



Trade &
Investment

ANNUAL REPORT

2012–13



Department of Trade and Investment, Regional Infrastructure and Services



Trade & Investment

Office of the Director General

The Hon Andrew Stoner, MP
Deputy Premier
Minister for Trade and Investment
Minister for Regional Infrastructure and Services
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Deputy Premier

Department of Trade & Investment, Regional Infrastructure & Services Annual Report 2012–13

In accordance with the *Annual Reports (Departments) Act 1985*, the *Public Finance and Audit Act 1983*, and the Regulations under these Acts, I am pleased to submit to you as the Department's co-ordinating Minister, the 2012–13 Annual Report of the New South Wales Department of Trade and Investment, Regional Infrastructure and Services, for tabling in Parliament.

The document reports on the achievements for the past year against the outcomes articulated in the Department's *Strategic Plan 2012–15*. These achievements were made possible by the willingness and commitment of staff and I would like to take this opportunity to thank them for their dedication and hard work. I also thank the senior management team for the leadership and direction they have provided throughout the year.

Yours sincerely

Mark I Paterson AO
Director General

31.10.13

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DIRECTOR GENERAL'S REPORT

The year to 30 June 2013 was a period of substantial policy achievement for NSW Trade & Investment. The department continued to lead or co-lead the delivery of six goals in the Government's *NSW 2021 – A Plan to Make NSW Number One (NSW 2021)*. These goals included improving the performance of the NSW economy and driving economic growth in regional New South Wales. They also included enhancing cultural, creative, sporting and recreation opportunities.

The *NSW Trade & Investment Strategic Plan 2012–2015* reflects the department's responsibilities under NSW 2021. The plan articulates the department's vision and values, key results and intended outcomes, together with strategies to achieve those outcomes. The plan assisted NSW Trade & Investment in supporting the NSW economy's growth during 2012–13.

During the year, we developed and delivered a number of high profile, high impact initiatives that will make a positive difference to the lives of the people of New South Wales. I am immensely proud of the efforts of the department's staff throughout the year that helped make this possible.

Industry, innovation and investment

In 2012–13 the department helped to deliver a range of investment and export projects for New South Wales. These projects are forecast to deliver \$1.7 billion of new investment and export sales and over 3700 jobs over the next three years.

Work also continued on a number of Industry Action Plans to position key NSW industry sectors for future success. The department supported industry-led taskforces in the development of these plans. Ten-year plans were delivered during the year for six industry sectors: the digital economy; manufacturing; international education and research; professional services; creative industries; and the visitor economy.

During 2012–13 NSW Trade & Investment helped to prepare Government responses to all of these plans. While undertaking this work, we identified a number of broad guiding principles common to each Industry Action Plan. The department used these principles to develop *A Platform for Growth: the NSW Economic Development Framework*. This framework will now guide implementation of the various Industry Action Plan recommendations. The framework identifies 40 priority actions that will be reviewed annually at a Business Leadership Forum. The first forum was held in September 2013.

The framework represents a new focus on capability building, innovation and collaboration across the NSW economy. It aims to make it easier to do business in New South Wales and to position industry for long-term global competitiveness through innovation and productivity. The framework is built on five key principles: demonstrating leadership, making it easier to do business, collaborating to drive innovation and competitiveness, investing in critical infrastructure, and raising the global profile of Sydney and New South Wales.

Another key part of the department's economic development work was the release of the *NSW International Engagement Strategy* in April 2013. This strategy is the State's first whole-of-government approach to growing the international trade and investment activities in New South Wales. The strategy identifies the State's top ten trade and investment partners. It also includes actions to better promote NSW capabilities, attract investment, facilitate exports, strengthen international relationships and coordinate Government efforts in these top ten markets.

The priority markets are Japan, the United States of America, China, the United Kingdom, India, Malaysia, the United Arab Emirates, South Korea, Singapore and Indonesia. Priority sectors identified for each market include: professional services, construction/infrastructure, advanced manufacturing, education and research, information and communication technology, clean technology, mining, agribusiness and tourism.

As part of the *NSW Economic Development Framework*, the department established Innovate NSW, a new program aimed at helping NSW research agencies, industry and small businesses work together. This program is intended to help develop new strengths in areas such as e-health, energy technology and services, online and interactive education, advanced manufacturing, and transport, infrastructure and logistics.

To drive economic growth in regional New South Wales, the department also continued to implement the Government's *Decade of Decentralisation* policy. The policy is aimed at supporting the development of regional economies and communities. Key initiatives under the Decade of Decentralisation policy include the Regional Relocation Grant, Jobs Action Plan (regional component), Restart NSW (regional component), Resources for Regions, and the decentralisation of Government agencies. The decentralisation of agencies is also designed to transfer knowledge and skills to support the economic

development of non-CBD locations in Greater Sydney and regional New South Wales.

Hospitality and the arts

During the year, the department's Screen NSW supported more than 28 projects under the Production Finance Fund and the Regional Filming Fund. Projects supported included the production of *The Sapphires*. These projects leveraged more than \$100 million in production expenditure in New South Wales and supported the creation of more than 4950 jobs.

Significant progress was made during the year on the Walsh Bay Arts Precinct redevelopment, including confirming the Sydney Theatre Company as a long-term tenant. Ongoing planning and design work for the redevelopment of the precinct included community consultation and the completion of a final business case to support the redevelopment is underway.

In 2012–13 NSW Trade & Investment helped the Government to assess licence arrangements for totalizator services. The department worked closely with other Government agencies during the year to determine which market options would deliver the best value for money to the Government and the people of New South Wales. NSW Trade & Investment helped the Government secure \$75 million from TAB Limited for a 20-year extension of exclusivity for off-course totalizator services. The payment for this extension comprises an upfront fee of \$50 million and \$2.5 million to be paid annually from 2024.

Primary industries

The *NSW Biosecurity Strategy 2013–2021* was launched on 22 May 2013. The strategy sets the overall direction for the management of animal and plant pests, diseases and weeds in NSW terrestrial and aquatic environments. This new strategy is an important tool in safeguarding the \$12 billion NSW primary industries sector and protecting and conserving the State's environment. The strategy is based on the principle of shared responsibility. It was developed to increase awareness about biosecurity issues, and to provide a framework for biosecurity management in New South Wales.

