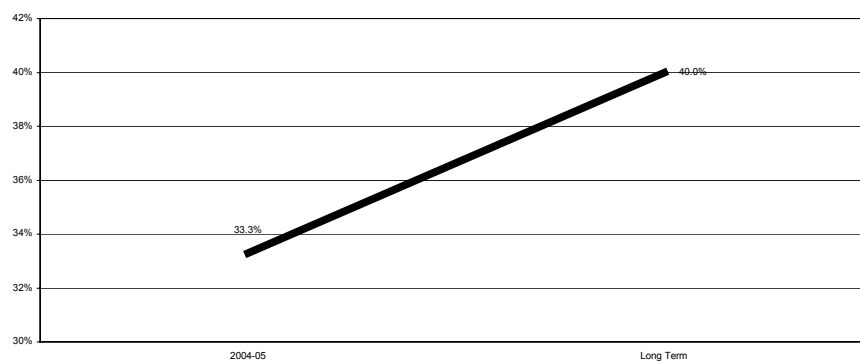
The percentage of people participating in organised and unorganised sport and physical activity



Strategic Indicator 4

Elite Athlete Participation

Number of ACT Academy of Sport athletes gaining selection for national teams and squads.



Accountability Indicators

	2004-05 Targets	2004-05 Est. Outcome	2005-06 Targets
Output Class 1			
Economic Development			
Output 1.1 BusinessACT			
a. Knowledge Fund			
– % total annual Fund allocated	-	-	100%
– Applications received	-	-	90
– Applications funded	-	-	25
– Applicant expenditure	-	-	\$20m

The provision of a range of programs, services and policy formulation to promote the development of the ACT economy, as described in the Economic White Paper.

b. Export Growth Program			
– % total annual Fund allocated	-	-	100%
– Applications received	-	-	60
– Applications funded	-	-	55
– Applicant expenditure	-	-	\$0.8m

The Export Growth Program is a \$1m per annum program that provides financial support to ACT firms to offset some of the cost of export development activities.

c. Industry Capability Network			
– Companies registered on Database	-	-	800
– Enquiries actioned	-	-	50
– Value of projects supported	-	-	\$430m

The Industry Capability Network (ICN) is a partnership program between the Australian States and New Zealand. The ICN performs a technical role providing purchasers with a free sourcing service to identify Australian manufacturers capable of supplying those items that would otherwise be imported. ICN promotes business opportunities for local buyers and sellers. As an example, the ACT ICN will assist to maximise ACT business involvement in the Department of Defence Joint Operations Command facility to be built in nearby regional New South Wales. The ICN is also being used to maximise local industry involvement in the new ACT prison at Hume.

d. Business Springboard Program			
– Number of companies assisted	-	-	50

The Business Springboard Program is aimed at businesses that wish to discuss and receive feedback on challenges, strategic issues and opportunities that arise in the process of business growth. The program will bring together panels of experts to assist businesses overcome commercialisation and business impediments.

e. Priority Industry Sectors - Sector Development Activities			
– Industry Sector Strategies developed	-	-	6
– Companies introduced to BusinessACT programs through Sector channels	-	-	30
– Seminars/Events	-	-	9
– Trade Missions conducted	-	-	3

In conjunction with the Canberra Partnership Board, develop and implement agreed strategies that will build critical mass and economic activity in key industry sectors.

Accountability Indicators cont.

	2004-05 Targets	2004-05 Est. Outcome	2005-06 Targets
Output Class 1 cont.			
Economic Development cont.			
Output 1.1 BusinessACT cont.			
f. Policy Development			
– Canberra Partnership Board meetings	-	-	6
– Small and Micro Business Advisory Council meetings	-	-	4
– National Trade Consultations	-	-	2
– Industry and Technology Ministerial Council and related subcommittees	-	-	5
– Small Business Ministerial Council	-	-	1
– National Executives of Small Business Agencies	-	-	2

Undertake leading edge policy development supported by strategic research and input from the Government's business advisory mechanisms (The Canberra Partnership and the Small and Micro Business Advisory Council).

