



PAPER NO. 2:
A BUDGET FOR OUR
GROWING CITY

BUDGET
2010-2011
AUSTRALIAN CAPITAL TERRITORY

GUIDE TO THE BUDGET PAPERS

Structure and content of the 2010-2011 Budget Papers

The 2010-2011 Budget is presented in four papers plus a reader's guide.

PAPER NO. 1: **SPEECH**

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

PAPER NO. 2: **A BUDGET FOR OUR GROWING CITY**

A summary of the overall budgetary position together with information on the Government's expenditure priorities in key service delivery areas.

PAPER NO. 3: **BUDGET OVERVIEW**

Summarises the 2010-2011 Budget and forward estimates for the general government sector, the public trading enterprise sector and the total Territory Government. Details of the projected 2010-2011 Budget results are provided, as well as background information on the development of the 2010-2011 Budget, including economic conditions and federal financial relations.

Also provides an overview of the Territory's Infrastructure investment program and details of the 2010-2011 expenditure, revenue and capital initiatives.

The Appropriation Bill 2010-2011 is appended.

PAPER NO. 4: **BUDGET ESTIMATES**

Information on each department and Territory authority and corporation is provided. This includes output classes (where relevant), descriptions of functions, roles and responsibilities, together with major strategic priorities. Full accrual financial statements and notes are provided for the general government sector as well as details of the Territory's public trading enterprises.

READER'S GUIDE TO THE BUDGET

The guide provides readers of the Budget Papers with useful information to assist in understanding and interpreting the Budget.

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A BUDGET FOR OUR GROWING CITY

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TREASURER'S MESSAGE



A Budget for our Growing City

The ACT Labor Government is continuing to invest in essential services and valuable community infrastructure to support the growth of our city.

This is a Budget for a growing city.

We are taking bold and forward-thinking action on developing our city for the future through our focus on infrastructure development, transport innovation, a significant increase in land supply and investments in our health and education systems.

Our capital spend remains at record highs, to support the economy and invest in the growth of the city.

The global financial crisis forced our 2009-10 Budget into deficit. The Australian economy weathered the storm of the global financial crisis better than was anticipated, partly due to the Commonwealth Government's economic stimulus package. Locally, the ACT Labor Government's continued investment in our community, particularly through our capital works program, has supported jobs and our local economy.

We took the right decision last year to support jobs and investment through the worst of the financial crisis, rather than slash and burn

funding and services. We did not make sharp adjustments and we maintained our investment in vital community services. This approach was supported broadly across our community.

The world has changed considerably since the 2009-10 Budget. The Australian and ACT economies have performed better than expected, and our downturn was not as deep we thought a year ago. The outcomes of the GST carve-up from the Commonwealth Grants Commission set us back, however, the increase in the national GST pool, and the performance of our housing market, have somewhat cushioned the loss. While we see our situation improving, risks remain, particularly around future local investment decisions taken by the Commonwealth Government

In the 2009-10 Budget, the Government adopted a Budget Plan to return the budget to surplus over a period of seven years.

Our Budget Plan has now been recalibrated and we are on target for coming out of deficit by 2013-14, two years earlier than previously projected. Our Budget Plan was designed to be flexible and to be able to respond to changing circumstances and adjust to external factors.

We have worked hard over the last twelve months to pull back on our expenditure rates and meet savings targets. This work, lead by Cabinet and informed by the Expenditure Review and Evaluation Committee, will continue.

We are also committed to continuing to pursue efficiencies in our public service to ensure every dollar is targeted to areas of priority and need to support our growing city.

Our record capital works investment continues to underpin growth and will provide the infrastructure to support our growing city as well as foster economic activity and local jobs. Responsible and affordable borrowings will support this vital investment as we prepare our city for the future.

A BUDGET FOR OUR GROWING CITY

In returning the Budget to surplus, the Government remains committed to preserving and enhancing priority services to the community.

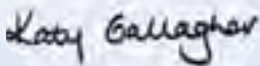
This is a growing city, and we have provided for modest new spending to meet the needs of our growing community. New expenditure initiatives total around \$238 million over four years. Around two thirds of this expenditure is targeted towards meeting the growth needs of our city.

We are building on our strong foundations to support a productive workforce and make Canberra a good place to do business.

We are investing in vital infrastructure to support a growing city, with a strong residential land release program, improved municipal services and facilities and better transport options.

We are investing in those services essential to our community.

The ACT Labor Government has an excellent record of strong financial management and has delivered a sustainable budget, financially, socially and environmentally, to support our growing city.



Katy Gallagher, MLA
Treasurer

May 2010

BUDGET OVERVIEW

This Budget is a measured and responsible Budget that continues to invest in what the community needs: better schools, better health care, support for the most vulnerable, positive action on climate change and improved community infrastructure.

It is a Budget for a growing city:

- investing in the transport system;
- accelerating land supply to meet the needs of households, businesses and industry;
- continuing significant investments in health services and facilities; and
- maintaining investments across the Territory's infrastructure at high levels in order to improve the efficiency and increase the productive capacity of the economy.

The Budget maintains fiscal restraint in an environment of flat revenue and economic risks.

It also provides for new spending to meet the needs of a growing city and its community in a sustainable manner.

Vital infrastructure has been supported through an investment of \$393 million over four years. Borrowings of up to \$450 million are included in the budget to partially fund the infrastructure program. This level of debt is reasonable. The Territory's Balance Sheet remains strong, a result of prudent financial management, underpinning this investment.

The Government continues to exercise strong budget management, making gradual and sustained adjustments to expenditure, realising savings where appropriate and preserving and enhancing priority services.

Due to improvements in economic circumstances and revenues and restrained expenditure, the underlying deficit has reduced.

Last year's Budget Plan has been updated to reflect the change in financial circumstances but its objectives remain unchanged.

The Budget is now targeted to be in surplus by 2013-14, two years earlier than previously planned.

Around two thirds of the savings required to return the budget to surplus are incorporated in this Budget. The remaining savings will be achieved in future budgets.

While some charges have increased in this Budget to support key policy objectives and the growth of our city, there are no new taxes.

Although the Budget Update projected potential new borrowings of up to \$550 million, this figure has now been revised down to \$450 million over the forward estimates period.

The prospects for the ACT economy are positive although economic growth is forecast to moderate in 2011.

The ACT economy is expected to benefit from the improved global and domestic economic outlook that has contributed to a recovery in household wealth, as well as in consumer and business confidence. Combined with solid population growth, this will help sustain the ACT economy's growth.

BUDGET CONTEXT

Economic circumstances have changed since the time of the 2009-10 Budget. The extent of the economic slowdown both nationally and locally was not as severe as predicted at that time.

The fiscal stimulus measures of the Commonwealth Government supported the economy, particularly activity in the housing market.

With the national economy performing well now, the Commonwealth Government is expected to start restoring its Budget position.

This is expected to have an impact on the Territory's economic activity, given the significant contribution of Commonwealth Government activity to the economy. This will be partly offset by strengthening private demand which will not be sufficient to lift economic growth close to its long run average.

Across the 2010-11 Budget and forward estimates period, total revenues are forecast to grow by an average of 3.7 per cent per annum. The underlying revenue will remain flat over the three years from 2007-08 to 2010-11.

- There has been an overall increase in the national GST pool of \$47.7 billion in 2010-11, or 7.3 per cent.
- The ACT's share of the national pool has been considerably reduced falling from 2.04 per cent to 1.85 per cent as a result of Commonwealth Grants Commission assessments. This decrease is estimated at \$85 million in 2010-11, and will rise to \$101 million in 2013-14.

The forecast deficit has reduced since the last Budget. However, the underlying 2010-11 Budget, excluding the effects of the Commonwealth Government's fiscal stimulus funding, still is in deficit of around \$173 million.

While the ACT Budget is still experiencing the fallout from the fiscal shock of the global financial crisis, the Territory's finances remain strong, which have allowed the temporary deficits to be absorbed, instead of making sharp adjustment to expenditures.

Pressure on the ACT Budget will be reduced as a result of the implementation of the National Health and Hospitals Reform. The reforms place ACT health funding on a more sustainable footing. From 2014 the Commonwealth will begin sharing the growth in ACT health costs.

NET OPERATING BALANCE

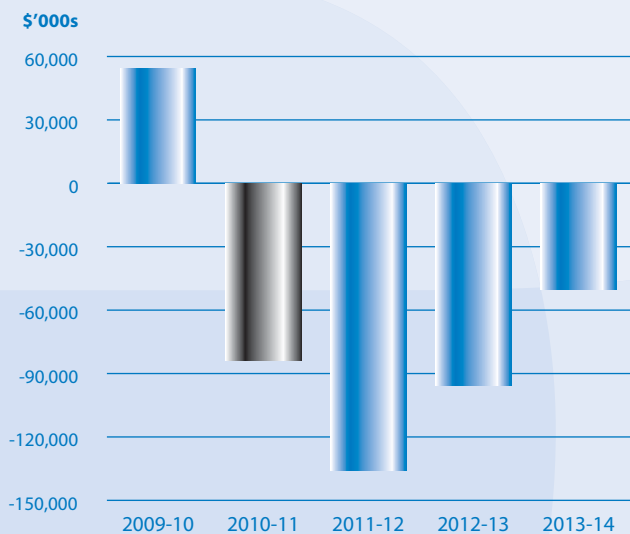
	2010-11 \$'m	2011-12 \$'m	2012-13 \$'m	2013-14 \$'m
Net Operating Balance	-83.9	-135.8	-95.5	-50.3
<i>Less: Impact of Stimulus Initiatives</i>	-88.8	-16.2	-2.0	0.0
UNDERLYING NET OPERATING BALANCE	-172.7	-152.0	-97.5	-50.3

Note: Table may not add due to rounding.

The General Government Sector will be in deficit across the forward estimates period. The Government's Budget Plan targets returning to surplus by 2013-14, two years ahead of the previous target.

The 2010-11 net operating balance is improved due to the stimulus provided through the Commonwealth Government's *Nation Building and Jobs Plan*.

General Government Sector - Net Operating Balance



Budget in deficit, improving on previous years estimates

OUR FISCAL STRATEGY

The Government remains committed to the principles of responsible financial management.

