



BUDGET

AUSTRALIAN CAPITAL TERRITORY

Canberra 2002

*Presented on 25 June 2002 by Ted Quinlan
Treasurer of the Australian Capital Territory*



PAPER N^o. 2 THE BUDGET AT A GLANCE

Guide to the Budget Papers

Structure and content of the 2002-2003 Budget Papers

The 2002-2003 Budget is presented in four budget papers.

Budget Paper No 1 – 2002-2003 Budget speech

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

Budget Paper No 2 –

The 2002-2003 Budget at a Glance

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

Budget Paper No 3 – Budget Overview

Contains summaries of the 2002-2003 Budget and forward estimates for the general government sector, the public trading enterprise sector and the total Territory Government. Details of the projected 2002-2003 Budget results are provided, as well as background information on the development of the 2002-2003 Budget, including consultations with the community, economic conditions, and intergovernmental financial relations.

The *Appropriation Bill 2002-2003* is appended.

Budget Paper No 4 – Budget Estimates

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

Shaping Canberra's Future

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CONTENTS

AN AGGREGATE SURPLUS OVER FOUR YEARS	5
A BUDGET IN SURPLUS	6
WHERE OUR MONEY COMES FROM	7
TAXES, FEES AND FINES	8
SHAPING CANBERRA'S FUTURE	9
WHAT YOUR MONEY DELIVERS	10
CAPITAL - IMPROVING CANBERRA'S FUTURE	11
HEALTH AND COMMUNITY CARE	13
EDUCATION	15
CHIEF MINISTER'S DEPARTMENT	17
<i>(INCLUDES COMMUNITY AND MULTICULTURAL,</i>	
<i>BUSINESS AND EMPLOYMENT, TOURISM AND SPORT AND RECREATION)</i>	
CHILDREN'S, YOUTH AND FAMILY SERVICES	19
JUSTICE AND COMMUNITY SAFETY	21
POLICING	22
URBAN SERVICES	23
TRANSPORT	24
ENVIRONMENT AND HERITAGE	25
ACTION BUS SERVICES	26
HOUSING	27
PUBLIC SERVICE CAPACITY	28
SUPERANNUATION – ON TRACK	29
ACT ECONOMIC OUTLOOK	29

AN AGGREGATE SURPLUS OVER FOUR YEARS

2002-03 Budget : General Government Sector

Total Expenses: \$2,197.3m

Up \$6.6m (0.3%) on the estimated outcome for 2001-02.

Total Revenue: \$2,203.0m

Up \$14.7m (0.7%) on the estimated outcome for 2001-02.

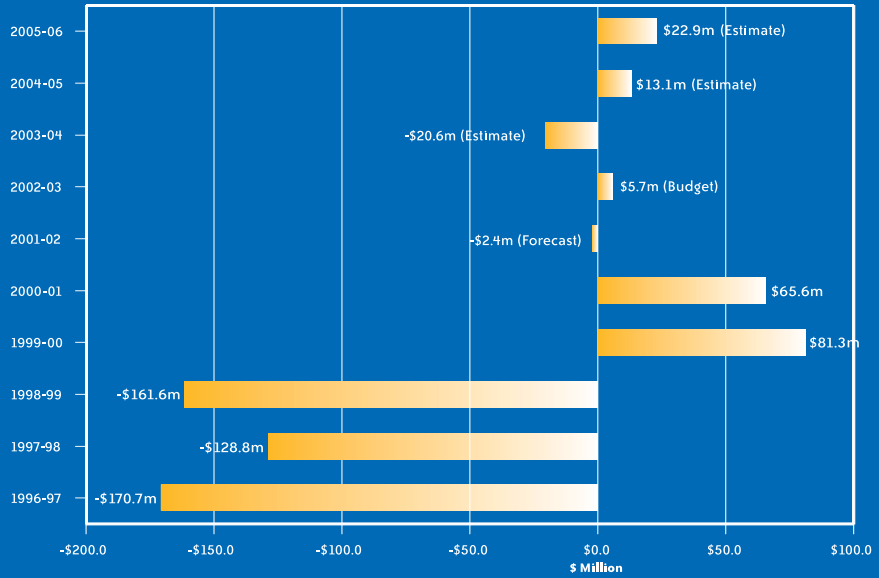
Operating surplus: \$5.7m

Up \$8.1m on the estimated outcome for 2001-02.