At the national policy development level, actively participate in the COAG trade and industry advisory councils and related forums.

g. Canberra Business Advisory Service (CanBAS)			
– New Clients assisted	1 400	1 000	1 400
– Total Clients assisted	2 700	2 700	2 700
– Seminars delivered	23	23	23

CanBAS is a service funded by the Government and delivered by a private provider. It assists business operators with advice and support in the establishment, operation and development of their businesses in the Canberra region.

	2004-05 Targets	2004-05 Est. Outcome	2005-06 Targets
Output 1.2 Small Business Commissioner			
a. Development of a small business mediation service	-	-	1
b. Development of a model business customer service charter as the basis of negotiations with relevant government agencies on the development of individual agency specific business customer service charters	-	-	1
c. Consultation with, and improving the profile of, the Small Business Commissioner with the ACT community, particularly the business community	-	-	1

The role of the Office of the Small Business Commissioner will be to enhance a competitive, cooperative and fair operating environment for small businesses in the ACT. The Small Business Commissioner is a statutory appointment whose duties include the development of a dispute mediation service involving small business; development of customer service charters for government agencies; promoting informed decision making by small business and advising government on small business issues. The Small Business Commissioner commenced on 1 March 2005 and the work program and targets for 2005-06 are currently being refined.

Accountability Indicators cont.

Output Class 1 cont.	2004-05	2004-05	2005-06
Economic Development cont.	Targets	Est. Outcome	Targets
Output 1.3 Tourism			
a. Results from Advertising & Branding Campaign measured by awareness ¹			
– Adelaide	-	-	10% to 14%
– Sydney	-	-	9% to 13%
– Brisbane	-	-	5% to 9%
– Regional NSW	-	-	14% to 18%
b. Survey results from ACT/Canberra Community of their confidence in recommending visitors to the ACT.	-	-	Benchmark to activity conducted in April 05
c. Survey results of preference to travel to the ACT within 2 years in the target market ²			
– Adelaide	-	-	5% to 9%
– Sydney	-	-	12% to 16%
– Brisbane	-	-	5% to 9%
– Regional NSW	-	-	12% to 16%
d. Number of visits to the web site: visitcanberra.com.au	-	-	660 000
e. Number of interstate and international visitors to ACTC Events			
– Floriade 2005	-	-	132 000
– 2006 Subaru Rally of Canberra (SROC)	-	-	4 000
f. Overall industry satisfaction with ACTC	-	-	80%

1. Awareness as defined by Roy Morgan Research Holiday Tracking survey (Average 12 month rolling awareness to June 2006)
2. Preference to Travel as defined by Roy Morgan Research Holiday Tracking survey (Average 12 month rolling preference to travel as at 30 June 2006)
3. Due to time lags in obtaining results from Roy Morgan, those targets measured by Roy Morgan are based on March 2005 to March 2006 quarter.

Accountability Indicators cont.

Output Class 2	2004-05	2004-05	2005-06
Sport, Recreation, Gaming and Racing	Targets	Est. Outcome	Targets
Output 2.1 Sport, Recreation and Racing Sector Development			
a. Number of programs implemented	-	-	9
b. Value of grants			
– sport and recreation	-	-	\$2 409 385
– racing	-	-	\$3 792 000
	2004-05	2004-05	2005-06
	Targets	Est. Outcome	Targets
Output 2.2 Athlete Scholarships and Services			
a. Athlete scholarships			
– number of scholarships	265	250	250
– cost of scholarship	-	-	\$6 226
	2004-05	2004-05	2005-06
	Targets	Est. Outcome	Targets
Output 2.3 Facilities Planning and Usage			
a. Facilities planning and usage			
– number of planning projects undertaken	-	-	3
– number of ARL/RU/RL games held at Manuka Oval and Canberra Stadium	-	-	23

Budgeted Financial Results

Section 31 of the *Financial Management Act 1996* (FMA) states that Chief Executives are responsible for achievement of financial results. For the purpose of Section 31 of the FMA, key budgeted results are specified in the Budget Papers to improve accountability. An outcome of increased accountability is the requirement for Chief Executives to explain material variances from specified budgeted results.