The department worked in 2012–13 to establish Local Land Services (LLS), representing a new model for regional service delivery. The new LLS will deliver services in the areas of agricultural advice, pest control and biosecurity, natural resource management and emergency management. LLS integrates Catchment Management Authorities, Livestock Health and Pest Authorities and the advisory service of the Department of Primary Industries. The department supported a substantial industry and community consultation process about the establishment of LLS. An independent panel made recommendations to the Minister for Primary Industries, and the Government released its response on 28 May 2013. Parliament passed the *Local Land Services Act 2013* on 27 June 2013.

The Act puts local decision making and priority setting at the centre of the new LLS. The Act makes New South Wales the only state in which publicly-funded biosecurity, natural resources management and agricultural advisory services are provided by a single entity. LLS organisations are expected to be operational across 11 regions in January 2014.

2012–13 also saw NSW Trade & Investment involvement in reviews of the marine parks estate and the management of Crown land. The department also implemented Government-initiated reforms to commercial fisheries, and to the management of cemeteries and crematoria.

Resources and energy

During the year, NSW Trade & Investment approved ten new major coal and mineral development proposals. These proposals collectively involve more than \$1.7 billion in new capital investment in regional New South Wales with the potential to create over 1250 new jobs.

The department continued to work during the year on measures to enable uranium exploration in New South Wales. Exploration is intended to help gain an understanding of what resources may exist in the State. Amendments to the *Mining Act 1992* were proclaimed in September 2012 to enable this exploration. During the year, NSW Trade & Investment coordinated a process to seek expressions of interest to explore for uranium in New South Wales. As part of this process, the Government received 39 expressions of interest. These will be assessed by an expert panel, which is expected to make recommendations to the Government in 2013–14. A ban on uranium mining remains in place.

NSW Trade & Investment established the Office of Coal Seam Gas on 25 March 2013, with the appointment of its inaugural director. The office was established to regulate the coal seam gas industry under the *Petroleum (Onshore) Act 1991* and the *Work Health and Safety Act 2011*. The new office will take forward the department's work on a range of issues relevant to the emerging industry. These issues include: coal seam gas industry regulatory reforms; improved and streamlined titles administration; a comprehensive enforcement and compliance framework; a review of the *Petroleum (Onshore) Act 1991*; and a prosecution under the *Petroleum (Onshore) Act 1991*.

The department also delivered the new Family Energy Rebate from 1 July 2012. The rebate is targeted at assisting eligible households to manage the impact of energy bills. The department handled more than 80 000 applications over the course of the year.

Excellence in service delivery

In 2012–13 NSW Trade & Investment continued its focus on improving the way it delivers its services. As the department charged with driving innovation and productivity in key sectors of the NSW economy, NSW Trade & Investment led by example through the innovative adoption of two cloud-based initiatives during the year.

The first of these initiatives was the transition to SAP ByDesign, an enterprise resource planning system that allows the consolidation of all payroll and finance systems onto one platform. The system is based on the concept of software as a service. This roll out has been the first such implementation in the Australian public sector, and the largest roll out of the product in the world.

The second cloud-based initiative was a pilot program using Google mail. During the year, the department successfully piloted Google technology for email and scheduling, another first for the NSW public sector.

Balancing competing demands

Over the course of the year, the department needed to engage effectively with a variety of high priority review and reform processes related to its areas of responsibility. Balancing competing resource demands to deliver uniformly professional and timely services required highly flexible management and the dedication of staff.

Sustaining excellence in policy and program direction in this high pressure environment was further challenged by the roll out of ongoing structural and functional reforms required to fully establish NSW Trade & Investment as a single, integrated organisation. These reforms were intended to increase service efficiency and to contribute significantly to major Government initiatives delivered by the department. The implementation of well-considered change management plans ensured that the department responded proactively to these challenges while successfully meeting operational demands during the year.

Staff and senior management

NSW Trade & Investment relies on the professionalism, knowledge and dedication of its staff to continue to achieve effective and efficient outcomes for the people of New South Wales. I thank all of the department's staff for their ongoing work during the year. Working together, we helped to achieve growth in employment and business investment in New South Wales, and improved customer service delivery.

Finally, I thank all members of the senior management team of NSW Trade & Investment for their leadership and collaborative approach while delivering major reforms for New South Wales. I am grateful for their efforts and energy.



Mark I Paterson AO
Director General

NSW TRADE & INVESTMENT

The Department of Trade and Investment, Regional Infrastructure and Services (NSW Trade & Investment) was formed in April 2011 as the lead economic development agency in New South Wales, responsible for driving sustainable economic growth across the state. We achieve this by collaborating with and supporting businesses, industries and communities to advance investment, trade, innovation, productivity and regional growth across all sectors. We work with local, national and international customers, and we strive for a strong customer service focus in all areas of service delivery.

Our purpose is to develop a competitive and sustainable NSW economy.

Our vision is a strong NSW economy building resilient communities.

As the state's lead economic development agency, NSW Trade & Investment acts to achieve the following objectives:

- » Promote trade and investment locally and internationally
- » Provide business support, technical knowledge and science and research capabilities to industries
- » Support profitable food and fibre industries, and best practice natural resource management
- » Secure and regulate energy and mineral resources for NSW
- » Support tourism, hospitality, racing and cultural sectors.

NSW Trade & Investment delivers a broad range of services including:

- » Regulatory and compliance
- » Research and development
- » Education
- » Advisory services
- » Business development
- » Grant provision
- » Policy development and advice
- » Commercial services, such as soil conservation service
- » Crown lands management.

The departments, divisions and offices that form part of NSW Trade & Investment for the purposes of this annual report are:

NSW Department of Primary Industries (NSW DPI)

supports the development of innovative, diverse, profitable and sustainable food and fibre industries that create prosperity and contribute to a better environment through the sustainable use of natural resources. NSW DPI works to strengthen regional communities through research, knowledge transfer, planning and regulating the agriculture, fisheries and forestry industries, and by improving biosecurity to protect the economy, human health and the environment from the effects of pests, diseases and weeds. NSW DPI delivers sustainable water management, regional water supply and sewerage programs, as well as manages Crown lands and catchments to support community development and deliver natural resource management priorities.

Industry, Innovation, Hospitality & the Arts Division

works to create employment and to increase investment growth and the competitiveness of NSW by supporting businesses and industries across urban and regional NSW to increase productivity and trade, attract investment, connect to research excellence and stimulate innovation. The division competes nationally and internationally to win business and research and development investment, bringing new technologies and skills to the state. It also facilitates the relocation, consolidation and expansion of major and strategic businesses and research and development facilities within NSW. The division encourages businesses to locate projects in regional areas by offering a mix of financial assistance programs and services directed to regional businesses and communities. The division regulates and advises the hospitality and racing industries and supports the development of creative and diverse arts and cultural sectors for economic benefits and to enrich communities.