The circumstances of the 2010-11 Budget have improved. The 2010-11 Budget has been developed in the context of an improving national economy, recovering financial assets and values, lower GST returns and an underlying deficit. It has reduced the effects of the global downturn and assisted in sustaining services.

The Government's fiscal strategy from previous years remains sound.

The **fiscal strategy for the 2010-11 Budget** is:

- to achieve a General Government Sector Net Operating Surplus;
- to maintain an operating cash surplus;
- to maintain a AAA credit rating;
- to manage debt prudently and maintain net financial liabilities within the range of all AAA rated jurisdictions;
- to fully fund the Territory's unfunded superannuation liability by 2030;
- to maintain quality services and infrastructure;
- to make targeted investments to achieve strategic objectives of economic growth, reducing future costs and addressing chronic disadvantage; and
- to maintain taxation revenues at sustainable levels.

How do we measure up?

All of the objectives are met, with the exception of:

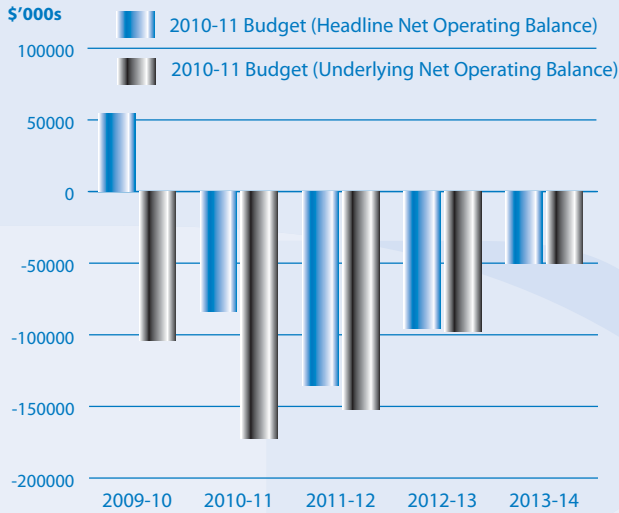
Achieving a General Government Sector Net Operating Surplus.

- The objective of achieving a General Government Sector Net Operating Surplus is not met in this Budget.
- An updated 2010-11 Budget Plan details the strategy for restoring the Budget to surplus.
- The approach taken is to make gradual and sustained adjustments and savings without compromising priority services.

Fully funding the superannuation liability by 2030

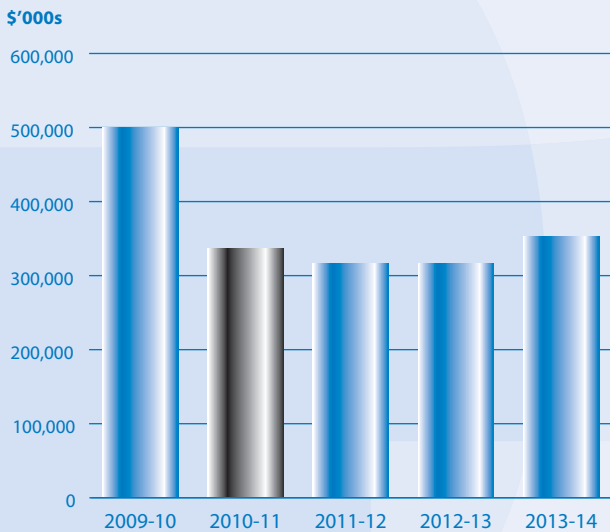
- Long term projections of the superannuation funding ratios identified a risk that the funding objective may not be met due to effects of the global financial crisis on the assets.
- A review considered that additional capital injections might be required in the future. It concluded that an immediate response is not necessary.
- Given the considerable volatility in the investment markets, and variability in the projections of liability, it would be reasonable to assess the progress against the funding plan along with the triennial actuarial review.
- The current funding strategy objective and budget appropriation commitments will be maintained until the triennial review in 2012-13.

General Government Sector - Underlying Net Operating Balance



Underlying Budget, without stimulus funding from Commonwealth, remains in deficit

General Government Sector - Cash Position

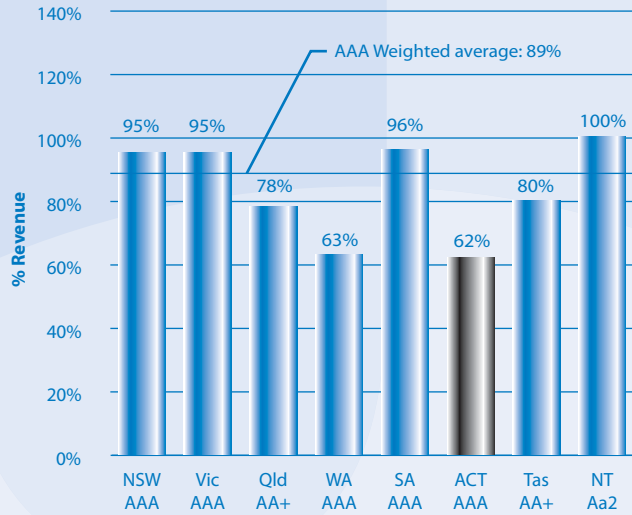


Operating Cash remains in Surplus across the Budget and forward estimates.

A BUDGET FOR OUR GROWING CITY

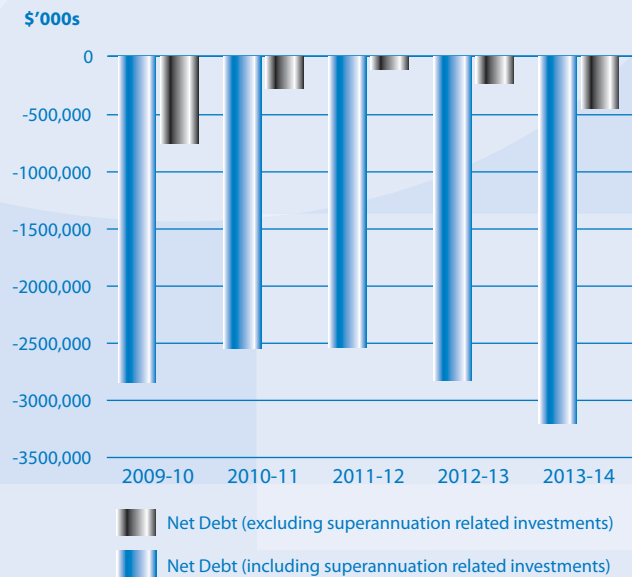
General Government Sector - Net Financial Liabilities to Revenue Ratio

Net Financial Liabilities to Revenue Ratio remains below the average of other AAA rated jurisdictions



General Government Sector - Net Debt

Balance Sheet Strong with Negative Net Debt



THE BUDGET PLAN

The 2009-10 Budget Plan was developed in an environment of uncertainty, with the objective of returning the budget to surplus over a longer time frame and the flexibility to respond to changing circumstances.

The economic slowdown was not as severe nationally, as well as locally, as envisaged at the time of the 2009-10 Budget. The underlying budget is, however, still in deficit, as indicated, by around \$173 million. The need for a Budget Plan remains.

The Budget Plan targets have been updated to take account of changes in the economy, revenue growth, and new policy initiatives. The 2010-11 Budget Plan targets a balanced budget by 2013-14, two years earlier than previously projected.

This Budget incorporates around two thirds of the savings required to return to surplus with further savings of \$25 million required in 2011-12 and 2012-13.

Objectives

The objectives of the Budget Plan are to:

- adopt a measured approach to addressing the deficit;
- achieve a balanced budget by 2013-14;
- identify annual savings targets over the forward estimates period that set the aggregate revenue and expenditure trajectories to meet over the planning period;
- ensure that in restoring the surplus, core services, community safety, and risk mitigation and protection are maintained to the high standard the community expects; and
- plan for adequate growth in expenditures to meet the needs of a growing population, and in particular, in the priority service areas such as health and education.

Planning Parameters

The Plan is developed on the basis of modelling the aggregate revenue and expenditures under a set of planning assumptions and parameters. Beyond the forward estimates, the planning parameters are:

- aggregate revenue growth of 5¼ per cent per annum; and
- aggregate expenditure growth of 4½ per cent per annum.

The savings task has been reset. Savings required under the Plan are \$95 million in 2011-12, \$135 million in 2012-13 and \$140 million in 2013-14.

Around two thirds of the required savings are already incorporated in this Budget. The remaining savings of \$25 million each in 2011-12 and 2012-13 will be delivered in the future years.

A BUDGET FOR OUR GROWING CITY

Implementing the Plan

Community Engagement

The Treasurer invited community, industry, unions and business groups to provide ideas on how to achieve savings and return the Budget to surplus. A total of 72 submissions were received, of which two thirds focused on the need for additional resources and around one third on budget recovery issues. These issues were taken into account when developing the Budget initiatives.

The Government will continue its approach of consulting with the community in developing the 2011-12 Budget.

Expenditure Review and Evaluation Committee

The Expenditure Review and Evaluation Committee, established in 2009 and chaired by the Under Treasurer and the Chief Executive of the Chief Minister's Department, continued its work program. The Committee assessed the efficiency dividend measures provided by agencies, provided advice on the development of the 2010-11 Budget and worked with agencies to identify areas to improve service delivery across government.

Implementation Approach

The implementation approach of engaging with the community, continuing the work of the Expenditure Review and Evaluation Committee and reporting regularly to Budget Cabinet will continue in 2010-11.

2010-11 Budget Measures

Savings that have already been incorporated into the current Budget and forward estimates are:

Savings in the 2010-11 Budget and Forward Estimates

	2010-11 \$'m	2011-12 \$'m	2012-13 \$'m	2013-14 \$'m
MEASURES IN THE 2010-11 BUDGET				
Wages Policy	17	25	35	35
Efficiency Dividend	18	18	19	20
Other Savings Measures	13	26	31	34
TOTAL MEASURES IN 2010-11 BUDGET	48	70	86	89

The savings will be achieved through a number of targeted actions including:

- the application of an efficiency dividend across government;
- wages restraint;
- reduction of the provision for unforeseen expenditure (Treasurer's Advance); and
- deferral of the tree planting program.

OUR ECONOMY

Economic Outlook

The prospects for the ACT economy in 2010-11 are positive, but uncertainties remain around the extent of fiscal consolidation by the Commonwealth Government and the associated impact on the ACT.

Economic growth in the ACT is forecast to moderate in 2010-11.