The 2002-03 Budget:

- an aggregate surplus of \$21m over four years, maintaining a strong budget position that retains the AAA credit rating.
- planning horizon of four years that recognises it is not always necessary to deliver surpluses every year without regard to what is happening in the broader context of the economy and the community.
- no new borrowings.
- no new major assets sales.
- an innovative education and training system delivering participative, inclusive, programs that support life long learning.
- efficient, effective and accessible health services delivery, responsive programs and services to people in hospitals and the community.
- sustainable redevelopment within inner Canberra, particularly in the centre and on transport corridors to protect the garden city/bush capital image.
- balanced land supply and use, sustainable transport systems and quality municipal services.
- enhancing growth in the diversity of economic enterprises with greater opportunities for meaningful employment and for individuals to achieve a better standard of living.
- ensuring our criminal justice system is based on human rights principles which protect the community, support victims, treat accused persons justly and provide offenders with the opportunity for rehabilitation and reintegration.

General Government Sector Operating Result



A BUDGET IN SURPLUS

The operating result has moved from an estimated deficit of \$2.4m in 2001-02 to an estimated surplus of \$5.7m in 2002-03.

The operating result across the Budget and forward estimates is an aggregate \$21.2m. The strategy of a balanced budget across the forward estimates ensures the Territory lives within its means while providing essential community services and investing in both social and physical infrastructure.

WHERE OUR MONEY COMES FROM

2002-03 Revenue

Taxes, Fees and Fines: \$658.4m

Forecast to increase by \$0.2m, representing a mixture of the slowdown in building activity and a forecast decline in property turnover over the next two years offset by the introduction of several revenue initiatives.

Commonwealth Grants: \$1,002.9m

An increase of \$9m (0.9%), partially driven by increases to GST revenue, hospital funding and non-government schools.

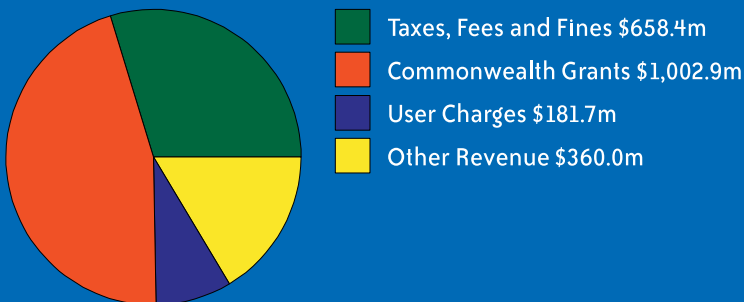
User Charges: \$181.7m

User charges are expected to decrease by \$2.8m (1.5%) in 2002-03. User charges represent revenues generated from the sale of goods and services to customers.

Other Revenue: \$360.0m

Other revenues include items such as dividends from Territory Owned Corporations, revenue from associates and joint ventures and land sales and investment returns. This revenue is forecast to increase by \$8.3m (2.4%) from the 2001-02 estimated outcome.

2002-03 Government Revenue



TAXES, FEES AND FINES: *A responsible budget*

Taxes, fees and fines represent 30% of the Territory's total revenue.

Several revenue initiatives have been introduced in this Budget to compensate for a declining taxation base resulting from the slowdown in building activity. The introduction maintains capacity to invest in the services at the level the community deserves.

Exemption of Public Liability Insurance Duty

The Government is working with other jurisdictions to find national solutions to the current insurance crisis. In the interim, this initiative exempts ACT not-for-profit, amateur sporting, and community bodies from paying public liability insurance duty on public liability insurance premiums.

Motor Registration Fees (\$3.9m)

Fees will be increased by an average of \$26 per registration to maintain alignment with fees charged in NSW.

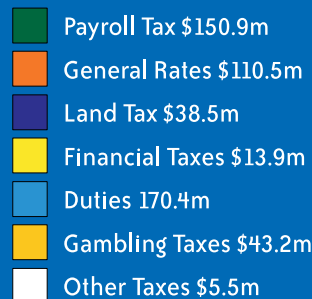
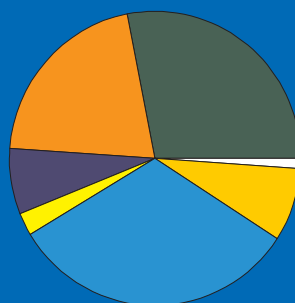
Red Light and Speed Cameras (\$1.4m)

Speed / red light cameras were installed, during 2001-02, at street intersections with a high record of serious crashes. The full year impact of those installations is expected to be realised in 2002-03.

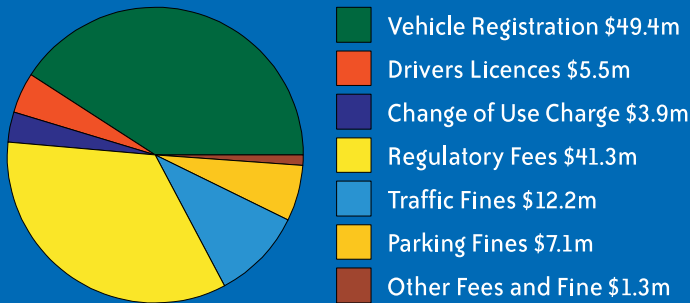
Waste Pricing Strategy (\$1.6m)

The aim of this initiative is to develop a pricing system encouraging reuse and recycling of waste products by quantifying a range of economic and environmental costs which are directly attributable to waste disposal in the ACT.