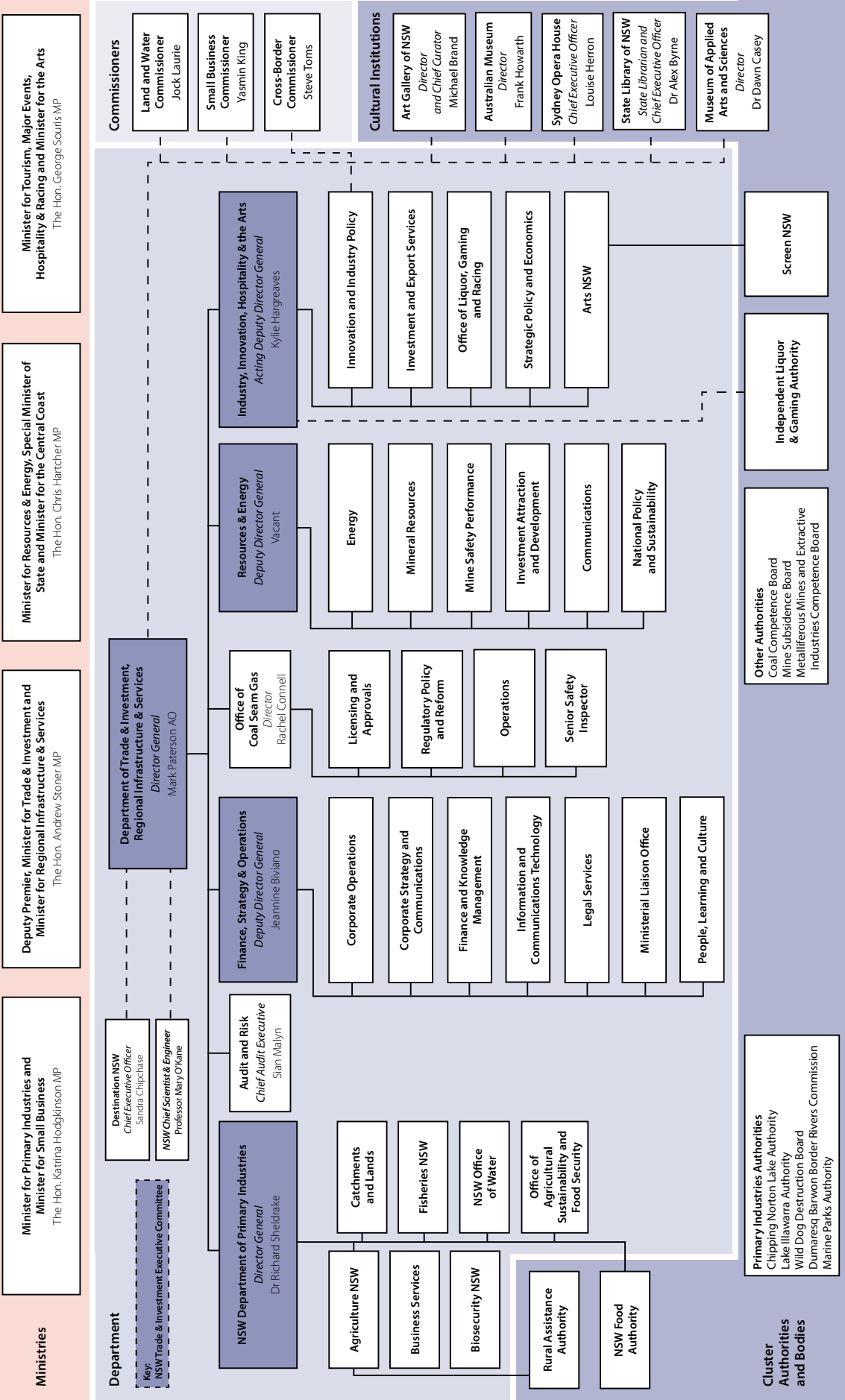
Resources & Energy Division delivers policy, programs and compliance services across the mineral resources and energy sectors. The division works to attract local and international investment in NSW, to ensure profitable and sustainable mineral resources development, and to ensure compliance with health and safety legislation for the mining and onshore petroleum industries. The division also develops policy to support safe, secure and affordable energy supplies and competitive energy markets, leads the State's response to national reforms and implements both energy assistance measures for vulnerable households and programs to reduce greenhouse gas emissions, including alternative transport fuels, renewable energy and low emissions technologies.

Finance, Strategy & Operations Division provides departmental services and coordination across a wide range of operational and strategic functions. The division develops, manages and advises on systems, infrastructure, policies and standards for the department in the areas of finance, procurement and administration, human resources, asset management, information and communication technology and legal services. The division facilitates department-wide planning, performance improvement and strategic communications and plays a lead role in translating Government priorities and industry needs into departmental policy and corporate agendas.

Office of Coal Seam Gas is responsible for regulation of matters relating to coal seam gas, within the scope of the *Petroleum (Onshore) Act 1991* and the *Work Health and Safety Act 2011*. This includes development of regulatory policy and the administration of petroleum titles for coal seam gas, as well as the determination of exploration activity approvals, the regulation of rehabilitation (including security bonds), workplace health and safety, and enforcement and compliance.

The Chief Audit Executive, the NSW Chief Scientist & Engineer and the NSW Small Business Commissioner are independent of the divisional structure and report directly to the Director General, NSW Trade & Investment.

NSW Trade & Investment Organisational Structure



June 2013

OUR RESULTS

These result indicators are also reported on by NSW Trade & Investment through the reporting processes for *NSW 2021 – A Plan to make NSW Number One*.