Trends in Commonwealth Government consumption expenditure are expected to continue to play a key role in the Territory's economic performance in the medium term.

- Commonwealth Government consumption expenditure, including stimulus related expenditure, supported the ACT economy in 2009-10.
- In 2010-11, as the Commonwealth starts to restore its budget position, moderation in ACT growth is expected.
- This effect will be partly offset by strengthening private demand in the ACT, but not enough to lift economic growth to its long-run average level.

While the outlook for activity remains uncertain, the global and national economic recoveries have been earlier than previously expected. The ACT economy is expected to benefit from these improved economic conditions, as they have contributed to a recovery in household wealth as well as in consumer and business confidence. Combined with solid population growth in the ACT, this will help to sustain the economy's momentum.

Economic Statistics

Economic Forecasts, Year-Average Percentage Change

	Actual	2009-10	2010-11	2011-12	2013-14
ACT					
Gross State Product	1.4	1	1	1	3¼
Employment	0.7	-¼	1	1	1¾
State Final Demand	0.7	3¾	1	1	5¼
Consumer Price Index	3.4	2¼	2½	2½	2½
Wage Price Index	3.9	3¼	3½	3½	4
Population	1.8	1¾	1¾	1¾	1¼
Australia					
Gross Domestic Product	1.1	1½	2¾	2¾	4

SUSTAINING THE TERRITORY'S INFRASTRUCTURE

Quality infrastructure is not only integral to meeting service delivery needs, it is also necessary to support **growth in the economy**, and thus support the economic and social **well-being of the community**.

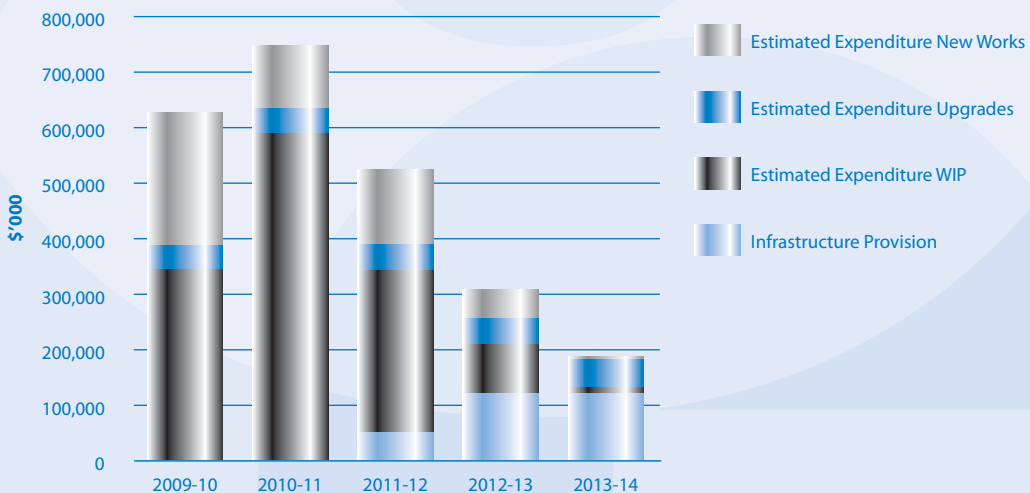
In the 2008-09 Budget, the Government commenced a five-year, \$1 billion **Building the Future** program of investment in the Territory's assets.

In response to the global financial crisis, the 2009-10 Budget continued this commitment to infrastructure investment and the program was augmented by the Commonwealth's **Nation Building and Jobs Plan**.

The **2010-11 Budget Infrastructure Investment Program** supports the continued delivery of the Building the Future and Nation Building programs, and enhances these programs with further investments in key areas.

The significant investments made over the past two budgets have ensured that there is a large program of ongoing works currently being delivered, as indicated by the large proportion of works in progress shown in the graph below.

Planning phases for these works have been completed, contracts awarded, and many projects are well on the way to being delivered. It is therefore expected that the proposed program is both realistic and deliverable.



A NEW ERA IN TRANSPORT

The 2010-11 Budget confirms the Government's commitment to improving transport in the city.

Transport investments of \$97 million in the 2010-11 Budget will provide a downpayment on the future of the ACT's transport system and:

- help the community move around the city safely and easily;
- reduce road congestion;
- reduce transport emissions by encouraging walking, cycling and public transport and improving the road networks; and
- create a safe transport system that minimises the risk of crashes.

Public transport is the centrepiece of this investment. A key goal of making public transport more attractive is reducing travel times and increasing reliability of services. The Budget provides:

- \$8.2 million to design and construct bus priority measures on Canberra Avenue to recognise the substantial travel on the eastern corridor;
- \$4.250 million to design bus priority measures on Northbourne Avenue, and construct off-road cycle lanes and a bus station at Dickson; and
- \$0.750 million over two years to design bus priority measures on Flemington Road between Mitchell and Gungahlin Town Centre.

Public transport services will also benefit through the network 10 changes which will incorporate the **successful REDEX pilot** into the core network and extend it to Fyshwick, and improve connections and commence services through the Belconnen town centre transport facilities now under construction.

A total of \$7.5 million has been allocated to build key segments of the **Belconnen to City Transitway**, including a priority lane between Clunies Ross Street and Marcus Clarke Street; bus priority and improved facilities for buses, passengers, pedestrians and cyclists on Barry Drive near ANU, the busiest bus route in Canberra; bus priority measures on College Street and Haydon Drive; and a study to determine the alignment of the central section of the transitway.

A further \$2 million will be invested in **improving bus facilities in the City**, including the construction of a bus layover facility, installation of bus stops, shelters and signage, pedestrian crossings and footpath improvement, and facilities for bus drivers.

The Budget invests \$12.5 million for a **real-time passenger information system** which will increase the reliability of public transport. The system will monitor the location of ACTION buses with GPS technology and transmit accurate bus arrival information to passengers through displays at major bus stations and bus stops, as well as through SMS and the ACTION website. There is potential to link this system with Canberra's traffic lights to give buses priority.

A BUDGET FOR OUR GROWING CITY

The Budget also allocates a total of \$4.925 million for building **bus stations** at Gungahlin town centre, Erindale shopping centre, and a feasibility study for a station in Barton, \$1.75 million for the installation of **25 large shelters and bike racks** at major stops along high frequency routes and \$1 million over two years for the installation of **50 standard bus shelters**.

The Budget allocates \$4.8 million to construct a network of secure, weatherproof **bike and ride facilities**, and combined **park and ride/bike and ride facilities** at locations including Erindale, Exhibition Park in Canberra, Belconnen, Gungahlin and Fyshwick, assisting people to use public transport and reducing traffic congestion in the City Centre.

The Budget also supports **cycling and walking** by delivering \$4.5 million in infrastructure including new and upgraded paths, lighting, and accessible infrastructure such as ramps and signposts.

The Budget provides a range of projects to **improve road safety and reduce traffic congestion**, including \$5.250 million on road safety programs and initiatives such as point-to-point road safety cameras to slow down motorists and reduce crashes and variable message road safety signs on major Canberra roads.

The 2010-11 Budget provides:

- \$14.7 million to provide a third lane on Parkes Way from the Glenloch Interchange to the Acton tunnel. This will improve traffic flows and road safety on this busy stretch of road which 40,000 vehicles per day use;
- \$7.150 million to upgrade Cotter Road to address the predicted increased traffic volumes from the development of the Molonglo region;
- \$7 million to upgrade the busy Barry Drive/Clunies Ross Street intersections;
- \$4 million for the upgrade of the Horse Park Drive/Gundaroo Drive intersection to improve access to the suburb of Forde;
- \$2.250 million for resurfacing and drainage improvements on Majura and Sutton Roads;
- \$1 million for bridge strengthening work on commercial routes; and
- \$1 million to upgrade the National Circuit/Darling Street intersection in Barton and create a new intersection on National Circuit between Bourke Street and Sydney Avenue.

This Budget represents **a new era for transport** in the city and its developing future. A new action plan, *Transport for Canberra*, is in development. This plan will draw together transport policies and programs, including the Transport Infrastructure Plan, deliver the next stage of the *Sustainable Transport Plan (2004)*, and provide a further commitment to the objectives of the Canberra Plan.

MORE LAND FOR HOUSING AND BUSINESS

Land supply and release is a central part of the Government's economic and social strategy and supports the needs of a growing population, changing households and an expanding economy.

The Land Release Programs seek to balance demand and supply, while weighing up economic, social, financial and environmental objectives.

Over the next four years, the Land Release Program will deliver:

- 17,000 residential dwelling sites in total, with 5,000 dwelling sites in 2010-11 and 2011-12, and 3,500 per annum thereafter;
- 110,000 square metres of **commercial** land per annum on average;
- 110,000 square metres of **industrial** land per annum on average; and
- 35,000 square metres of **community and non-urban** land per annum.

The residential land release program for the period 2010-11 to 2013-14 has been increased by around 33 per cent from the previous budget. The commercial program has been increased by around 35 per cent and the industrial program has been increased by around 8 per cent from the previous budget.

The programs aim to meet overall demand, and provide a range of land choices to the market.

Importantly, the programs are developed to meet the objective of stabilising house and land prices and increasing supply to the affordable/social housing sector, consistent with goals and initiatives arising from the *Affordable Housing Action Plan*. The programs also provide guidance to business and the community on the Government's land release intentions.

The new development in Molonglo remains a high priority and provides an alternative development front to Gungahlin.

The Commercial and Industrial Land Release Programs seek to ensure that adequate and affordable commercial and industrial land is available to support the needs of a growing economy.

The Community and Non-Urban Land Release Program identifies a number of community facility sites, including aged care sites and surplus properties located on Community Facility land. A number of these sites will be released through an expression of interest process rather than the traditional direct sale process.

The Budget provides additional funding to create an inventory of planning ready and serviced land to increase the responsiveness of the land supply system.

The 2010-11 Budget makes significant capital investments to support the objectives of the Land Release Programs. The Budget provides more than \$70 million for a range of planning and infrastructure studies and new works.

A BUDGET FOR OUR GROWING CITY

The Government has provided a range of measures in the 2010-11 Budget which respond to increased demand for services and infrastructure in a growing city.

The 2010-11 Budget invests \$13.9 million over four years to support the **Accelerated Release of Land** across the Territory.