Taxes: \$533m



(Does not include tax waivers of \$4.7m)
Note: Totals may not add due to rounding.

Fees and Fines: \$120.7m

SHAPING CANBERRA'S FUTURE

The Government has a vision of Canberra as a strong, confident and prosperous community asserting its place in the country's affairs as the national capital that:

- is inclusive of all Canberrans;
- is prosperous, progressive, skilled and creative;
- is cohesive, fair, tolerant and optimistic;
- is committed to protecting the vulnerable and supporting those in need; and
- gives its children every opportunity to realise their potential.

To achieve this vision, the Government has established the following spending priorities:

- *Education and Training*: to ensure that all Canberrans are well-educated, resilient, optimistic and life-long learners;
- *Health*: to facilitate access, particularly for those in the greatest need, to quality, integrated and proactive public health, disability, housing and community services;
- *Planning*: to engender a strategic, integrated vision for a sustainable and attractive national capital;
- *Sustainability*: to preserve and maintain a community belief in fairness and equity, support for those in need and respect for cultural heritage and the natural environment;
- *Economic Growth*: to actively foster a diversity of economic activity and development in an environment where business can flourish;

- *Community Engagement and Safety*: to encourage a vibrant, diverse, safe and just environment that encourages all community members to participate in any community activity or decision making process; and
- *Public Service Capacity*: to ensure the ACT Public Service has the respect, confidence and means to undertake its vital role to assist Government in achieving its vision.

WHAT YOUR MONEY DELIVERS

Total Expenses	2002-03 Budget
Health and Community Care (including The Canberra Hospital and ACT Community Care)	\$501.4m
Government Schooling	\$334.7m
Urban Services (excluding Transport, Housing and Environment and Heritage)	\$269.1m
Justice and Community Safety	\$112.2m
Non-government Schooling	\$110.7m
ACT Housing	\$90.9m
Policing	\$79.4m
Chief Minister's (including Business and Employment)	\$76.0m
Canberra Institute of Technology	\$72.7m
ACTION	\$68.3m
Children's , Youth and Family Services	\$66.4m
Treasury (including the administration of the GST)	\$43.5m
Environment and Heritage	\$24.6m
Legislative Assembly	\$8.8m
Executive	\$3.2m
Auditor-General	\$2.9m

CAPITAL – IMPROVING CANBERRA'S FUTURE

The total value of the new capital works program in 2002-03 is \$91m.

Funding of \$141.4m is provided for capital works projects in 2002-03. This comprises \$55.9m for new works and \$85.4m for works-in-progress.

In addition, \$7.45m will be provided in 2003-04 and 2004-05 for the Canberra Medical School.

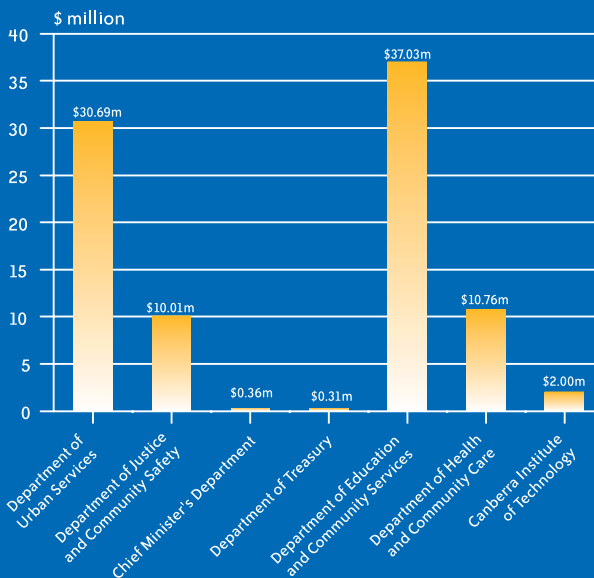
A further \$50m has been included in a planning provision for a new Remand Centre.