Result 1: Increased Investment and Jobs

RELATED NSW 2021 GOALS	RESULT INDICATORS	2010–11 Actual	2011–12 Actual	2012–13 Forecast	2012–13 Revised [#]
Goal 1: Improve the performance of the NSW economy	Annual average trend growth in private business investment measured in real terms (%)	5.7	9.0	4.3	9.4
	Annual average trend growth in GSP per capita measured in real terms (%)	1.5	1.3	1.3	na
	Overnight international and domestic visitor expenditure in nominal terms, including international package expenditure but excluding international airfares (\$b) ¹	19.1	20.2	20.3	21.3 ²
	Average annual trend growth in estimated industry value added measured in nominal terms (\$b)	134.5	144.8	na	na
	Value of agriculture, forests and fisheries production in real terms (\$b)	11.8	11.1	12.0	na
	Value of mineral and petroleum production in real terms (\$b)	20.2	23.0	21.0	na
	Average annual trend growth in NSW total international exports in real terms (\$b)	60.7	63.7	67.0	na
	Grow the value of cultural diversity to the NSW economy:				
	Number of NSW businesses exporting goods (no.)	13 594	13 628	na	na
	The NSW share of skilled migrants (%)	29.5	26.7	na	na
	Annual average trend growth in employed persons (%)	2.7	0.7	1.5	1.6
	Employment to working population ratio for:				
	Aboriginal (%)	43.4	48.1	na	na
	non-Aboriginal persons (%) ³	71.1	71.8	na	na
	Proportion of young people in employment and/ or learning (15–24 years) (%)	87.9	88.4	87.6	88.0
	Proportion of people 55 or over participating in employment (%)	32.3	32.3	32.7	33.2
Goal 3: Drive economic growth in regional NSW	Share of employed persons in regional NSW compared to the rest of NSW (%)	38.8	38.6	38.8	38.8
	Increase in total population in regional NSW (000's)	1.78	1.79	1.80	na
Goal 27: Enhance cultural, creative, sporting and recreation opportunities	Number of people aged 15 and over attending a cultural venue or event in rural and regional NSW (mill) ⁴	na	na	na	na
	Number of people aged 15 and over attending a cultural venue or event in Sydney (mill) ⁵	na	na	na	na
	Number of major artistic, creative and cultural events held in NSW (no) ⁶	42	46	50	53
	Reduction in violent incidents on licensed premises (%) ⁷	8.32	10.0	na	7

OUR RESULTS (CONTINUED)

Result 2: Positive business environment in NSW

RELATED NSW 2021 GOALS	RESULT INDICATORS	2010–11 Actual	2011–12 Actual	2012–13 Forecast	2012–13 Revised [#]
Goal 3: Drive economic growth in regional NSW	Ratio of (i) Increase in gross value of agricultural production per hectare to (divided by) (ii) Total area of establishments in hectares (\$per ha)	200.8	172.3	187.1	na
Goal 4: Increase the competitiveness of doing business in NSW	Proportion of people employed in knowledge industries in NSW greater than the national average (%)	37.3	37.6	37.6	37.8
	Australia	34.7	35.3	35.6	35.6
	Unplanned electricity outages (mins) ⁸	125	119	na	118.3
Goal 21: Secure potable water supplies	Proportion of regional population having access to water that complies with drinking water standards (%)	99	99	99	99
Goal 22: Protect our natural environment	Percentage of sub-catchments in the Good and Very Good categories in the River Condition Index (%) ⁹	43	na	na	na
Goal 23: Care for local environments	Upgrade the 13 CMA Catchment Action Plans to whole of government and community plans (no)	na	2	11	13
	Increase the number of Landcare Groups, and members belonging to				
	Landcare Groups	2 146	2 224	2 490	2 460
	Number of members	53 867	56 516	59 900	59 375
Goal 28: Ensure NSW is ready to deal with major emergencies and natural disasters	Dollar value of NSW primary industries production protected under biosecurity response agreements	8.9	9.1	10.1	10.1
	95% of priority animal diseases in NSW covered by disease surveillance programs by 2020	85	85	90	100
	95% of priority plant diseases in NSW covered by disease surveillance programs by 2020	85	85	85	85
	80% of NSW farms implementing enterprise level biosecurity plans by 2020	75	75	77	77
	Increase community and landholder participation in managing invasive species to 80% by 2020	51	55	64	64
	Maintain at least 95% compliance with national biosecurity performance standards	95	95	95	95

[#] Revised figures as at 30 June 2013.

¹ Calendar year data.

² 2013 forecast.

³ Calendar year data.

⁴ The data are only available on a 4 yearly basis.

⁵ The data are only available on a 4 yearly basis.

⁶ Calendar year data.

⁷ Result carried over from 2011–12 Annual Report.

⁸ Result carried over from 2011–12 Annual Report.

⁹ Data for River Condition Index (RCI) are expected to be next available in 2015–16.

FINANCIAL OVERVIEW 2012–13

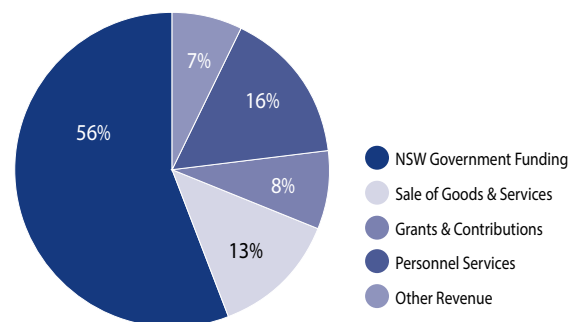
Budget Structure

The NSW Trade & Investment is an entity (for the purpose of financial reporting) for the entire 2012–13 year.

Source of Funds (\$1701 million)

Total revenue for the NSW Trade & Investment for the year ending 30 June 2013 was \$1701 million. The main sources of revenue were NSW Treasury funding \$950 million, sale of goods and services \$221 million, personnel services income \$268 million and \$130 million in grants and contributions received from external parties.

SOURCE OF FUNDS



Application of Funds (\$1748 million)

Operating expenditure for the year ending 30 June 2013 was \$1 748 million. Of this total \$728 million was for employee related costs including personnel services provided to entities within the NSW Trade & Investment cluster.

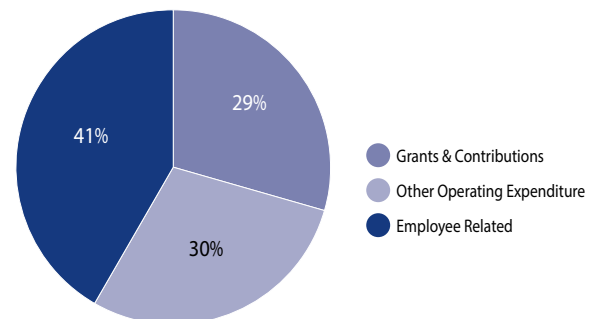
Grants and subsidies of \$501 million included payments:

- \$20.1 million for the Regional Industries Investment Fund
- \$18.6 million of the State Investment Attraction Scheme
- \$168.0 million for the Low Income Household Rebate
- \$13.5 million for the Energy Accounts Payment Assistance
- \$14.2 million for the Responsible Gambling Fund
- \$44.9 million for the Arts Funding program
- \$42.8 million for the Country Towns Water Supply and Sewerage Scheme
- \$16.2 million for the Murray Darling Basin Authority
- \$45.9 million for the State Water Corporation
- \$11.8 million for the Non-cash Capital Land Grant.