Initiatives to support the accelerated delivery of **land to the market** include:

- \$8 million for the **Accelerated Land Development** increases capacity to plan for infrastructure. The increased land delivered will assist in stabilising house and land prices and also provide additional supply for affordable and social housing.
- \$3.6 million for **Accelerated Land Development** within TAMS will strengthen technical capacity and development approval processes to ensure that the Government's land release program is delivered in a timely manner, in accordance with relevant standards and legislation.
- \$1.7 million for **Land Release Capital Works Coordination**, which strengthens capacity to identify and coordinate the timely delivery of capital works to land release.
- \$0.150 million in 2010-11 for **Identification of Territory Owned Land** that has the potential to be released or developed to meet targets for future releases.
- \$0.4 million for **Urban Planning and Design Studies**, which investigate future development and planning strategies in Tuggeranong Town Centre, Erindale Group Centre and Pialligo. The studies will explore growth, new transport options, land use relationships to surrounding areas and community concerns.

A total of \$66 million is allocated for **infrastructure** to support the accelerated release of land.

Projects supporting significant developments across the Territory include:

- **North Weston – Road Intersection Reconstruction** (\$14 million): projects for three key intersections in North Weston including Cotter Road and Kirkpatrick Street, Streeton Drive and Cotter Road, and Dixon Drive, Streeton Drive and Unwin Place. These projects address anticipated increased traffic due to new North Weston and Molonglo developments.
- **Water Quality Control Ponds at Coombs** (\$17 million): to address water quality improvement for runoff from new development areas in the Molonglo Valley, Stromlo Forest Park and Stromlo Village, as well as providing non-potable water for irrigation;
- **Ginninderra and Aikman Drives Intersection Upgrade at Lawson** (\$2.5 million): to a four way intersection with access to the Lawson South residential development;
- **Intersection Upgrades in Fyshwick** at Newcastle and Ipswich Streets, and Gladstone and Kembla Streets to facilitate access a new commercial development front (\$4 million);
- **Horse Park and Gundaroo Drives Intersection Upgrade** in Forde to provide a southern entry road to the suburb of Forde (\$4 million); and
- Upgrade **stormwater infrastructure at Watson** (\$2.9 million): to support proposed commercial land development (Section 95).
- An additional \$5.0 million provide for the **extension of Sandford Street**, Mitchell, from Flemington Road to the Federal Highway, allowing access to the new suburb of Kenny.

A number of **Feasibility, Design and Environmental Studies** are also planned. The ACT Planning and Land Authority will undertake these studies to support infrastructure development. This will assist in the efficient and effective delivery of future land releases across the Territory. They include:

- Lawson South – Relocation of Power Line Design (\$0.3 million);
- Lawson South – Water Quality Control Pond Design (\$0.3 million);
- Molonglo – Future Stormwater Management Feasibility (\$0.450 million);
- Molonglo East-West Arterial Road and John Gorton Drive Extension Feasibility (\$0.450 million);
- Gungahlin Town Centre Roads Feasibility (\$0.3 million);
- Scrivener Dam Upgrade Feasibility (\$0.350 million);
- Woden Valley Stormwater Retardation Basins Feasibility (\$0.250 million); and
- Symonston – Arterial Road Feasibility (\$0.3 million).

A BUDGET FOR OUR GROWING CITY

Sustainable Urban Development

The Government has a strong focus on ensuring the Territory has **sustainable urban developments**.

Examples of how this is achieved include:

- minimising the impact on **biodiversity** through appropriate design and siting of estates and buildings;
- **reducing greenhouse gas emissions** by considering access to public transport facilities and providing for walking and cycling facilities;
- reducing emissions of greenhouse gases through **energy efficiency measures** and through use of renewable energy;
- mandatory minimum **energy efficiency standards** for housing;
 - and **recycling water** where appropriate;
 - **water run-off**; and
 - the use of **sustainable building products**.

The Government's approach to the new developments in the Molonglo Valley demonstrates our strong commitment to sustainability. Comprehensive Environmental Impact Statements in anticipation of the assessment of development applications for critical items of infrastructure in the new development of Molonglo Valley have been commissioned.

Molonglo will aim to set a benchmark in environmentally sustainable design and development. Steps to protect and promote the environment include:

- the creation of a **sustainability strategy** for the first suburbs of Wright and Coombs;
- a requirement that all homes built there include water saving measures such as **rainwater tanks or grey water recycling**;
- orientation of blocks for maximum **solar access**;
- development of a Riparian Management Strategy that will address the urban interface, recreational uses, **conservation and land management** for the Molonglo River corridor; and
- inclusion of provisions for **sustainable transport** including buses, bikes and pedestrian transport.

Indicative Residential Land Release

Location	2010-11	2011-12	2012-13	2013-14
	Number of Dwelling Sites			
Gungahlin	3,027	1,125	800	650
Belconnen	200	600	750	240
Central Canberra	510	925	200	560
Molonglo	813	2,100	800	1,100
Woden and Weston	340	100	100	100
Tuggeranong	0	0	200	200
Other	110	150	650	650
Total	5,000	5,000	3,500	3,500

Indicative Commercial Land Release (site area)

Location	2010-11 m ²	2011-12 m ²	2012-13 m ²	2013-14 m ²
Gungahlin	21,996	15,000	15,000	15,000
Belconnen	36,394	0	0	0
Central Canberra	62,065	0	0	0,343
Molonglo	0	0	0	0,000
Woden and Weston	19,050	0	0	0,350
Tuggeranong	3,431	0	0	0,480
Other	0	30,000	0	0,000
Total	142,936	100,000	100,000	73,000

A BUDGET FOR OUR GROWING CITY

Indicative Industrial Land Release (site area)

Location	2010-11 m ²	2011-12 m ²	2012-13 m ²	2013-14 m ²
Fyshwick	45,616	0	26,000	42,000
Hume	65,000	110,000	68,000	48,000
Symonston	0	0	16,000	20,000
Total	110,616	110,000	110,000	110,000

Indicative Community and Non-Urban Land Release Program (site area)

Location	2010-11 m ²	2011-12 m ²	2012-13 m ²	2013-14 m ²
Gungahlin	0	5,000	3,500	3,000
Belconnen	0	9,407	10,000	2,000
Central Canberra	3,877	0	0	0
Molonglo	0	0	0	5,000
Woden and Weston	0	22,786	0	28,829
Tuggeranong	44,684	3,842	0	0
Total	48,561	41,035	13,500	38,829

SUPPORTING A HEALTHY CITY

There have been increasing demands on the Territory's health system:

- **Acute activity** grew by 7 per cent in 2008-09 to 83,697 cost weighted separations against the prior year outcome of 78,284 cost weighted separations.
- In 2008-09 **cancer services** grew by 27 per cent to 4,570 cost weighted separations compared with an original budget increase of 3 per cent or 3,590 cost weighted separations.
- This increased activity translates into staff resourcing requirements and higher operating expenses.

The Budget **invests in health services and health infrastructure** to meet the growing needs of the community.

ACT Health's operating budget will **grow to over \$1 billion in 2010-11**, which is a seven per cent increase in total health expenditure.

An additional **\$41.5 million** is being allocated to meet growing service needs in the public health system.

Further investment, within the existing **health growth envelope** has also been made to meet the emerging health needs of Canberrans.

\$4.2 million over four years is provided for growth in demand for **mental health services**. This supports enhanced promotion, prevention and early intervention programs, high quality clinical and psychosocial support services.

The Canberra Hospital will **increase critical care capacity** with \$10.5 million over four years to meet current demand for these services and to reduce pressure on the ICU.

An additional 16 beds in the Surgical Assessment and Planning Unit will help meet **growth in demand for acute care** with \$13 million over four years to assist in expediting surgical patients' transfers from emergency. This provides quicker diagnoses and treatments and reduces emergency department pressures.

In response to increasing demand for **obstetrics and gynaecology services** at the Canberra Hospital. The Budget provides additional medical and nursing resources of \$8.6 million over four years.

Adding to the substantial investment made to elective surgery over the last seven years, the Budget provides a further \$14.7 million over four years to address **growth in demand for elective surgery**.

An additional 800 elective surgery operations are provided for from 2010-11 allowing for record levels of access to surgery and reducing waiting times for those people seeking care.

The Capital Region Cancer Service will receive \$4.2 million over four years to meet the continuing **growth in demand for cancer services**.

Funding of \$4.2 million will be provided over four years for **increased demand for older persons services** through expanding aged care and rehabilitation programs.

Enhanced services activities aimed at **chronic diseases management** will reduce secondary diseases for people with diabetes through improved management plans and services (\$4.2 million over 4 years).

Growth in home and community care services will be met with \$9.5 million provided over 4 years. These services support older Australians and younger people with a disability to remain at home rather than entering aged care or other residential facilities.

This Budget provides \$11.4 million over four years for **intensive care unit expansion at Calvary Public Hospital**, adding two high dependency beds and increasing critical care capacity.

A BUDGET FOR OUR GROWING CITY

To address the growth in neurosurgery admissions, \$9.6 million is provided for the **new neurosurgery operation suite**. The theatre will undertake intra-operative magnetic resonance imaging (MRI), neuro-navigation, image projection and telemedicine capabilities, enabling TCH to deliver world-class neurosurgical care.

INITIATIVE JOINTLY FUNDED WITH THE COMMONWEALTH REFORM PACKAGE

This Budget invests \$15.5 million of the Reform Package to enhance **emergency access** and improve access to sub-specialty services. \$26 million is also provided over four years to provide for an extra 22 new **sub-acute beds** at a more appropriate level of care for patients. Investment in capital infrastructure is also provided to increase emergency department capacity and improve patient flow, including increasing emergency department capacity and improving patient flow.

EMERGENCY AND SUB-ACUTE HEALTH

This Budget invests \$15.5 million of the Reform Package to enhance **emergency access** and improve access to sub-specialty services. \$26 million is also provided over four years to provide for an extra 22 new **sub-acute beds** at a more appropriate level of care for patients. Investment in capital infrastructure is also provided to increase emergency department capacity and improve patient flow, including increasing emergency department capacity and improving patient flow.