In accordance with Section 31 of the FMA, the following are the key budgeted results for the Department of Economic Development in 2005-06:

- **Operating Result (\$1.113m deficit)** – this measure focuses on the financial performance of the Department. The deficit mainly results from the non-cash expense of depreciation (\$1.104m). The Department will manage its resources to achieve or improve the budgeted operating result;
- **Current Ratio (1.24:1)¹** – the current ratio is an indication of the ability to fund short-term liabilities from short-term assets. The Department has sufficient funds to cover its short-term liabilities;
- **Total Assets (\$48.567m)** – this measure focuses on the Department’s ability to manage its assets base, which mainly relates to Manuka Oval, convention and exhibition facilities; and
- **Total Liabilities (\$2.666m)** – this measure focuses on maintaining prudent levels of liabilities as required by Section 11 of the FMA. Liability levels are considered prudent for the Department, as sufficient short-term funds exist to cover payment of all liabilities.

¹ *Total current assets / total current liabilities*

Changes to Appropriation

Changes to Appropriation - Departmental

	2004-05	2005-06	2006-07	2007-08	2008-09
Government Payment for Outputs	Est. Outc.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
2004-05 Budget	0	0	0	0	0
2nd Appropriation					
Manuka Oval Subsidy	142	0	0	0	0
Wage Negotiations	136	150	178	177	177
2005-06 Budget Policy Adjustments					
Albert Hall Upgrade	0	40	0	0	0
Knowledge Fund	0	0	0	0	3 000
Lynham Precinct Development (Stage 1)	0	200	0	0	0
Manuka Oval Improvements and Operating Subsidy	0	770	450	450	450
Treasurers Advance - Fairbairn Motor Sports	100	0	0	0	0
General Savings	0	-1 795	-1 795	-1 795	-1 795
Agency Funded Initiatives					
Kids at Play	0	100	150	150	150
Priority Industry Sectors Support Program	0	232	373	382	392
Internally Generated Savings	0	-332	-523	-532	-542
2005-06 Budget Technical Adjustments					
Revised Indexation Parameters	0	0	0	0	378
Wage Negotiations	0	3	3	3	3
Transfer of BusinessACT from Chief Minister's Department	26 826	34 154	31 314	29 746	30 022
Transfer of Gambling and Racing from Department of Treasury	2 549	4 082	4 177	4 246	4 300
Transfer of Sport and Recreation from Chief Minister's Department	6 525	10 198	10 167	10 341	10 515
Communication Contract Savings	0	-70	-104	-104	-104
Rollover - BusinessACT	-3 054	3 054	0	0	0
National Convention Centre	150	0	0	0	0
2005-06 Budget	33 374	50 786	44 390	43 064	46 946

Changes to Appropriation - Territorial

	2004-05	2005-06	2006-07	2007-08	2008-09
Payment for Expenses on Behalf of Territory	Est. Outc.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
2004-05 Budget	0	0	0	0	0
2nd Appropriation					
Wage Negotiations	4	0	0	0	0
2005-06 Budget Policy Adjustments					
Racing Development Fund	492	0	0	0	0
2005-06 Budget Technical Adjustments					
Transfer of Sport and Recreation from Chief Minister's Department	221	0	0	0	0
Transfer of Gambling and Racing from Department of Treasury	3 251	7 029	7 231	7 439	7 439
2005-06 Budget	3 968	7 029	7 231	7 439	7 439

Changes to Appropriation - Departmental

	2004-05	2005-06	2006-07	2007-08	2008-09
Capital Injections	Est. Outc.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
2004-05 Budget	0	0	0	0	0
2005-06 Budget Technical Adjustments					
Transfer of BusinessACT from Chief Minister's Department	9 980	30 000	0	0	0
Rollover - National Convention Centre	-9 980	-170	10 000	0	0
Transfer of Sport and Recreation from Chief Minister's Department	1 580	0	0	0	0
Rollover - Manuka Oval Subsidy	-620	620	0	0	0
Treasurers Advance - Manuka Oval Upgrade Handrail	200	0	0	0	0
2005-06 Budget	1 160	30 450	10 000	0	0