Other operating expenditure of \$493 million includes:

- \$75.2 million for depreciation and amortisation of the department's fixed assets
- \$88.8 million for Contractors and other fees
- \$6.5 million for Regional Development Assistance
- \$9.4 million for Irrigation area works
- \$84.0 million for Land Impairment – Aboriginal Land Claims

OPERATING EXPENDITURE

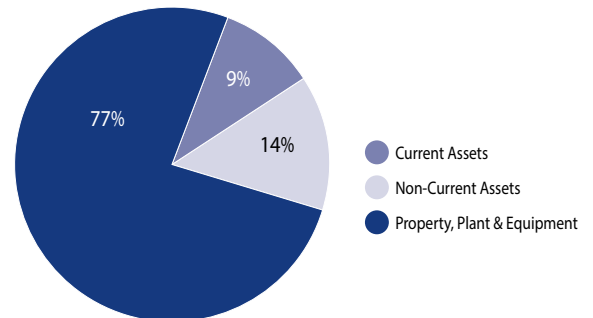


FINANCIAL OVERVIEW 2012–13 (CONTINUED)

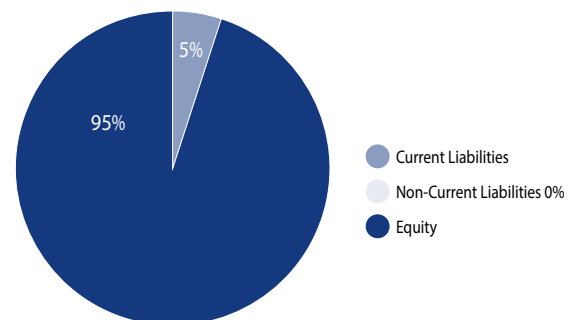
Assets (\$7 839 million) and liabilities (\$384 million)

The department's net assets at 30 June 2013 were \$7.4 billion comprised of total assets of \$7.8 billion and total liabilities of \$0.4 billion. The largest component of the asset base relates to the value of Crown lands and infrastructure.

TOTAL ASSETS



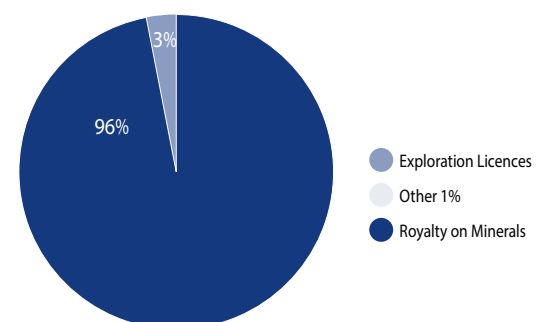
TOTAL LIABILITIES AND EQUITY



Crown Revenues

NSW Trade & Investment collected revenues on behalf of the Crown entity totalling \$1.364 million, the majority of which relate to mineral royalties, mining and exploration leases and coal lease concessions.

CROWN REVENUES





NSW TRADE & INVESTMENT OPERATIONS

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NSW DEPARTMENT OF PRIMARY INDUSTRIES

Nature and scope of activities

The Primary Industries Division is a division of NSW Trade & Investment. The division is known as the NSW Department of Primary Industries (NSW DPI).

NSW DPI consists of:

- » **Agriculture NSW**, leading the Government's commitment to the sustainable production of food and fibre based on the best available science to meet the needs of the NSW community. Agriculture NSW works with agricultural industries, other collaborators and stakeholders to improve the profitability, sustainability and skills of the agriculture and private forestry sectors. Agriculture NSW delivers research, education and industry development programs in the fields of agricultural productivity, food security, climate, water and soil. Agriculture NSW also delivers research and development for the Forestry Corporation of NSW under a memorandum of understanding.
- » **Office of Agricultural Sustainability & Food Security**, providing innovative and strategic advice to inform government policy on critical and emerging issues affecting agricultural sustainability and food security in New South Wales. The office also provides advice on agricultural impact statements developed by mining and coal seam gas industry explorers and developers.
- » **Biosecurity NSW** leading the State's management of risks to the economy, environment and the community from pests and diseases, invasive plants and animals, and chemical contaminants. Biosecurity NSW leads the development and implementation of State and national biosecurity and animal welfare policy and legislation, and manages systems for emergency preparedness, prevention, response and recovery arising from biosecurity threats and natural disasters. It also undertakes and coordinates surveillance and tracing and coordinates biosecurity research.
- » **Catchments & Lands**, managing regional issue coordination across the department, overseeing and supporting Catchment Management Authorities, and managing the Crown land estate estimated at around \$6 billion. Catchments & Lands is also implementing the Government's cemetery reforms announced in April 2012. Additionally, its Soil Conservation Service specialises in environmental protection, rehabilitation and land management and provides commercial services to both rural and urban clients.
- » **Fisheries NSW**, sustainably managing the State's fisheries resources and the habitats on which they depend. It promotes and applies the provisions of the *Fisheries Management Act 1994* and implements associated policy and management planning frameworks. Fisheries NSW is responsible for managing marine parks and aquatic protected areas in New South Wales and is responsible for applying the provisions of the *Marine Parks Act 1997*.
- » **NSW Office of Water**, leading the State's work towards achieving the secure and sustainable allocation of water between communities, industry, farmers and the environment, and meeting the State's commitments under national and cross-border agreements. It is also responsible for ensuring reliable, sustainable, efficient and well-managed regional urban water supply and sewerage services.
- » **Business Services**, coordinating and developing policy, media and communications, science and research support, planning, reporting and governance. It plays a leading role in implementing changes in Government priorities and policy within NSW DPI and facilitating the inclusion of DPI policy priorities at cluster and whole of government levels. It manages strategic issues, the public profile of NSW DPI, and the strategic coordination of the science and research function across NSW DPI.
- » **NSW Food Authority**, working to ensure food sold in the state is safe and correctly labelled and that consumers are provided with information that helps them make informed choices about the food they eat. It provides a single point of contact on food safety and regulation for industry, local government and consumers. The NSW Food Authority prepares a stand-alone annual report which is submitted to the Minister for Primary Industries.