The 2002-03 new capital works program supports:

- **Health and Hospital Services**

- refurbishment of the emergency department at The Canberra Hospital (\$3.200m);
- upgrade of the emergency department diagnostic and observation unit at Calvary Hospital (\$1.770m);
- restoration of roof decking at Calvary Hospital (\$1.915m);
- upgrade of the security system at the Canberra Hospital (\$0.900m);

Capital Works by Department 2002-03



- refurbishment of the Paediatrics Unit at the Canberra Hospital to accommodate the Canberra Children's Hospital (\$0.700m); and
- feasibility study for the Canberra Medical School (\$0.070m).
- **Education and Training for the future**
 - construction of a new primary school in the Gungahlin area (\$8.592m);
 - construction of a new high school in the Gungahlin area (\$19.955m);
 - modifications and upgrades of older schools within the ACT (\$2.5m); and
 - the provision of transportable classroom units (\$1.880m).
- **Transport Infrastructure**
 - traffic congestion and road safety improvement program (\$34.4m);
 - Anthony Rolfe Avenue road works (\$3.8m);
 - Horse Park Drive road works (\$1.6m); and
 - provision of On-Road Cycling – Woden to Dickson (\$2.5m).
- **Urban Parks and Local Centres**
 - local shopping centre and precinct refurbishments (\$2.5m);
 - playground safety program (\$1.4m); and
 - Hobart Place refurbishment (\$0.550m).
- **Enhanced Cultural and Arts Facilities**
 - local library refurbishment and upgrades (\$0.885m).
- **Community Facilities and Services**
 - sport and recreation (\$1.935m); and
 - children's, youth and family services (\$1.3m).
- **Additional Environmental Conservation and Waste Management**
 - Mugga Lane Landfill – new disposal trench (\$2.4m).
- **Enhanced Legal, Justice and Emergency Services**
 - Woden Police Station (\$5.0m); and
 - upgrade of the Symonston Periodic Detention Centre to a Temporary Remand Centre (\$3.1m).

HEALTH AND COMMUNITY CARE

2002-03 Total Expenses: \$501.4m

An increase of \$19.1m from the 2001-02 Estimated Outcome

2002-03 Budget Highlights

Nursing Payrise (\$11.791m) – additional funding to improve the pay and working conditions of the Territory’s nursing workforce, thereby attracting and maintaining the highest possible standard of health professional care. This initiative will support and improve both hospital and community-based health services.

Funding for the Pressures at The Canberra Hospital (\$8.7m) – increased funding to accommodate emerging cost pressures, and continue to provide efficient and high quality hospital services to the community.

Disability Services (\$2.5m) – addressing a particular area of significant unmet need within the community, by provision of greater care and disability support services to people with complex needs and their families, and a more integrated approach amongst service providers.

Growth in Throughput at The Canberra Hospital and Calvary Public Hospital (\$1.264m) – increasing the capacity of both public hospitals to treat the acute medical and surgical requirements of inpatients.

Respite Care (\$1.0m) – expanding the number and range of respite care services available to meet the growing demand amongst the aged, disabled and mentally ill, together with their families and carers.

HACC Matching Funds (\$0.629m) – additional funding for support services to assist the Territory’s less able residents maintain their independence within the community.

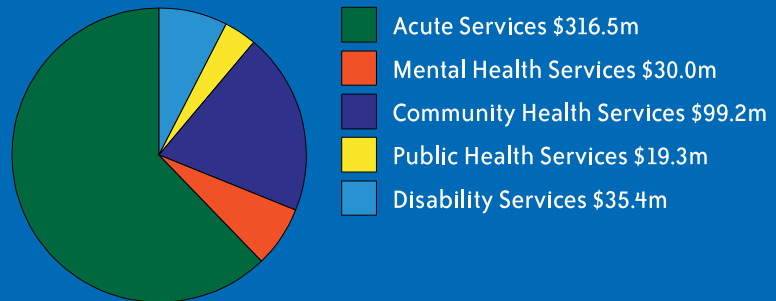
Convalescent Care (\$0.6m) – additional acute and transitional convalescent care for people recovering from serious hospital treatment.

CALCAM Adolescent Mental Health Day Program (\$0.5m) – supporting 12-18 year-olds with mental illnesses in their transition from intensive residential-based care to less regulated home and school-based programs.

THE 2002-03 HEALTH AND COMMUNITY CARE BUDGET WILL FUND...

- Hospital treatment for 60,700 inpatients and 210,350 outpatients;
- 90% of one year old children receiving the primary immunisation schedule;
- 155,000 mental health occasions of service;
- 8,314 respite centre-based number of bed nights; and
- breast cancer screening for 12,900 women.

Health and Community Care



Child and Adolescent Mental Health Services Enhancement Package

(\$0.466m) – extra funding to provide additional health professionals to increase the range and capacity of the ACT Child and Adolescent Mental Health Service.

Psychogeriatric Care (\$0.300m) – enhancing the capacity of existing residential facilities in the ACT to care for clients with dementia related challenging behaviours.

Synthetic Blood Products (\$0.450m) – improving the safety, quality and supply of blood and blood products available for medical treatment within the ACT.

Indigenous Youth Alcohol and Drug Project (\$0.170m) – providing specific and targeted culturally sensitive detoxification support services for the Territory's indigenous youth.