2005-06 Capital Works Program

Departmental

	Estimated Total Cost \$'000	Estimated Expenditure Pre 2005-06 \$'000	2005-06 Financing \$'000	2006-07 Financing \$'000	2007-08 Financing \$'000	Expected Completion Date
New Capital Works						
Albert Hall	40	-	40	-	-	Jun 2006
Lynham Precinct Development	200	-	200	-	-	Jun 2006
Total New Capital Works	240	-	240	-	-	
Works in Progress						
Manuka Oval – Weather Protection	1 065	555	510	-	-	Jul 2005
Manuka Oval – Boundary Fence/ New Southern Entrance	715	405	310	-	-	Jul 2005
Convention and Exhibition Facilities	40 000	170	29 830	10 000	-	Dec 2006
Total Works in Progress	41 780	1 130	30 650	10 000	-	
Total Departmental Capital Works	42 020	1 130	30 890	10 000	-	

Commonwealth Grants

The major Commonwealth payment for which the Portfolio has responsibility is:

Name of Grant	Activities Funded by Grant	2005-06 Estimate \$'000
Sport Participation Development	Sports Development Services	80
	Disability Education Program	13
	Indigenous Sports Program	65
Total		158

Department of Economic Development Operating Statement

2004-05 Budget \$'000	2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
Income						
Revenue						
0	33 374	50 786	52	44 390	43 064	46 946
0	5	45	800	46	47	49
0	66	85	29	85	85	85
0	3 985	3 958	-1	3 958	3 958	3 958
0	37 430	54 874	47	48 479	47 154	51 038
Gains						
0	0	0	-	0	0	0
0	37 430	54 874	47	48 479	47 154	51 038
Expenses						
0	4 232	6 442	52	6 866	7 094	7 322
0	578	919	59	953	984	1 014
0	5 704	7 389	30	7 157	7 350	7 546
0	581	1 104	90	2 298	3 618	3 605
0	36 895	40 133	9	33 503	31 726	35 156
0	47 990	55 987	17	50 777	50 772	54 643
0	-10 560	-1 113	89	-2 298	-3 618	-3 605

Department of Economic Development Balance Sheet

Budget as at 30/6/05 \$'000	Est.Outcome as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000	Var %	Planned as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000	
Current Assets							
0	Cash	1 984	1 992	..	1 992	1 993	1 999
0	Receivables	110	110	-	110	110	110
0	Investments	374	387	3	388	401	415
0	Total Current Assets	2 468	2 489	1	2 490	2 504	2 524
Non Current Assets							
0	Property, Plant and Equipment	16 414	16 248	-1	53 780	50 162	46 557
0	Intangibles	118	0	-100	0	0	0
0	Capital Works in Progress	200	29 830	#	0	0	0
0	Total Non Current Assets	16 732	46 078	175	53 780	50 162	46 557
0	TOTAL ASSETS	19 200	48 567	153	56 270	52 666	49 081
Current Liabilities							
0	Payables	1 100	1 100	-	1 100	1 100	1 100
0	Employee Benefits	887	913	3	914	928	948
0	Total Current Liabilities	1 987	2 013	1	2 014	2 028	2 048
Non Current Liabilities							
0	Employee Benefits	649	653	1	653	653	653
0	Total Non Current Liabilities	649	653	1	653	653	653
0	TOTAL LIABILITIES	2 636	2 666	1	2 667	2 681	2 701
0	NET ASSETS	16 564	45 901	177	53 603	49 985	46 380
REPRESENTED BY FUNDS EMPLOYED							
0	Accumulated Funds	14 809	44 146	198	51 848	48 230	44 625
0	Reserves	1 755	1 755	-	1 755	1 755	1 755
0	TOTAL FUNDS EMPLOYED	16 564	45 901	177	53 603	49 985	46 380