This Budget invests in new health infrastructure with \$76 million provided to improve and expand the Territory's health facilities, including:

- \$15 million for the **clinical services redevelopment** – Phase 2 which relocates and refurbishes major infrastructure at the Canberra Hospital including early construction works for new facilities associated with the Capital Asset Development Plan.
- Services at the **Tuggeranong Health Centre – Stage 2** will be expanded with a \$14 million investment to assist in freeing up clinical space in public hospitals. The centre will provide renal dialysis, chronic disease management, occupational therapy, cardiac rehabilitation, antenatal care and outpatient services.
- An **Integrated Cancer Care Centre** will be constructed (\$27.9 million). The Centre brings together clinical and support services into a unified and interdisciplinary, patient-centred environment within TCH.

ACT HEALTH CAPITAL PROGRAM

The **ACT Health Capital Program** builds a sustainable and modern health system to ensure safety, quality and continuity of health care in the ACT now and into the future. During 2010-11, ACT Health will undertake the capital works program associated with the Plan.

Under the plan:

- Upgrade the **Canberra Hospital Mental Health Facility**;
- Upgrade the **Canberra Hospital Women and Children's Hospital**;
- Upgrade the **Gungahlin Health Centre**;
- Upgrade the **Canberra Hospital** as part of the **Clinical Services Redevelopment**; and
- Complete **project definition and planning works**.

Throughout 2010-11 on completing a **new multistorey car park** at the Canberra Hospital. The car park is expected to be completed in January 2011.

NATIONAL HEALTH AND HOSPITALS REFORM

The ACT and other jurisdictions, except for Western Australia, agreed at the April 2010 COAG to implement major health and hospitals reform.

What are the reforms?

Under the reforms, the Commonwealth will fund:

- 60 per cent of the efficient price of public hospital services to public patients, research and training functions and new capital investment; and
- 100 per cent of expenditure on General Practitioner and designated primary care services.

What do the reforms involve?

Public hospitals services and capital will still be owned by the ACT, but managed by Local Hospital Networks (LHN) with Governing Councils. Commonwealth funding will be allocated to LHNs through a joint Fund.

A new Independent Pricing Agency will determine a national efficient price for hospital services. In setting the efficient price, the Authority will recognise local factors as appropriate.

Consistent national performance reporting, monitoring and clinical standards will be developed.

How are the reforms funded?

The reforms will be funded through:

- the dedication of a proportion of the ACT's allocated GST pool in a joint fund;
- existing Commonwealth funding for health under the National Healthcare Agreement;
- additional Commonwealth funding over the forward estimates for areas of critical need; and
- additional funding from the Commonwealth beyond the forward estimates period to share the growth in health costs.

The Commonwealth has agreed to provide an additional \$15.3 billion over the forward estimates for additional services to patients and to cut waiting times.

The Commonwealth has guaranteed in excess of \$15 billion in growth funding nationally over the period 2014 15 to 2019 20.

How will patients benefit?

The reforms will deliver more beds in Canberra's public hospitals, more funding for emergency departments and more elective surgery for public patients. Patients will experience shorter waiting times in emergency departments and improved access to elective surgery.

Patients will benefit from around \$90 million in additional funding for health services.

Funding for on the ground services includes:

- \$16.3 million over four years to cut emergency department waiting times. This investment means that most people will spend no more than four hours in an emergency department. Additional staff and more beds will be provided, and processes improved;
- \$10.4 million over four years for elective surgery operations, equating to over 1,300 additional elective surgery procedures;
- \$26 million to significantly expand sub-acute services. The funding will enable the ACT to open an additional 22 sub-acute beds over the next four years;
- \$6.8 million over the next two years in capital funding for operating room equipment and other infrastructure investments; and
- \$7.5 million over four years for a flexible funding model for sub-acute care and elective surgery as needed. Beds will be strengthened by this initiative.

The ACT will also receive around \$23 million for professionals' training and aged care.

Do the reforms address ACT circumstances?

The unique characteristics of the ACT's health system will be recognised in the implementation of the reforms.

- The model of a Local Hospital Network to be adopted will be negotiated with the Commonwealth. The unique circumstances of the Calvary Hospital would be recognised.
- The ACT's relatively lower numbers of general practitioners and the lowest bulk-billing rates in the country will also be taken into account. These place additional pressure on emergency departments.
- More than a quarter of services in ACT public hospitals are delivered to NSW residents, which account for a third of the people on elective surgery waiting lists. The new arrangements are expected to assist with the resolution of cross border issues.
- Other legacy costs and arrangements will be recognised in determining an efficient price for hospital and primary health services.

What do the reforms mean for the ACT Budget?

The reforms place ACT health funding on a more sustainable footing, reducing pressure on the budget over time. Under the new model, the Commonwealth will be sharing the 60 per cent of the cost of hospital care and meet all the costs of primary care services to the community.

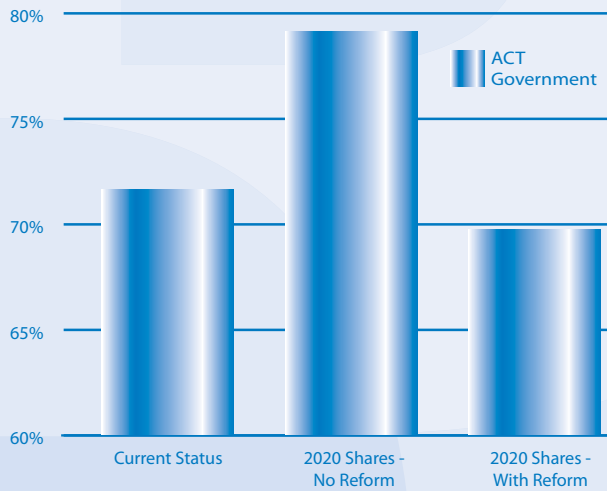
The Commonwealth's contribution to the cost of health care had been reducing over time. In 2009-10, the Commonwealth funded 15 per cent of ACT health costs and this proportion would have continued to reduce. The reform reverses this trend.

From 2014, the Commonwealth will begin sharing the growth in health costs. From 2014-15 to 2019-20, the Commonwealth will provide at least \$248 million in benefits to the ACT.

Health care costs had become unsustainable. The reforms are a medium term.

\$150 million by 2020.

ACT Government Share of Costs of Health Care



NATION BUILDING AND JOBS PLAN - UPDATE

The implementation of the *Nation Building and Jobs Plan* continues. To date, the ACT Government has been allocated funding of approximately \$330 million under the various programs that make up the Plan.

Building the Education Revolution (BER) Outcomes

The BER is comprised of two elements:

- Under the *National School Pride Program* every school in the ACT received an allocation of funding for items such as interactive whiteboards and shade structures. All 84 projects have been completed.
- Under the *Primary Schools for the 21st Century Program*, 68 projects were funded, such as libraries, assembly halls and multi purpose facilities. sixty-five of the projects have already commenced and 6 have been completed.

Social Housing Outcomes

The Social Housing component of the Plan includes the construction of new dwellings and repairs and maintenance to existing Housing ACT properties. Progress on the range of projects under this component is shown below.

Social Housing Program				
Program	Total \$'000	Number of Projects	Number Commenced	Number Completed
Stage 1	11,147	57	57	17
Stage 2	75,900	325	245	0
Repairs and Maintenance	6,442	250	239	205

Road Programs Outcomes

The road programs for the ACT are providing for the construction of bus lanes to facilitate more efficient public transport, the improvement of safety measures at Black Spot locations, and the upgrade of a number of roads.

Bus lanes are currently being constructed on Flemington Road and Belconnen Way. Black Spot improvements have been completed at eight locations. Construction work is well underway on Stage 2 of the duplication of Lanyon Drive and the Tharwa Bridge substructure. Planning and environmental work for the Kings Highway realignment is also well advanced.

Employment and Training Outcomes

Under the Nation Building program, the Commonwealth established a 10 per cent target for the employment of apprentices and trainees. The latest report for the ACT shows an average of 10 per cent of apprentices and trainees were employed as site workers on BER projects. On Nation Building sites in the ACT, there are 19 indigenous workers including four apprentices and 14 professional cadets.

PARTNERSHIPS WITH THE COMMONWEALTH

The ACT continues to work closely with the Commonwealth, through the Council of Australian Governments (COAG), on a range of national reforms in areas such as health, education and training, early learning and care, and energy efficiency.

In general, the National Partnerships are jointly funded by the Commonwealth and State and Territory Governments to achieve the objectives and specific targets in a particular service area. Participation is voluntary, and over the past twelve months the ACT has signed up to the National Partnership Agreements outlined below.

The Territory will receive a total of \$61.3 million in funding for the agreements and contribute around \$2.1 million.

Newly Introduced National Partnership Agreements	How will it benefit the ACT?
E-Health	
<p>This agreement will transform the way health information is used to plan, manage and deliver health services through the development of a world class electronic health capability.</p> <p>The Commonwealth is not providing the ACT with any funding for this agreement. The ACT is contributing \$0.502 million in funding over five years.</p>	<p><i>Canberra's residents will benefit from improved information and communication, better care coordination and integration of services.</i></p>
Essential Vaccines	
<p>This agreement aims to improve the health and well-being of Australians through the cost-effective delivery of the National Immunisation Program.</p> <p>The Commonwealth is contributing \$26.425 million in funding over five years for this agreement.</p>	<p><i>Canberra's children, adolescents and eligible adults will benefit from access to essential vaccines which will assist them in maintaining good health.</i></p>
Health Infrastructure	
<p>This agreement will deliver and maintain high quality physical and technological health infrastructure.</p> <p>The Commonwealth is providing \$27.9 million in funding over three years for this agreement. The ACT is not required to provide any funding under this agreement.</p>	<p><i>Canberrans will benefit from the delivery of physical and technological infrastructure projects that support their health needs.</i></p>

A BUDGET FOR OUR GROWING CITY

Newly Introduced National Partnership Agreements	How will Canberrans Benefit
Health Services	
<p>This agreement aims to improve the health and well-being of communities through the delivery of high quality health services.</p> <p>The Commonwealth is contributing \$4.444 million over five years for this agreement. The ACT is not required to provide any funding under this agreement.</p>	<p><i>Canberrans will benefit from initiatives that support improvements to health services and patient care.</i></p>
Energy Efficiency	
<p>This agreement will maximise cost-effective energy efficiency gains across the economy.</p> <p>The Commonwealth is not providing the ACT with any funding for this agreement. The ACT is contributing \$78,000 in 2009-10. Funding for the forward years is yet to be determined.</p>	<p><i>Canberrans will benefit from the development and adoption of new energy efficient technologies and enhanced innovation in energy using products and processes.</i></p>
National Quality Agency for Early Childhood Education and Care	
<p>This agreement provides for a collective approach to implementing the National Quality agenda for early childhood education and care.</p> <p>The Commonwealth is contributing \$0.630 million over four years for this agreement with the ACT contributing \$0.510 million.</p>	<p><i>Canberrans with children in childcare centres and preschools will benefit from the introduction of national quality standards, a new national rating system, lower child to staff ratios and the appointment of a fully qualified teacher in all centres.</i></p>
Attainment and Transitions	
<p>...will increase the engagement of 15-24 in education, training and their qualifications.</p> <p>...contributing \$1.920 million in partnership with the ACT</p>	<p><i>Young Canberrans will benefit from improved access and increased support to participate in education and training, achieve a recognised qualification and effectively transition to the workplace. The agreement entitles all young Canberrans aged 15 to 24 years to a publicly funded education and training place until the end of 2011.</i></p>

EDUCATION AND TRAINING

Education and Training initiatives to further strengthen our **schools**, support **students and teachers** and provide additional opportunities to develop **Canberrans' skills**.