Key challenges

Preparing for the establishment of Local Land Services, the Government's hallmark reform for the State's primary industries, presented a key challenge for the department during 2012–13. Local Land Services represents a new model for regional service delivery and brings together key parts of NSW DPI, Livestock Health and Pest Authorities and Catchment Management Authorities. The department supported a substantial industry and community consultation process, with an independent panel making recommendations to the Minister for Primary Industries on 26 April 2013. The Government response on 28 May 2013 paved the way for Local Land Services to deliver agricultural advice, pest control and biosecurity, natural resource

management and emergency management. Eleven regional Local Land Services organisations are expected to be operational in January 2014, following commencement of relevant legislation.

The implementation of key Government decisions regarding marine estate management and commercial fisheries reform presented key challenges for the department during 2012–13. Specifically, the release of the *Government response to the Report of the Independent Scientific Audit of Marine Parks in New South Wales: A new approach to managing the NSW marine estate* required the department, along with other key agencies, to support the delivery of a significant new work program, involving supporting the establishment of two new advisory bodies and developing a threat and risk assessment framework to underpin decision making.

Following the release of the *Government response to the recommendations of the Independent Review of Commercial Fisheries Policy, Management and Administration 2012*, the department implemented a commercial fisheries reform program to give effect to the review's recommendations, including linking shares to resource access (such as catch or fishing effort) across all fisheries, improving consultative arrangements and administering a \$16 million structural adjustment package.

In 2012–13, in response to a public focus on the emerging coal seam gas industry, the department provided information about issues surrounding the impact of coal seam gas exploration and extraction on groundwater, to ensure debate was based on accurate information. The department, using its extensive monitoring network, installed state-of-the-art instrumentation on selected groundwater bores so that data was immediately available to the public, showing what changes (if any) in groundwater levels were occurring as a result of coal seam gas mining. The department also began work to establish a number of coal seam gas monitoring bores at depths of between 300–1000 metres to monitor impacts on adjoining groundwater aquifers.

The Murray–Darling Basin Plan was adopted by the federal Minister for Sustainability, Environment, Water, Population and Communities in November 2012, setting enforceable limits on the quantities of surface water and groundwater that can be extracted from the Murray–Darling Basin. In 2012–13 the NSW Government continued to work to address its concerns regarding aspects of the Basin Plan. Its concerns include the impact of the recovery of an initial 2750 gigalitres of water for environmental purposes, the environmental outcomes that will be achieved under the Basin Plan, the plan's impact on basin communities, and how this water will be delivered to specific environmental requirements.

In January 2013, the NSW Government imposed a three per cent limit per valley per decade on further licence buybacks for the environment, in recognition of the concerns of NSW rural communities over the use of licence buybacks to bridge the gap.

The summer floods experienced on the north coast of New South Wales during early 2013 had a significant impact on the commercial fishing industry, particularly in the Clarence Valley and the Coffs Harbour areas. The department offered a range of primary producer assistance measures to commercial fishers in affected areas, including clean up and recovery grants, low interest rate loans, and a partial fee waiver for eligible fishing business owners.

The development and implementation of the NSW DPI change management plan presented a key challenge in 2012–13. The plan was developed in consultation with NSW DPI staff and unions, with the key aim of ensuring that the department is positioned to effectively achieve three prime purposes; the development of primary industries, the promotion of sustainable use and the management of natural resources and biosecurity and regulatory functions. The process allowed DPI to meet the broader fiscal position of the NSW Government, contributing savings and efficiencies in the short term, and the establishment of sustainable programs and efficient, targeted service delivery for government, stakeholders and clients in the long term.

Major outcomes achieved during 2012–13

Improved performance of key industry sectors leading to growth in Gross State Product

Primary Industries Ministerial Advisory Council

The NSW Primary Industries Ministerial Advisory Council met four times during 2012–13 following its inaugural meeting in October 2012, and established four working groups to focus its workplan on issues critical to the Government. With support from the Office of Agricultural Sustainability & Food Security, the council provided advice to the Minister and the Government on a range of industry issues. These include recent changes to the ovine John's disease national program, the NSW agricultural education review, the review of the NSW planning system, and preliminary work on the development of an Agriculture Industry Action Plan in New South Wales.

Agriculture Industry Action Plan

During the year, members of the NSW Primary Industries Ministerial Advisory Council formed the nucleus of a taskforce, chaired by Lucinda Corrigan, charged by the Government with the development of an Agriculture Industry Action Plan. The plan will be developed by industry, with support from the Office of Agricultural Sustainability & Food Security, and will focus on the broader agricultural sector, including the closely aligned aquaculture industries. Key stakeholders across the value chain have been invited to participate in identifying strategies to

be implemented by both industry and government to improve sustainability, innovation and productivity in these industries. The taskforce will complete its work in 2013–14.

Record R&D investment fast tracks rice breeding

The expansion of the \$11 million rice breeding partnership between the department, the Rural Industries Research and Development Corporation and SunRice is set to fast track the release of new rice varieties for Australian growers, following a bumper rice harvest in 2012–13. This latest rice crop was the largest since 2002, with many fields yielding over ten tonnes per hectare. The new investment by the breeding program partners will boost the molecular component of the breeding program to fast track the release of new fragrant varieties in particular.

The department's program will be underpinned by the purchase of new equipment for the molecular laboratory and the appointment of a technical officer to support the genetics researcher. This investment is on top of the current contracted five-year core investment in the breeding program. The investment should reduce the time needed to produce a new rice variety by three years as well as help to better measure rice cooking quality.

Improving crop forecasting for the viticulture industry

During the year, the department continued to work with McWilliam's Wines Group, based in the Riverina, on a Grape and Wine Research and Development Corporation (GWRDC) supported project to develop and test a new protocol to forecast regional yields after fruit set. During each season, wineries ask grape growers to provide forecasts of their potential yield. Differences between expected intake and actual delivery can lead to a chain reaction of problems throughout the entire process of wine production and distribution, affecting harvest organisation, pricing negotiations, intake scheduling, tank space allocation, investment in winery capital equipment, and marketing strategies for domestic and export markets. Apart from the substantial economic benefits of improved crop forecasting alone, it is an essential first step to successful yield regulation.

Results from the 2012 and 2013 vintages suggest that it is possible to achieve an accuracy of ± 6 per cent following the recommended protocol. This represents a significant improvement over currently used systems. The improvement was attributed to increased sampling frequency and the use of better ways to predict the size of grapevine bunches at harvest. A follow-on research proposal involving the department, the University of New South Wales and the wine company, Treasury Wine Estates, intends to introduce image analysis to further improve the ease, cost and accuracy of forecasts. The proposal was submitted to the GWRDC in 2013.