**Department of Economic Development
Cash Flow Statement**

2004-05 Budget \$'000	2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts						
0	33 374	50 786	52	44 390	43 064	46 946
	Cash from Government for Outputs					
0	5	45	800	46	47	49
	User Charges					
0	889	1 751	97	1 325	1 252	1 453
	Other Revenue					
0	34 268	52 582	53	45 761	44 363	48 448
	Operating Receipts					
Payments						
0	4 827	7 331	52	7 818	8 064	8 316
	Related to Employees					
0	5 391	7 390	37	7 156	7 351	7 547
	Related to Supplies and Services					
0	32 489	36 174	11	29 546	27 767	31 197
	Grants and Purchased Services					
0	933	1 666	79	1 240	1 167	1 368
	Other					
0	43 640	52 561	20	45 760	44 349	48 428
	Operating Payments					
0	-9 372	21	100	1	14	20
	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES					
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
0	3 240	30 450	840	10 000	0	0
	Purchase of Property, Plant and Equipment					
0	3 240	30 450	840	10 000	0	0
	Investing Payments					
0	-3 240	-30 450	-840	-10 000	0	0
	NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES					
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts						
0	1 160	30 450	#	10 000	0	0
	Capital Injection from Government					
0	13 810	0	-100	0	0	0
	Receipt of Transferred Cash Balances					
0	14 970	30 450	103	10 000	0	0
	Financing Receipts					
0	14 970	30 450	103	10 000	0	0
	NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES					
0	2 358	21	-99	1	14	20
	NET INCREASE/(DECREASE) IN CASH HELD					
0	0	2 358	#	2 379	2 380	2 394
	CASH AT BEGINNING OF REPORTING PERIOD					
0	2 358	2 379	1	2 380	2 394	2 414
	CASH AT THE END OF THE REPORTING PERIOD					

Department of Economic Development Statement of Changes in Equity

Budget as at 30/6/05 \$'000		Est.Outcome as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000	Var %	Planned as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000
0	Opening Balance	0	16 564	#	45 901	53 603	49 985
	Accumulated Funds						
0	Operating Result for the Period	-10 560	-1 113	89	-2 298	-3 618	-3 605
	Reserves						
0	Increase/(Decrease) in asset revaluation reserve	1 755	0	-100	0	0	0
0	Total Income And Expense For The Period	-8 805	-1 113	87	-2 298	-3 618	-3 605
	Transactions Involving Equity Holders Affecting Accumulated Funds						
0	Capital Injections	1 160	30 450	#	10 000	0	0
0	Inc/Dec in Net Assets due to Admin Restructure	24 209	0	-100	0	0	0
0	Closing Balance	16 564	45 901	177	53 603	49 985	46 380

Notes to the Budget Statements

The Department was created following the announcement of the Administrative Arrangement Orders (AAO) on 4 November 2004. No estimates were contained in the 2004-05 Budget for this entity. Funds were transferred from the Chief Minister's Department and the Department of Treasury to create the Department. This accounts for the variances between the 2004-05 Budget and 2004-05 estimated outcome figures.

The notes below identify variances arising for reasons other than AAO transfers.

Significant variations are as follows:

Operating Statement

- government payment for outputs: the increase of \$17.412m in the 2005-06 Budget from the 2004-05 estimated outcome is due to the full-year effect of the AAO transfers (\$12.534m), increased rollover of BusinessACT program funds (mainly the Knowledge Fund grants - \$6.108m) and new budget initiatives funding, including Manuka Oval improvements and operating subsidy initiatives (\$0.770m). This is partially offset by general savings (\$1.795m);
- employee and superannuation expenses: the increase of \$2.551m in the 2005-06 Budget from the 2004-05 estimated outcome is mainly due to the full-year effect of the AAOs (\$2.432m);
- supplies and services: the increase of \$1.685m in the 2005-06 Budget from the 2004-05 estimated outcome is mainly due to the full-year effect of the AAOs (\$1.903m),

feasibility funding for the Lyneham Precinct Development (\$0.2m) and Albert Hall upgrade (\$0.040m), partially offset by general savings (\$0.386m);