Expanded Haematology Services (\$0.250m) – expanding haematology services to provide more comprehensive services for ACT cancer patients.

Pharmacotherapy Subsidy (\$0.130m) – increased funding to pharmacists supporting the ACT methadone and other drug treatment schemes to relieve the cost pressures associated with increasing demand placed on these programs.

Extension of Canberra Midwifery Program (\$0.100m) – increasing the range of care options available and number of patients supported by the program in response to the growing community demand for midwifery-led care.

EDUCATION

Government Schooling

2002-03 Total Expenses: \$334.7m

An increase of \$4.6m from the 2001-02 Estimated Outcome.

2002-03 Budget Highlights

Reduction in Year 3 Class Sizes (\$2.222m) – improving educational outcomes for primary school students by extending current class size reduction efforts to incorporate a maximum of twenty-one students per year 3 class.

High School Development (\$0.500m) – assisting high schools to plan and develop educational programs and curriculum that engages and responds to the emerging needs of adolescents and their communities.

Laptops for Teachers Program (\$0.420m) – enabling government schools to provide teachers with quality mobile computing options.

Schools IT Capacity Upgrade (\$0.355m) – improving student and teacher access to up-to-date and reliable information technology, together with administrative systems, by upgrading government schools IT infrastructure.

Enhanced Indigenous Support Program (\$0.190m) – improving literacy and numeracy amongst indigenous students, through better training for staff working with indigenous young people.

Inquiry into Education Funding (\$0.150m) – additional resources allowing the Inquiry into ACT Education Funding to complete their review. The review will make recommendations on where education resources would be best allocated to meet the needs of both government and non-government students.

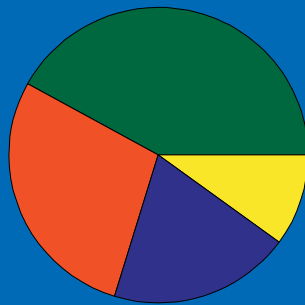
Review of Counselling Services (\$0.100m) – examining current school counselling services and developing a future plan which incorporates a range of different strategies critical to the delivery of counselling services in schools.

Review into Careers Advice for Schools (\$0.100m) – improving existing careers advisory and vocational education services to better prepare and assist students with their transition from school into the workforce.

THE 2002-03 EDUCATION BUDGET WILL FUND...

- education places for approximately 36,100 students in 94 government schools;
- special needs education services for 1,464 students including 285 in 4 special schools and 1,179 in mainstream schools;
- 55 new teachers over two years to reduce year 3 sizes; and
- over 5,000,000 annual students curriculum hours provided by the Canberra Institute of Technology and other vocational education training providers.

Government Schooling



- Government Primary School Education \$141.2m
- Government High School Education \$94.1m
- Government Secondary College Education \$66.2m
- Government Special Education \$33.2m

Non-Government Schooling

2002-03 Grants to Non-Government Schools: \$110.7m

An increase of \$6.4m from the 2001-02 Estimated Outcome

2002-03 Budget Highlight

IT Grant to Catholic Systemic Schools (\$0.250m) – increased funding to upgrade and expand the information technology capabilities of Catholic systemic schools and thereby improve IT learning experiences for students and teachers.

Canberra Institute of Technology

2002-03 Total Expenses: \$72.7m

An increase of \$1m from the 2001-02 Estimated Outcome

CHIEF MINISTER'S DEPARTMENT

2002-03 Total Expenses: \$76.0m

An increase of \$6.5m from the 2001-02 Estimated Outcome.

2002-03 Budget Highlights

Community Engagement and Safety

Aboriginal and Torres Strait Islander Cultural Centre (\$0.120m) – ongoing support to assist the Centre in their efforts to help the ACT's Aboriginal and Torres Strait Islander communities celebrate their unique and vibrant cultures.

Aboriginal and Torres Strait Islander Family Violence Prevention (\$0.060m) – developing and implementing alternative intervention strategies for Aboriginal and Torres Strait Islander families experiencing family violence.

Support for Community Language Schools (\$0.050m) – assisting these schools meet increased operating costs and continue the support they provide to Canberra's multicultural communities.

Support for Multicultural Community Radio (\$0.100m) – assisting broadcasters to continue provision of radio programming consistent with the needs, interests and languages of the Territory's multicultural communities.

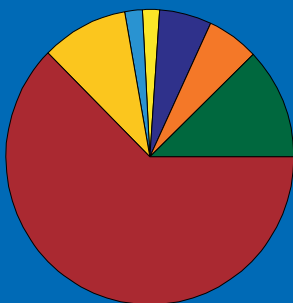
Sustainability

Office of Sustainability (\$0.375m) – developing a whole-of-government framework to encourage greater focus and address the emerging issue of sustainability.