Support for Students with a Disability

(\$1.6 million over 4 years)

Providing further support to students with a disability in government schools.

New Schools Operational Costs

(\$14.5 million over 4 years)

Investing in staffing and school management in the newly constructed schools in Harrison, Tuggeranong and Gungahlin.

Teacher Quality Institute

(\$4 million over 4 years)

Establishing an independent, statutory ACT Teacher Quality Institute to oversight teacher accreditation, registration and certification against nationally recognised standards.

Swimming and Water Survival Skills

(\$0.3 million over 4 years)

Enabling government primary school students experiencing financial disadvantage to access the swimming program.

School Based Management Review Implementation

(\$0.6 million over 2 years)

Implementing the Government Response to the 2009 School Based Management Review, including improving business and administrative support for government schools.

Youth Attainment and Transitions National Partnership

(\$1.1 million over 4 years)

Supporting the Youth Attainment and Transitions National Partnership by increasing the engagement of young people in education, training and employment.

CIT Vocational Education at Gungahlin

(\$3.3 million over 4 years)

Addressing demand in the Gungahlin community for locally based vocational education and training through the CIT.

Productivity Places Program

(over 4 years)

Reducing skill shortages and increasing productivity through the training of existing workers.

NEW INFRASTRUCTURE FOR EDUCATION AND TRAINING

In 2010-11, substantial investment will be made into infrastructure to enhance capacity in the education and training sector to meet the growing needs of the city. Investment in new infrastructure includes:

– **Harrison High School – Second Gymnasium Court (\$2 million)**

A second gymnasium court and associated facilities to be built at the Harrison High School site will be used by students from the secondary school and the surrounding community.

– **Red Hill Primary School Expansion (\$5.3 million)**

An extension to existing buildings at the Red Hill Primary School will cater for increased enrolments and to allow the French Australian Preschool and Childcare Centre to remain at its existing location.

– **Design for Three New Schools (\$5.2 million)**

Two new primary schools at Molonglo and Bonner and an Early Childhood School in Franklin will be designed to support new Canberra suburbs and meet growing needs. The facilities will include high quality indoor and outdoor learning environments and provisions for special school programs catering for children from surrounding areas.

– **New CIT Learning Centre Tuggeranong (\$0.3 million)**

A feasibility study will be conducted into the expanding CIT learning and training services provided to the Tuggeranong community. The study will consider future needs and emerging space planning concepts for flexible education and training.

Works in Progress: Continuing Investment in Our Schools

The 2010-11 Budget provides \$175 million to continue major capital projects in schools. This funding includes:

- \$35.1 million for the new Gungahlin College, scheduled to open in January 2011;
- \$23 million for the new Kambah Preschool – Year 10 facility, scheduled to open in January 2011;
- \$28 million for the new Harrison High School, scheduled to open in January 2012;
- \$57.8 million for the National Partnership - Nation Building and Jobs Plan - Building the Education Revolution;
- \$11.4 million for infrastructure refurbishment in schools; and
- \$7.9 million for the Electrotechnology Program Relocation project.

COMMUNITY SAFETY AND JUSTICE

In the 2010-11 Budget, the Government will make further investments to enhance services and the **safety of the community** and provide access to a **fair and equitable justice** system for Canberrans.

Emergency Services Agency (ESA) - Ambulance Capacity Enhancement	(\$5.1 million over 4 years)
Increasing capacity and enhancing the capability of the ACT Ambulance Service to respond to calls.	
Expansion of Resources for Escort of Prisoners	(\$1.6 million over 4 years)
Providing for additional custodial officers to improve the management of escorted prisoners and remandees.	
Enhancement of Work Safety Regulation	(\$2.4 million over 4 years)
Supporting and enhancing work safety regulation capacity across the Territory, through the provision of high level occupational health and safety expertise, additional workplace safety inspections and asbestos coordination.	
Liquor Reforms for a Safer Community	(\$6.3 million over 4 years)
Improving public safety in Canberra's entertainment precincts, with an additional 10 police officers to inspect and ensure responsible service of alcohol practices are observed in licensed premises on weekends.	
Automated Number Plate Recognition Team	(\$4.1 million over 4 years)
Utilising the RAPID system to identify unregistered, uninsured and stolen vehicles and suspended or vehicles owned by unlicensed or suspended drivers. This includes establishment of a dedicated Policing team.	
District Court Jurisdiction Capacity	(\$1.6 million over 4 years)
Resourcing an intermediate District Court with additional temporary judicial resources to assist in transition to this new arrangement.	
Road Safety Measures – Enhanced Community Awareness	(\$1.0 million over 4 years)
Delivering enhanced road safety awareness campaigns and introducing new technology to improve the collection and analysis of road accident data.	
Youth Law Services	(\$0.8 million over 4 years)
Providing additional capacity to the Youth Law Centre	
Emergency Alert (National Emergency Warning System)	(\$0.6 million over 4 years)
Implementing the National Early Warning System, which delivers emergency warning messages to fixed-line and mobile telephones.	
Prohibition of Smoking in Outdoor Eating and Drinking Areas	(\$0.5 million over 4 years)
Implementing a ban on smoking in outdoor eating and drinking places from 1 December 2010. An additional inspector will provide for increased enforcement activities associated with this ban.	
Indigenous Liaison Officer	(\$0.2 million over 4 years)
Providing an Indigenous Liaison Officer in the Legal Aid Commission to foster links with the indigenous communities in the ACT, and reduce access barriers.	

NEW JUSTICE AND COMMUNITY SAFETY INFRASTRUCTURE

In 2010-11, a total of \$4.8 million will be spent on additional courtroom space and emergency services infrastructure to meet the needs of a growing Canberra. Investment in new infrastructure includes:

- **Additional Jury Courtroom**

Construction of jury court facilities in the Magistrates Court building.

(\$0.450 million)

- **Tidbinbilla Rural Fire Service Shed**

A new Tidbinbilla Rural Fire Service facility will ensure vehicles are housed securely and training and ablutions areas are satisfactory to enhance preparedness and response.

(\$0.6 million)

- **Mobile Data System**

A replacement mobile data system for the ACT Fire Brigade, Ambulance Service and Emergency Services Agency will ensure crews' timely access to information.

Works in Progress: Continuing development of Justice, Safety and Emergency Service Capacity

During 2010-11, a number of projects will be progressed to make our growing city a safer place to live. This Budget provides \$42.1 million over four years for the Justice and Community Safety portfolio.

Funding for projects continuing under the capital works program includes:

- \$14.2 million for the new police station at Belconnen to provide modern police facilities for the northside of Canberra;

- \$13.7 million to establish a new purpose built headquarters, workshop and logistic centre for the Emergency Services Agency, facilitating enhanced coordination;

- \$10.2 million for refurbishment of Emergency Services Agency Jerrabomberra and Rivers Sheds. These projects will ensure that vehicles are housed securely and office space and training areas meet service needs;

- \$2.0 million for the Forensic Medical Centre in Phillip. The facility will increase major disaster response capacity, provide improved amenities for grieving relatives; and

- \$2.0 million for the design for a new Supreme Court facility to ensure the Court continues to discharge its functions well into the future.

COMMUNITY SERVICES

Further support for **people in need** – including older Canberrans, the **homeless**, those with a **disability**, young people in the justice system, children who need care and protection and **families in need** of assistance.

Older Carers Respite Program	(\$1.7 million over 4 years)
Delivering 14,000 hours of respite support for 27 carers aged 65 years or older who are caring for people with disabilities each year.	
Support for Disability Services	(\$2.4 million over 2 years)
Investing in the sustainability of disability services provided by Disability ACT.	
Support for Out of Home Care	(\$5.7 million over 4 years)
Strengthening support for children and young people in out of home care on care and protection orders.	
Upgrade of Energy Concessions	(\$1.8 million over 4 years)
Increasing the concession provided to low income households for energy by an additional \$20 per year to \$214.87 in recognising of increasing costs of living.	
Early Childhood Reform	(\$1.5 million over 4 years)
Providing additional support for children and families through better coordinated services, intensive case management and implementation of national quality standards.	
Prevention of Violence Against Women	(\$2.0 million over 4 years)
Providing further support to women and children experiencing violence, including early intervention for children and young people experiencing violence in their family relationships.	
Community Based Autism Family Support and Coordination Service	(\$0.4 million over 4 years)
Supporting families with children with autism through a community based support worker to coordinate and maximise the effectiveness of available services.	
Carers Advocacy Service	(\$0.4 million over 4 years)
Streamlining access to services for carers in the community to assist them make better use of existing services and programs.	
Warehouse Circus Community Program	(\$0.070 million in 2010-11)
Supporting the delivery of circus skills and training for 'at risk' young people, including those with disabilities and from low income households.	
Bimberi Youth Justice Centre Operating Costs	(\$7.1 million over 4 years)
Providing additional funding for the operating costs of the Bimberi Youth Justice Centre to cater for additional young people in detention.	