- depreciation and amortisation: the increase of \$0.523m in the 2005-06 Budget from the 2004-05 estimated outcome primarily relates to full-year depreciation expenses; and
- grants and purchased services: the increase of \$3.238m in the 2005-06 Budget from the 2004-05 estimated outcome is primarily due to the full-year effect of the AAOs (\$8.310m), the increase in the rollover of the Knowledge Fund grant (\$5.666m), and initiative funding for the Manuka Oval improvements and operating subsidy initiatives (\$0.770m). This is partially offset by a one-off grant payment occurring in 2004-05 (\$10m) and general savings (\$1.359m) applied to payments for the ACT Capital Tourism Corporation (ACTC) and ACT Gambling and Racing.

Balance Sheet

- Capital works in progress: the increase of \$0.2m in the 2004-05 estimated outcome from the original budget represents the planned Manuka Oval handrail upgrade. The increase of \$29.630m in 2005-06 Budget from the 2004-05 estimated outcome largely relates to the capital outlays for the Convention and Exhibition Facilities (\$29.830m).

Cash Flow Statement

- Purchase of property, plant and equipment: the increase of \$3.240m in the 2004-05 estimated outcome from the original budget represents capital outlays for the Northbourne Avenue fit-out (\$2.080m) and Manuka Oval improvements (\$1.160m). The increase of \$27.210m in the 2005-06 Budget from the 2004-05 estimated outcome is mainly due to capital outlays for the Convention and Exhibition Facilities.

Statement of Changes in Equity

- Capital injections: the increase of \$29.290m in the 2005-06 Budget from the 2004-05 estimated outcome is primarily due to funding for the Convention and Exhibition Facilities.

**Department of Economic Development
Statement of Income and Expenses on Behalf of the Territory**

2004-05 Budget \$'000	2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
Income						
Revenue						
0	3 968	7 029	77	7 231	7 439	7 439
	Payment for Expenses on behalf of Territory					
0	79	158	100	158	158	158
	Grants from the Commonwealth					
0	89	56	-37	10	21	21
	Interest					
0	3 882	6 338	63	6 515	6 697	6 867
	Other Revenue					
0	8 018	13 581	69	13 914	14 315	14 485
	Total Revenue					
Gains						
0	0	0	-	0	0	0
	Total Gains					
0	8 018	13 581	69	13 914	14 315	14 485
	Total Income					
Expenses						
0	5 255	7 435	41	6 480	6 666	6 666
	Grants and Purchased Services					
0	2 763	6 146	122	7 434	7 649	7 819
	Transfer Expenses					
0	8 018	13 581	69	13 914	14 315	14 485
	Total Ordinary Expenses					
0	0	0	-	0	0	0
	Operating Result					

**Department of Economic Development
Statement of Assets and Liabilities on Behalf of the Territory**

Budget as at 30/6/05 \$'000	Est.Outcome as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000	Var %	Planned as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000
Current Assets						
0	Receivables	1 198	-	1 198	1 198	1 198
0	Investments	145	-	145	145	145
0	Total Current Assets	1 343	-	1 343	1 343	1 343
0	TOTAL ASSETS	1 343	-	1 343	1 343	1 343
0	NET ASSETS	1 343	-	1 343	1 343	1 343
REPRESENTED BY FUNDS EMPLOYED						
0	Accumulated Funds	1 343	-	1 343	1 343	1 343
0	TOTAL FUNDS EMPLOYED	1 343	-	1 343	1 343	1 343