Grazing systems training nets rewards for graziers

PROGRAZE is one of Australia's most successful rural extension programs. It was designed and implemented for beef and sheep industries within the temperate pasture zones of Australia. It aims to improve the profitability and environmental sustainability of grazing systems through better grazing management.

A review in 2012–13 estimated the value to NSW producers in 2012 of improvements by completing and implementing PROGRAZE to be \$77 million (net) yearly. This was based on survey data collected over the years and conservative estimates of the rate of utilisation of the recommendations from PROGRAZE short courses.

PROGRAZE gained international recognition during 2012–13, with the Canadian Government assessing course content for suitability for producer training in prairie grasslands.

Jobs are supported and created in urban and regional New South Wales

Crown Road Business Centre in Grafton

The department established a dedicated Crown Road Business Centre in Grafton in 2012–13 to manage the assessment, closure and sale of Crown roads that are not needed for public purposes. The new centre supplements the activities of the department's Newcastle and Dubbo business centres. The centre will eventually employ 45 staff, and is expected to reduce the backlog of 6500 road closure applications as well as to process new applications. In 2012–13 the Grafton and Newcastle centres processed and completed over 1500 applications worth \$14.4 million in roads-related income.

Tactics for Tight Times

In 2012–13 the department ran Tactics for Tight Times workshops for NSW dairy farmers, in response to changes in the price of milk. A series of workshops and individual meetings were organised in partnership with the NSW Rural Financial Counselling Service, who through this process assisted seven farms in the Taree district to qualify for farm assistance through Centrelink. Over 30 farms were visited individually and assisted through decision support aids focusing on predicting milk production and income, and calculating the input costs of feed.

Training partnership delivering job outcomes at Quirindi

In 2012–13 Tocal College, in partnership with Joblink Plus in Quirindi, developed a training program to help address a growing shortage of farm workers in the Quirindi area by helping young unemployed people develop basic farm work skills. The program commenced in April 2013 with the first group of seven young people from Quirindi attending a week of intensive training at Tocal College. The program has 15 training places available and is funded by the NSW Department of Education and Communities' State Training Services through the Partnering for Jobs Program.



Participants in the training program (Photo: NSW DPI)

Youth residential training program thriving

In 2012–13 the full-time residential youth training programs at Tocal College were at full capacity. Students studied both the Certificate III and Certificate IV in Agriculture and Certificate III in horse husbandry, focusing on practical job-ready skills for industry and farm safety. At the college, students live in a residential complex on a commercial farm, providing opportunities for the students to immerse themselves in farm operations to gain exposure across a range of enterprises before taking part in off-campus farm work across Australia.

Tocal College students are highly sought after by industry, with the majority securing employment before completing their studies. The programs combine practical and theoretical training in a meaningful way, relevant to the needs of the rural community. The college's staff members are well grounded in a wide range of agricultural production techniques and take pride in remaining abreast of developments in rural industries.



Students taking a break from shearing at Tocal (Photo: NSW DPI)



Students mustering Brangus cattle at Tocal (Photo: NSW DPI)

Cultural, creative and recreational opportunities are enhanced to support and strengthen communities

Engaging women in regional communities

During the year, the Rural Women's Network continued its partnerships with individuals, groups, non-government organisations and government agencies, creating opportunities for rural, regional and remote women to exchange information and identify and make progress on priority issues. The network continued to provide support and information for women and families through *The Country Web* newsletter, and via the network's website (at www.dpi.nsw.gov.au/rwn) and social media channels. It established the Rural Women Connect initiative in February 2013 to provide an avenue for women across regional New South Wales to have a voice, share ideas, and advise the network of emerging needs and issues.

The network also released the *Hidden Treasures Honour Roll 2012* (available on the departmental website¹) acknowledging 126 rural women volunteers from across New South Wales. It also supported the annual NSW Rural Women's Gathering, and coordinated the Rural Industries Research and Development Corporation Rural Women's Award for NSW–ACT. The 2013 winner was succession planning specialist, Isobel Knight.

State-wide survey of recreational fishing in New South Wales

In 2012–13 the department commenced a state-wide survey of recreational fishing in New South Wales, to obtain information to help manage fisheries resources. The survey is designed to measure the number of NSW and ACT residents who go recreational fishing, where they go, how often they fish and what they catch.

The project began in early 2013, with a screening survey designed to measure fishing participation rates and identify 'intending fisher' households for the next phase. About 17 500 households were contacted for the screening survey.

¹ www.dpi.nsw.gov.au/__data/assets/pdf_file/0004/445225/2012-Hidden-Treasures-Honour-Roll.pdf

This work will continue in 2013–14 with a diary survey, and a ‘wash up’ survey, where all participants will be asked for their opinions on a range of fisheries issues, including fishing regulation, management issues, research and compliance programs and participants’ motivation for recreational fishing.

Fish stocking

Fish stocking helps maintain natural populations and helps to boost existing stocks for the benefit of the State’s recreational fishers. Fish stocking is also an important conservation tool for safeguarding endangered species. The Government continued to run a comprehensive and sustainable fish stocking program in 2012–13 based on *The NSW Freshwater Fish Stocking Fishery Management Strategy*, available on the departmental website.² Four Government hatcheries at Narrandera, Port Stephens, Ebor and Jindabyne produced a variety of fish species for stocking into public waters to improve recreational fishing opportunities. Around 3.7 million fish were stocked in 2012–13 consisting of 2.8 million trout and salmon and 0.9 million native fish. A further 1.1 million native fish supplied by industry were released by fishing clubs and local councils through the department’s community-based dollar-for-dollar stocking program.

Enhancing recreational fisheries using artificial structures

The department’s Fish Aggregating Devices (FADs) and Artificial Reefs projects are designed to enhance fishing opportunities for the State’s recreational fishers. The FADs are large floating buoys that are anchored to the ocean floor up to 30 km off the coast in water depths of up to 150 m. The FADs attract fast growing fish such as Mahi Mahi and Marlin. In 2012–13 the department deployed and maintained 25 FADs off the NSW coast, from Tweed Heads in the north to Eden in the south. The locations of the devices are widely advertised and anglers are easily able to plan their fishing trips to target the FADs.