Economic Growth

Knowledge Fund (\$1.5m) – establishing a fund to support the development of knowledge-based initiatives and business opportunities for companies and other ACT institutions.

Chief Minister's Department



Conversion of the ACT Government Business Gateway (\$0.461m) – upgrading and improving the functionality of the www.business.act.gov.au site.

ICT Centre of Excellence (\$0.300m) – a financial assistance package to help establish an ACT division of the National ICT Australia Centre of Excellence.

Small Business Employment Ready (\$0.250m) – creating jobs by assisting prospective employers understand employment laws and overcome barriers associated with employing additional staff.

National Capital Education Tourism Project (\$0.200m) – continuing support to allow this innovative and successful program to continue attracting schools to visit the ACT, as part of their curriculum.

CHILDREN'S, YOUTH AND FAMILY SERVICES

2002-03 Total Expenses: \$66.4m

An increase of \$2.4m from the 2001-02 Estimate Outcome.

2002-03 Budget Highlights

Sustainability

Substitute Care Demand Increase (\$1.545m) – additional funding to meet the growing costs associated with increasing complexity and demand for substitute care.

Youth Services in Northern and Western Suburbs of Belconnen (\$0.151m) – reducing anti-social behaviour and family breakdown by providing more flexible and responsive support and case management services, together with other leisure activity options for young people in the West Belconnen area.

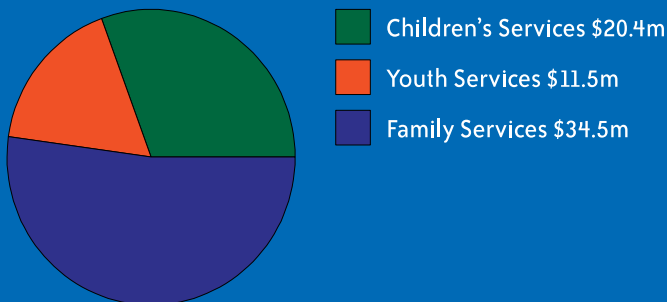
Emergency Childcare Places in Occasional Care (\$0.103m) – providing vulnerable families with ten additional short-term emergency childcare places.

ParentLink (\$0.100m) – connecting parents from special needs groups with a broad range of parenting advice, guidance and community support services.

Community Engagement and Safety

Youth InterACT (\$0.154m) – providing a consultative forum that encourages the Territory's youth to contribute their ideas and opinions on the issues facing young people today, and facilitates greater youth participation in our community.

Child, Youth and Family Services



THE 2002-03 CHILDREN'S, YOUTH AND FAMILY BUDGET WILL FUND...

- education for approximately 3,700 preschool children at 80 preschools;
- family services ability to follow up on an estimated 2,800 suspected instances of child abuse;
- concessions of \$21.3m to low income earners for core services including public transport, electricity, water and sewerage and rates; and
- early intervention programs for 350 children with developmental delays and disabilities.

JUSTICE AND COMMUNITY SAFETY

2002-03 Total Expenses: \$112.2m

A decrease of \$0.9m from the 2001-02 Estimated Outcome.

2002-03 Budget Highlights

Community Engagement and Safety

Operational Costs of the Upgraded Periodic Detention Centre to a Temporary Remand Facility (\$1.739m) - providing additional remandee capacity and staff at the upgraded Symonston facility.

Ongoing Design and Construction of the ACT Remand Facility (\$1.256m) – enabling the continued planning and design of a new ACT Remand Centre.

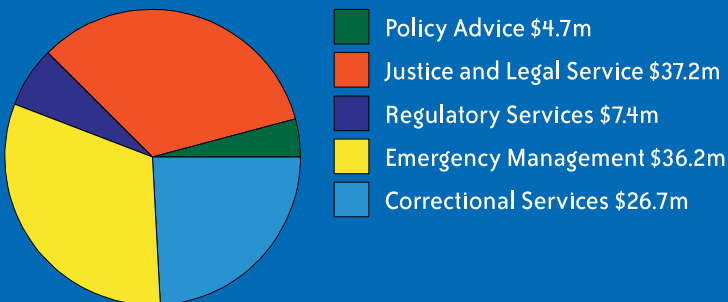
Upgrade of Emergency Services Communications System (\$0.790m) – upgrading and replacing the Emergency Service Bureau’s existing ambulance and emergency services vehicle radio equipment with mobile information and automatic vehicle location technology.

Sentence Administration Board (\$0.585m) – replacing the former Parole Board, and improving the effectiveness and efficiency of administering prison sentences through increased awareness and recognition of the victims as part of the criminal justice system.

ACT Consumer Law Centre (\$0.103m) – improving awareness and protection of consumer rights through the establishment of a dedicated community-based service.

Bill of Rights (\$0.089m) – continuing the work of the committee to examine community views and make recommendations on a suitable format for such a Bill or Charter in the ACT.