A BUDGET FOR OUR GROWING CITY

NEW INFRASTRUCTURE TO SUPPORT COMMUNITY SERVICES

In 2010-11, a number of capital projects are being progressed or initiated to improve the lives of vulnerable members of our community. Initiatives in the 2010-11 Budget include:

– **Refurbish Early Morning Drop-in Centre in the City (\$0.750 million)**

Refurbishment of the Early Morning Drop-in Centre at Pilgrim House on North Street to support expanded operations. The refurbishment will double seating capacity for meals and provide full catering, kitchen facilities, administration and interview rooms, showers, toilets and laundry facilities.

– **Homelessness Initiative – A Place to Call Home (\$2.5 million)**

A Place to Call Home is a jointly funded ACT Government and Commonwealth initiative to reduce homelessness under the Homelessness National Partnership Agreement. The ACT Government provided \$2.5 million in 2008-09 to accelerate the program and deliver 10 dwellings in 2009-10.

Funding in this Budget, together with the balance of the Commonwealth Government contribution of \$3 million, provides for an additional 10 dwellings over the next three years to house homeless families or those at risk of homelessness.

– **Flynn Childcare Centre (\$4.0 million)**

Providing for the refurbishment of part of the former school site in Flynn, as a dedicated childcare centre accommodating 100 to 120 places.

Works in Progress: Continuing Investment in Social Infrastructure

During 2010-11, \$10.3 million is provided to continue a range of capital projects in the social services sector. This funding includes:

- \$1.5 million for the Tuggeranong 55 Plus Club;
- \$3.2 million for a third Child and Family Centre project under the National Partnership on Indigenous Early Childhood Development;
- \$0.4 million for the Forde Community Centre; and
- \$5.0 million for establishing Regional Community Facilities and Neighbourhood Halls.

CLIMATE CHANGE AND SUSTAINABILITY

Building on the significant work undertaken to date and focus on implementing **climate change** and **sustainability** initiatives and protecting **our environment**.

Increase in Renewable Energy Uptake	(\$1.3 million over 4 years)
Increasing the uptake of renewable energy across the ACT Public Service from 30 per cent to 32.5 per cent.	
Progressing Actions on Climate Change	(\$2.6 million over 4 years)
Providing for an emissions audit of all ACT Government agencies and the transition towards a carbon neutral ACT Public Service.	
Water Resource Regulatory Officer	(\$0.4 million over 4 years)
Progressing implementation of water licences in accordance with the Water Resources Act 2007 and appointing an additional Water Resource Regulatory Officer.	
Threatened Species Conservation	(\$1.3 million over 4 years)
Investing in programs to reintroduce species including Bettongs and Corroboree Tree frogs.	
Trial of Bulky Waste Annual Pick-Up	(\$1 million over 2 years)
Trialling a twelve month program to collect bulky waste, such as whitegoods, from households.	
Resource Recovery Market Development Officer	(\$0.3 million over 2 years)
Building capability in the commercial waste and recycling sector to assist in increasing the overall resource recovery rate to above 75 per cent.	
Implementation of the Strategic Bushfire Management Plan	(\$4.8 million over 4 years)
Building on existing efforts to ensure bushfire preparedness and safety through Version 2 of the Strategic Bushfire Management Plan.	
Tree Management in Stromlo Pines	(\$0.1 million)
Providing for effective fire fuel management at Stromlo Pines.	
Revegetation of Mt Painter Nature Reserve	(\$0.15 million)
Providing for new works to support rabbit control and revegetation initiatives at Mt Painter Reserve with local community groups.	
Wood Heater Survey and Educational Awareness Campaign	(\$0.1 million)
Researching the use of wood heaters in the ACT and options to encourage the use of less polluting systems.	

NEW INFRASTRUCTURE TO FOR CLIMATE CHANGE AND SUSTAINABILITY

In 2010-11, a range of initiatives have a strong focus on sustainability and reducing the ACT Government's carbon footprint.

The 2010-11 Budget reflects the Government's commitment to improving the sustainability of transport in the Territory. Investments of \$97 million in 2010-11 will help the reduce transport emissions by encouraging walking, cycling and public transport and improving road networks.

The 2010-11 Budget includes the following measures:

– ***Coombs – Water Quality Control Ponds (\$17 million)***

Two ponds in the new suburb of Coombs will address water quality improvement for runoff from new development areas in the Molonglo Valley, as well as runoff from Stromlo Forest Park and Stromlo Village. The ponds will also provide a source of non-potable water for irrigation.

– ***North Weston/Molonglo Stormwater Harvesting Scheme (\$5 million)***

Stormwater reticulation infrastructure from the North Weston Pond will enable the pond to provide non-potable stormwater to irrigate the sports and school grounds in Weston Creek, Coombs and Wright.

– ***Gungahlin – The Valley Ponds and Stormwater Harvesting Scheme (\$6.5 million)***

Three connected ponds and associated infrastructure, on Ginninderra Creek in Gungahlin will provide non-potable water for irrigation to meet local needs.

Works in Progress: Continuing Investment in Sustainable Infrastructure

During 2010-11, \$15.6 million is provided to continue major capital projects. This includes funding of:

- \$13.1 million to accelerate replacement of stormwater drains with wetlands, constructing two major wetland pond developments in North Canberra; and
- \$2.5 million for an effluent water processing plant to irrigate Exhibition Park In Canberra and reduce reliance on potable water for irrigation.

TOURISM, CULTURE AND SPORT

Investment in a range of activities, facilities and programs to further support the community and promote the **arts, sporting** and **cultural life** of the city.

New Gungahlin Library

(\$2.9 million over 4 years)

Expanding facilities, investing in new stock and improving Internet access at the new library.

Floriade Day and Floriade NightFest

(\$1.9 million over 4 years)

Supporting the future delivery of Floriade and the continuation of Floriade NightFest.

Australian Football League (AFL) Matches at Manuka Oval in 2010

(\$ 0.150 million in 2010-11)

Providing one pre-season game and one premiership season game of AFL in the ACT.

Performance Fee Agreements with Brumbies Rugby and Canberra Raiders

(\$2.9 million over 4 years)

Continuing support for the Brumbies and Canberra Raiders home games at the Canberra Stadium.

Supporting ACT Multicultural Communities

(\$0.2 million over 4 years)

Supporting emerging multicultural communities with language grants and activities for young people and refugees at risk of social isolation.

Traditional Owners Genealogy

(\$0.1 million over 2 years)

Compiling the genealogies and histories for each of the acknowledged traditional Indigenous families in the ACT.

Commissioning a Symphony for 2013

(\$0.1 million in 2010-11)

Commissioning a musical composition to be performed as part of the 2013 Centenary of Canberra celebrations

Non-Potable Water Projects

(\$0.3 million in 2010-11)

Securing the use of non-potable water for the Murrumbidgee and Yowani Country Clubs

ACT Film Investment Fund (Capital Investment)

(\$0.5 million in 2010-11)

Establishing an ACT Film Investment Fund to support Canberra's production industry.

A BUDGET FOR OUR GROWING CITY

NEW INFRASTRUCTURE FOR TOURISM, CULTURE AND SPORT

The 2010-11 Budget allocates \$14.2 million for new initiatives which provide Canberrans with increased opportunities to participate in sport and recreation. Initiatives in the 2010-11 Budget include:

- **Lyneham Precinct Redevelopment – Stage 3** **(\$4.2 million)**

Continued work on the Lyneham Precinct (Southwell Park) re-development to establish a central sporting hub for the community capable of hosting major sporting events.
- **Throsby Multisport Complex – Design** **(\$0.5 million)**

Design of a multisport complex in Throsby for Gungahlin residents will include outdoor playing surfaces for summer and winter sports, indoor sport and recreation spaces, and associated amenities such as lighting and change rooms.
- **Narrabundah Ball Park Facility Upgrade** **(\$1.1 million)**

The Narrabundah Ball Park upgrade will improve the quality of the playing surface, replace the lighting towers and fixtures, enhance the seating and provide a new electronic scoreboard.
- **Gungahlin Leisure Centre – Design** **(\$1.5 million)**

Design of a major recreational resource for the Gungahlin community will include swimming and aquatic facilities as well as indoor health and fitness spaces and associated amenities such as changing facilities, refreshment area and community spaces.
- **Gungahlin Wellbeing Precinct – Infrastructure** **(\$5 million)**

The Precinct will deliver essential infrastructure for the Gungahlin Wellbeing Precinct, including the Gungahlin Wellbeing Centre with the Valley Ponds project to provide a non-potable water supply for the precinct.

Works in Progress: Continuing Investment in Sport and Recreation Infrastructure

During 2010-11, \$16.3 million is provided to continue a range of sport and recreation infrastructure projects:

- \$3.8 million for Stage 2 of the Gungahlin Leisure Centre; and the Gungahlin Leisure and Sports Centre;
- \$6 million for Stage 1 of the Gungahlin Wellbeing Precinct;
- \$3.5 million for “Where We Play” – a strategic planning and consultation strategy;
- \$1.0 million for the Gungahlin Wellbeing Precinct;
- \$0.4 million for the Harris Park Community Centre;
- \$0.5 million for a New Baseline for the Gungahlin Wellbeing Precinct.

INVESTING IN INFRASTRUCTURE

The 2010-11 Budget builds upon the substantial infrastructure investments made by the Government over the past two Budgets.

The capital program continues to support jobs, growth of the economy, and boost the productive capacity of the Territory with the delivery of quality infrastructure to support the delivery of high quality services.

The total value of the New Capital Works Program is \$393.6 million over four years, including ICT infrastructure, and plant and equipment.

The Budget makes a cash allocation of around \$2 billion over the next four years.