**Department of Economic Development
Budgeted Statement of Cashflows on Behalf of the Territory**

2004-05 Budget \$'000	2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000	
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
0	Cash from Government for EBT	3 968	7 029	77	7 231	7 439	7 439
0	Interest Received	89	56	-37	10	21	21
0	Grants Received from the Commonwealth	79	158	100	158	158	158
0	Other Revenue	3 873	6 338	64	6 515	6 697	6 867
0	Operating Receipts	8 009	13 581	70	13 914	14 315	14 485
Payments							
0	Grants and Purchased Services	5 255	7 435	41	6 480	6 666	6 666
0	Territory Receipts to Government	3 952	6 146	56	7 434	7 649	7 819
0	Operating Payments	9 207	13 581	48	13 914	14 315	14 485
0	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	-1 198	0	100	0	0	0
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
0	Receipt of Transferred Cash Balances	1 343	0	-100	0	0	0
0	Financing Receipts	1 343	0	-100	0	0	0
0	NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	1 343	0	-100	0	0	0
0	NET INCREASE/(DECREASE) IN CASH HELD	145	0	-100	0	0	0
0	CASH AT BEGINNING OF REPORTING PERIOD	0	145	#	145	145	145
0	CASH AT THE END OF THE REPORTING PERIOD	145	145	-	145	145	145

**Department of Economic Development
Statement of Changes in Equity on Behalf of the Territory**

Budget as at 30/6/05 \$'000		Est.Outcome as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000	Var %	Planned as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000
0	Opening Balance	0	1 343	#	1 343	1 343	1 343
	Accumulated Funds						
0	Operating Result for the Period	0	0	-	0	0	0
	Reserves						
0	Inc/Dec in Net Assets due to Admin Restructure	1 343	0	-100	0	0	0
0	Closing Balance	1 343	1 343	-	1 343	1 343	1 343

Notes to the Budget Statements

The Department was created following the announcement of the Administrative Arrangement Orders (AAO) on 4 November 2004. No estimates were contained in the 2004-05 Budget for this entity. Funds were transferred from the Chief Minister's Department and the Department of Treasury to create the Department. This accounts for the variances between the 2004-05 Budget and 2004-05 estimated outcome figures.

The notes below identify variances arising for reasons other than AAO transfers.

Significant variations are as follows:

Statement of Income and Expenses on Behalf of the Territory

- Grants and purchased services: the increase of \$2.180m in the 2005-06 Budget from the 2004-05 estimated outcome is mainly due to the full-year effect of the AAO transfer (\$2.897m), partially offset by the discontinuation of subsidies to the Stadiums Authority (\$0.225m).

Economic Development Operating Statement

2004-05 Budget \$'000	2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
Income						
Revenue						
0	24 004	35 946	50	30 002	28 432	32 086
0	5	45	800	46	47	49
0	3 985	3 958	-1	3 958	3 958	3 958
0	27 994	39 949	43	34 006	32 437	36 093
Gains						
0	0	0	-	0	0	0
0	27 994	39 949	43	34 006	32 437	36 093
Expenses						
0	2 475	3 792	53	4 123	4 258	4 392
0	306	605	98	622	641	661
0	3 833	4 654	21	4 582	4 704	4 828
0	347	488	41	1 681	3 008	3 003
0	31 368	30 904	-1	24 679	22 834	25 834
0	38 329	40 443	6	35 687	35 445	38 718
0	-10 335	-494	95	-1 681	-3 008	-2 625

Sport, Recreation, Gaming and Racing Operating Statement

2004-05 Budget \$'000	2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
Income						
Revenue						
0	9 370	14 840	58	14 388	14 632	14 860
0	66	85	29	85	85	85
0	9 436	14 925	58	14 473	14 717	14 945
Gains						
0	0	0	-	0	0	0
0	9 436	14 925	58	14 473	14 717	14 945
Expenses						
0	1 749	2 564	47	2 659	2 750	2 841
0	280	400	43	415	429	442
0	1 871	2 735	46	2 575	2 646	2 718
0	234	616	163	617	610	602
0	5 527	9 229	67	8 824	8 892	9 322
0	9 661	15 544	61	15 090	15 327	15 925
0	-225	-619	-175	-617	-610	-980