Justice and Community Safety



THE 2002-03 JUSTICE AND COMMUNITY SAFETY BUDGET WILL FUND...

- the listing of 91,000 hearings before the Magistrates and Supreme Courts;
- 4,500 clients seeking services from the Human Rights Officer;
- emergency services attending 33,200 call outs including 22,800 by the Ambulance Service and 10,000 by the Fire Brigade; and
- the detention of an average of 150 prisoners and 70 remandees per day.

POLICING

2002-03 Policing Expenses: \$79.4m

An increase of \$2.8m from the 2001-02 Estimated Outcome

2002-03 Budget Highlights

Sustainability

Increase in Police Numbers (\$0.678m) – this forms part of the Government's commitment in relation to the provision of 20 additional police positions. Funding rises to \$1.9m by the third year to provide 20 additional police.

This will also enable the establishment of a DNA Coordination Unit so that ACT policing can capitalise on the application of this powerful technology to crime investigations.

THE 2002-03 POLICE BUDGET WILL FUND...

- more than 750 police personnel;
- response to more than 78,000 incidents; and
- 63% of priority one incidents responded to within 8 minutes.

URBAN SERVICES

2002-03 Total Expenses: \$269.1m

An increase of \$31.1m from the 2001-02 Estimated Outcome.

2002-03 Budget Highlights

Planning

PALM Planning Initiatives (\$1.830m) – establishing a range of community planning and administrative initiatives including an Independent Planning Authority, Community Advisory Panels, a secretariat for all Neighbourhood Planning Groups, and a Planning Appeals Tribunal.

Strategic Planning Framework and Strategic Spatial Plan for the ACT (\$0.350m) – developing an integrated spatially-based plan for the future development of Canberra.

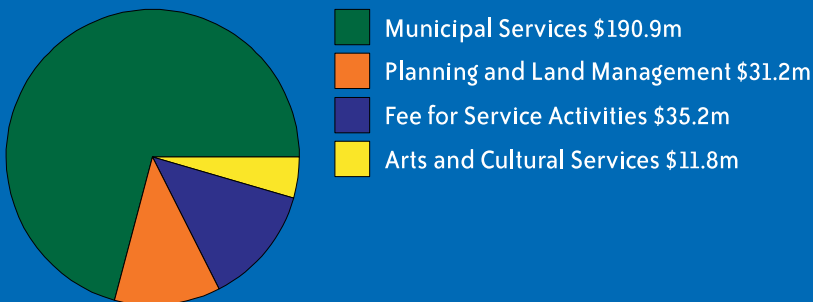
Community Engagement and Safety

National Institute of Arts (\$0.800m) – combining and building on the range of services provided by the Canberra School of Music and Art to the ACT community.

Arts – Other Initiatives (\$0.350m) – increasing support for a number of local arts organisations, including assistance to meet increased operational costs associated with operating these arts facilities.

Arts Facilities Repairs and Maintenance (\$0.160m) – boosting the funds available to maintain a number of the ACT's older and heritage listed arts facilities.

Urban Services



THE 2002-03 URBAN SERVICES BUDGET WILL FUND...

- household waste services to 125,000 households;
- the maintenance of 5,582 hectares of open space, 460 playgrounds and 14 lakes and ponds;
- the development of 41 plans, including section, local centre, group centre, town centre and other master plans and neighbourhood urban design plans;
- the delivery of 3 cultural programs; and
- public access to 95,000 hours of internet terminal use.

TRANSPORT

2002-03 Total Expenses: \$67.1m

An increase of \$1.3m from the 2001-02 Estimated Outcome.

2002-03 Budget Highlights

Sustainability

Belconnen and Tuggeranong Parking (\$0.288m) – encouraging the use of alternative means of transport to the private car through the introduction of pay parking in both areas consistent with other town centres.

Planning

Sustainable Transport – An integrated Transport Strategy for Canberra (\$0.300m) – developing a long-term plan to service the transport needs of the ACT community through to 2020.

THE 2002-03 TRANSPORT BUDGET WILL FUND...

- public bus transport passenger boardings of 16.2 million;
- 61,600 vehicles inspected.

ENVIRONMENT AND HERITAGE

2002-03 Total Expenses: \$24.6m

An increase of \$0.6m from the 2001-02 Estimated Outcome.

2002-03 Budget Highlights

Sustainability

Nature Conservation (\$0.500m) – extra resources to assist the ACT Parks and Conservation Service develop and implement an integrated nature conservation plan and related environmental education program.

Solar Hot Water Rebate (\$0.373m) – encouraging Canberrans to convert to environmentally friendly solar hot water by providing rebates to households who purchase solar hot water heaters.