Summary of 2010-11 Capital Program	Value \$'m	2010-11 \$'m			
Capital Works					
Feasibility Studies	9.4	7.1	1.5		
Forward Design	9.5	6.1	3.4		
Construction Projects	297.1	108.3	130.5		
Grants	1.4	1.4	0		
Capital Upgrades	45.2	45.2	0	0	
Plant and Equipment	6.9	3.5	2.0	1.3	
Information and Communication Technology	24.3	11.9	6.4	6.0	0
Sub-Total – 2010-11 New Works Program	393.6	183.4	143.8	59.5	6.9
Works in Progress	1,155.3	666.0	337.5		25.6
TOTAL 2010-11 BUDGETED WORKS	1,549.0	849.4	481.3	59.5	32.4
Unallocated Budget Provisions	432.5				8.9
TOTAL BUDGET INFRASTRUCTURE INVESTMENT CAPACITY	1,981.4				41.4

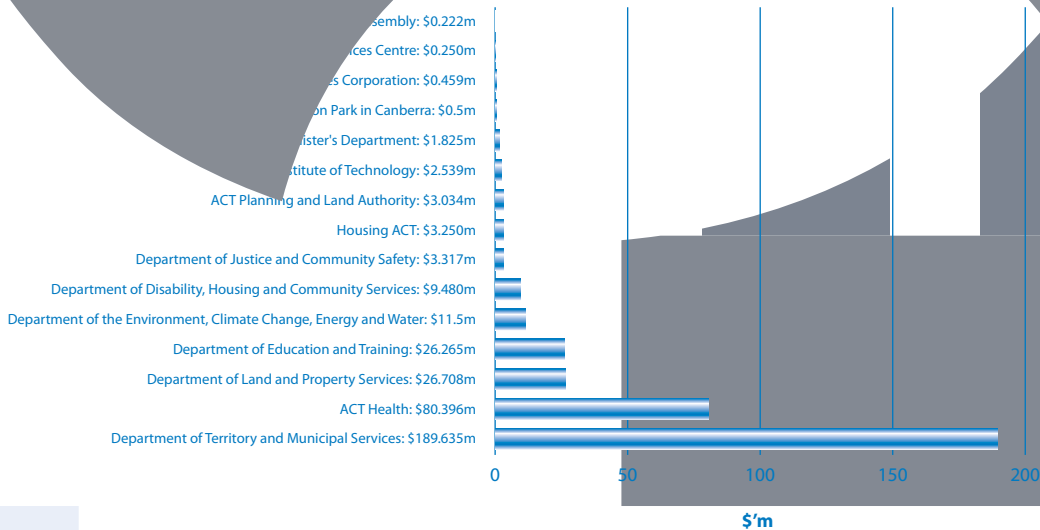
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A BUDGET FOR OUR GROWING CITY

Capital Works at a Glance

- Capital investment in new programs and projects of \$393.6 million over four years.
- Across the Budget and forward estimates there is:
 - \$297.1 million for new construction works;
 - \$18.9 million for feasibility and forward design projects;
 - \$45.2 million for capital upgrades expenditure in 2010-11;
 - \$1.4 million for capital grants;
 - \$24.3 million for new information and communication technology (ICT) initiatives, including \$12.5 million for a Real Time Passenger Information System as part of *Transport for Canberra*; and
 - \$6.9 million over three years for new plant and equipment initiatives.
- An estimated outcome of \$624.2 million for the 2009-10 Capital Works Program – more than double the previous record achieved by the Territory.
- Cash of \$849.4 million to be spent in 2010-11;
 - \$666 million related to works in progress from previous budgets.
- Additionally, \$490 million is provided for off-Budget works programs by ACTEW, LDA and Housing ACT for projects enhancing economic growth, social support and prosperity of the Territory.

Capital Works Program – New Works by Agency



REVENUE MEASURES

The Budget contains a number of non-taxation revenue measures.

Transport for Canberra – Parking Fees (\$30.8 million over 4 years) – The Budget includes investments which are aimed at encouraging more people to use alternative forms of transport, such as catching the bus, cycling or walking to work, which will also ease congestion and reduce some of the demand for parking in busy areas like the city and town centres.

Parking prices in the city and town centres will also be increased every year from 1 July 2010 to manage demand for parking and encourage alternative transport modes.

Increase to Fees under the Firearms Act 1996 (\$0.420 million over 4 years) – increased fees under the *Firearms Act 1996* will reflect indexation increases since 1998-99, when the fees were last set. The compounded Wage Price Index (WPI) 1998-99 is around 51 per cent. From 2011-12 onwards, fees will increase annually using WPI.

Revenue Waivers

The Budget incorporates two measures relating to the waiver of charges associated with planning and development.

Change of Use Charge – Extension of the Remission for Disused Service Stations (revenue forgone of \$0.950 million in 2010-11) – An incentive was provided in the 2009-10 Budget to encourage lessees to proceed with the development of closed service station sites across Canberra, with the applicable Change of Use Charge waived for those service stations that are not operating, and where a Change of Use Charge has not already been paid. This initiative will extend the remission until the end of the 2010-11 financial year.

Exempting Expanding GP Clinics from the Change of Use Charge (revenue foregone of \$0.450 million over 3 years) – This initiative complements and builds on the incentives available under the GP Development Fund to expand and alter GP clinics by providing a full remission of the Change of Use Charge to those GP Clinics which are recipients of support from the GP Development Fund.

Abolition of Taxes and Duties

Duty on the transfer of unlisted shares and marketable securities – is to be abolished in 2010-11 as agreed under the *Inter-Governmental Agreement (IGA)*.

Abolition of Duty on Caravans (revenue foregone of \$1.2 million over 4 years) – As of 1 July 2010, duty on the application to register, or to transfer registration on a caravan or camping trailer will be abolished.

Revenue Associated with Expenditure Initiatives

There are a number of new policy initiatives associated with improving regulation and compliance that will increase general revenue. These include:

- **Automated Number Plate Recognition Team (\$6 million over 4 years)** – the utilisation of the RAPID (Recognition and Analysis of Plates Identified) system will assist ACT Police to identify unregistered, uninsured and stolen vehicles, and also suspended or unlicensed drivers. Penalty fine revenue will also be increased under this initiative.
- **Working with Vulnerable People Checks (\$1.8 million over 4 years)** – an application fee will be charged allowing for the screening of people who work with vulnerable people in the ACT at three year intervals.
- **Liquor Reforms for a Safer Community (\$6.9 million over 4 years)** – responsible service of alcohol practices will be enhanced through an increased police presence in licensed premises on weekends. The cost of increased compliance will be recovered from the industry.
- **Water Resources Regulatory Officer (\$1.0 million over 4 years)** – additional revenue will be raised through the Commonwealth for the Water Access Entitlements (WAE) and through the application of the Water Abstraction Charge (WAC) for water extracted plus associated application and administration fees. Total revenue anticipated is a one-off \$357,000 for the purchase of 608 ML of WAE and annual revenue is received from the WAC.

Other

Change of Use Charge (revenue of \$68 million over 4 years) – revenue increases as the Territory receives an appropriate return from the grant of additional development rights to leaseholders, through requiring a site by site valuation to determine of Change of Use Charge, ensuring that any windfall gains from the grant of additional development rights are appropriately returned to the community.

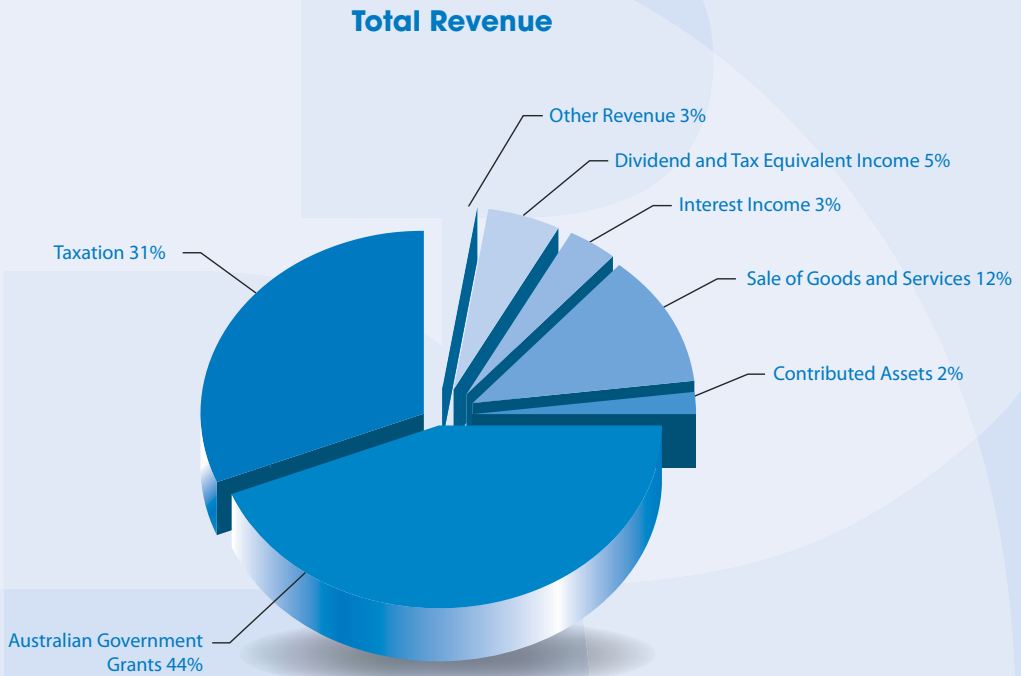
WHERE OUR MONEY COMES FROM

Total Revenue (\$3,667.8 million): 2010-11

General Government Revenue is projected to increase by 1 per cent in 2010-11.

Commonwealth Government grants revenue will decrease by 4 per cent to \$1.601 billion, this decline is mainly attributable to lower funding of the *Nation Building and Jobs Plan* during 2010 and reductions in GST Revenue associated with the Commonwealth Grants Commission's adjustment to the ACT's GST relativity from 1.27051 in 2009-10 to 1.15295 in 2010-11.

Taxation revenue will increase by 2.3 per cent to \$1.140 billion.



WHAT YOUR MONEY DELIVERS

Total Expenses (\$3,840.7 million): 2010-11

Approximately 47 per cent of the 2010-11 expenditure relates to employees' wages and superannuation. Functionally 55 per cent of total expenditure relates to the health and education portfolios (including vocational education).

Area of Expenditure	2010-11 \$ million
Health and Community Care	1,069.3
Government Schooling (including Early Childhood and Preschool Education)	543.9
Territory and Municipal Services (excluding Tourism, Environment, Sustainability and Land Management)	346.2
Disability and Community Services	238.9
Non Government Schooling	221.7
Housing	159.4
Environment, Sustainability and Land Management	145.1
Vocational Education and Training	143.7
Justice and Community Safety	141.9
Policing	140.2
Transport	111.8
Community Services	96.9
	95.0
	47.2
	34.5
	13.8
	10.9
Development	9.9
	6.5
	5.7
Total	3,582.5