Eradication Program for the Red Imported Fire Ant (\$0.264m) – contributing to the national program to eradicate the red imported fire ant.

State of the Environment Report (\$0.125m) – examining and reporting on the current state of the ACT environment and related emerging issues and concerns.

THE 2002-03 ENVIRONMENT AND HERITAGE BUDGET WILL FUND...

- continuation of the recycling efforts of the ACT community;
- promotion of an increased environmental strategy through introduction of solar hot water incentives;
- continuation of the eradication program for the red imported fire ant;
- delivery of a helpline, website and environment information centre services;
- delivery of weed control programs; and
- delivery of bushfire management services.

ACTION BUS SERVICES

2002-03 Total Expenses: \$68.3m

A decrease of \$0.3m from the 2001-02 Estimated Outcome.

Government funding of \$50.6m to ACTION provides for:

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

2002-03 Budget Highlights

Sustainability

An extra \$46.8 million will be invested in Public Transport over five years. Public Transport is critically important to Canberra's social and economic future. The Government is committed to getting people out of cars and onto public transport, in any of its forms.

- Single Zone Fares (\$8.800m)
- Base Funding (\$18.017m)
- Bus Replacement Program (\$17.200m)
- Bus Door Safety Initiative (\$1.300m)
- Radio Communications (\$1.500m)

HOUSING

2002-03 Total Expenses: \$90.9m

An increase of \$3.5m from the 2001-02 Estimated Outcome.

Government funding to ACT Housing in 2002-03 totals \$27.4m. As well, ACT Housing receives revenue from rent totalling \$54.4m.

Over 11,000 public housing tenancies are managed by ACT Housing.

2002-03 Budget Highlights

Sustainability

There will be an expansion in 2002-03 of the ACT's community housing sector. The Budget allocates \$3m for progressing the recommendations of the Affordable Housing Taskforce (due to report in October 2002).

Expansion of Community Housing (\$0.150m) – identifying new initiatives to expand the number and range of affordable housing options within the ACT.

Ainslie Village (\$0.500m) – increasing funding to repair and maintain Ainslie Village.

Indigenous Housing (\$0.350m) – developing better access and wider housing options for Indigenous peoples within the ACT.

PUBLIC SERVICE CAPACITY

Investing in the Public Service – the staff and the infrastructure – to meet the community’s expectations of the public service is a key outcome of this Government.

2002-03 Budget Highlights

Management Infrastructure Review Project (\$7.482m) – developing and implementing a new whole-of-government Human Resource Management System to replace the out-dated existing system and related practices across the ACT Public Service.

Whole-of-Government Oracle Budget Initiative (\$6.409m) – a major upgrading of the whole-of-government ‘Oracle Government Financials’ financial management and reporting systems.

Acquisition of Enterprise Server (\$3.250m) – upgrading the capacity of the computer hardware platform used to host whole-of-government software applications to handle expanded existing and future requirements.

Development of Leasing, Asset and Billing System (\$0.724m) – developing and implementing an integrated procurement, management, billing and tracking system for ACT Government IT equipment.

Strengthening Financial Management (\$0.600m) - strengthening financial management, analysis and accountability.

Government Solicitor’s Office Increased Workload (0.264m) - addressing increased workloads experienced within the Property and Commercial, and Litigation areas of the Government Solicitor’s Office.

SUPERANNUATION – ON TRACK

The budget continues the strategy for meeting the Territory's superannuation liabilities. This includes achieving a 90% coverage of the liability by 2039-2040. Key initiatives include:

- additional capital injections of \$86m over the budget and forward estimates period to offset the losses experienced in 2001-02;
- an increase in the funding level of superannuation liabilities from 68% at the end of 2001-02 to 74% in 2005-06;
- implementation of strategies to minimise risks to superannuation investments; and
- the appointment of a risk management adviser to ensure best practice management of Territory's financial assets and liabilities.

ACT ECONOMIC OUTLOOK

Looking ahead

The outlook for the Australian economy remains positive, with growth of between 3 and 4 per cent expected over the next few years. A large part of the expected growth is likely to come from increasing business investment as Australian firms respond to growing demand from overseas and steady domestic demand.

Key Indicators

(percentage change on previous year)

	2001-2002 Forecast	2002-03 Forecast	3 year planning assumptions 2003-04 to 2005-06
Gross State Product	3.0	3.1	3.0
Employment Growth	0.0	1.0	1.2 to 1.0*
Consumer Price Index	2.75	2.75	2.5
State Final Demand	4.1	2.8	2.9 to 3.6**
Population	0.8	0.8	0.9

* employment growth is 1.2% in 2003-04 and 1.0% in 2004-05 and 2005-06

** state final demand is 2.9% in 2003-04 and 3.6% in 2004-05 and 2005-06

Further information: Budget Paper 3, Chapter 4.1