The artificial reefs (five estuarine and one offshore) constructed by the department continued to be scientifically monitored during the year. Results indicated that these reefs have provided excellent new fishing locations that are at times even more diverse in fish species than nearby natural reefs. These reefs are now very popular fishing destinations for many anglers, with iconic and highly sought-after species including Yellowtail Kingfish and Snapper being captured around the reefs. In 2012–13 investigations began on new potential offshore artificial reef locations north of Newcastle and south of Wollongong, with the next reef to be constructed off the Shoalhaven on the State’s south coast.

Fishcare Volunteer Program

During the year, the department’s Fishcare Volunteer Program involved 250 volunteers, dedicated to fostering positive changes in the community’s attitude to responsible fishing practices and ethics. In 2012–13 the volunteers participated across New South Wales in 474 registered events, had personal interactions with 42 900 people and dedicated 9500 hours of service (around 1370 days) to the program.

In 2012–13 the department also continued the ‘Get Hooked...It’s Fun to Fish’ primary schools education program, which teaches children at an early age about the importance of aquatic habitats and introduces them to safe and responsible fishing practices. In the 2012 calendar year, 5447 children participated across 89 schools (including 38 inland and 51 coastal schools). As of mid 2013, 89 schools (23 inland and 66 coastal schools) had enrolled in the program for the 2013 calendar year.

Volunteers are essential to the running of the schools program. In the 2012 calendar year, Fishcare volunteers participated in 17 excursions and 29 workshops, and dedicated many hours of service to the program. The majority of the hours were dedicated to the state-wide ‘Get Hooked’ workshop weeks, where 918 students got to put theory learnt throughout the year into practice.

Fish Habitat Network

During the year, the Fish Habitat Network continued to build a community of interest within the recreational fishing community through improving the understanding of fish habitat, fostering fisher involvement in habitat rehabilitation and building social links between recreational fishing and other community organisations. In 2012–13 Fishers for Fish Habitat Forums were held in seven regional locations along the NSW coast, providing opportunities for fishers to learn from other fishers and from Government agencies about works to improve local fisheries productivity. Targeted presentations about fish habitat were also held for clubs.

The Fish Habitat Network has links to government, industry and recreational fishing community organisations across Australia, in all jurisdictions except Tasmania, providing opportunities for NSW recreational fishers to learn from fishers elsewhere and to share their knowledge and experience about habitat. A strong presence at the National Recreational Fishing Conference in August 2012, including sponsorship of the habitat theme, allowed two internationally recognised fish habitat specialists and four ‘everyday’ fishers to attend the event. This contributed to a successful conference and raised the profile of the work being done in New South Wales to ensure sustainable fisheries productivity through building capacity within the recreational fishing community and habitat rehabilitation.

² www.dpi.nsw.gov.au/__data/assets/pdf_file/0020/224291/NSW-Freshwater-Fish-Stocking-FMS-2005.pdf

Partnering with Aboriginal people to develop legislation and policy for cultural fishing

In 2012–13 the Aboriginal Fishing Advisory Council (AFAC) continued to assist the department by providing input into management and policy issues related to the objectives of the *Fisheries Management Act 1994*. The council's key area of focus was furthering arrangements that recognise the spiritual, social and customary significance of fisheries resources to Aboriginal people, and that protect and promote the continuation of Aboriginal cultural fishing.

During the year, the department, in consultation with the AFAC, continued to investigate a variety of issues which are to be prescribed in regulation to appropriately cater for cultural fishing activity, ensuring the objectives of the Act are supported in managing the State's fisheries resources.

A broader stakeholder group, the Cultural Fishing Working Group, was established during 2012–13 to assist the AFAC and the department in their consideration of developing cultural fishing rules and to assist in developing a robust communication plan.

NSW Crown Holiday Parks Trust

In 2012–13 the department began a reform program to establish an overarching trust board, the NSW Crown Holiday Parks Trust, to bring together the management of seven inland waters State parks and the north and south coast accommodation trusts. By introducing more efficient and professional management practices, the State parks will be able to offer improved access, facilities and a better experience overall for visitors. The trust will have responsibility for 34 recreational caravan parks.

Public Reserves Management Fund

During the year, the Public Reserves Management Fund Program continued to provide financial support for the development, maintenance and improvement of public reserves across New South Wales. In 2012–13 the Deputy Premier, following a robust assessment process, approved more than 175 loans and grants, totalling over \$17 million, to reserve managers. Activities supported included:

- » Crown land caravan park development
- » building maintenance and repair
- » refurbishment of amenities to meet contemporary health and safety standards
- » pest and weed management
- » environmental remediation and protection.

Silverton Cycleway

The Silverton Tramway operated between 1887 and 1969 between Broken Hill, Silverton and Cockburn on the South Australian border. The tramway corridor previously occupied by the Silverton Tramway is Crown land managed by the Silverton Cycleway Reserve Trust. The department is involved in a project to turn the tramway into a recreational cycleway between Broken Hill and Silverton, a distance of 20 kms. The cycleway is a departmental initiative that will

augment the existing cycleway system in Broken Hill and provide an outback cycling experience.

In 2012–13 the first stage of the Silverton Cycleway was completed, totalling 8 km and easily accessible from Silverton.

Opportunities created to drive productivity through innovation

Local Land Services

Preparing for the establishment of Local Land Services, the Government's hallmark reform for the State's primary industries, presented a key challenge for the department during 2012–13. Local Land Services constitutes a new grassroots model for regional service delivery and brings together a wealth of technical and advisory knowledge from parts of NSW DPI, Livestock Health and Pest Authorities and Catchment Management Authorities. The formation of Local Land Services was announced by the Minister for Primary Industries, the Hon. Katrina Hodgkinson MP, on 4 October 2012. An independent Stakeholder Reference Panel conducted state-wide regional community and industry consultation, with 22 workshops attended by more than 1500 people across New South Wales, and more than 2000 responses received in online feedback. This constituted the most significant consultation process ever undertaken on NSW agricultural and natural resource management service delivery.

The panel made recommendations to the Minister for Primary Industries on 26 April 2013. The Government's response on 28 May 2013 heralded the establishment of Local Land Services as a modern, customer-focused organisation for the future, delivering agricultural advice, pest control and biosecurity, natural resource management, and emergency management. Parliament passed the *Local Land Services Bill 2013* on 27 June 2013, paving the way for 11 regional Local Land Services organisations to be operational in January 2014. The legislation makes New South Wales the only state where publicly-funded biosecurity, natural resources management and agricultural advisory services are provided by a single organisation.

Marine finfish research lease

Sustainable seafood production is an important focus for the Government. Currently, some 87% of seafood purchased in New South Wales is imported.

In May 2013 the department received approval for a marine finfish research lease off Port Stephens. A research project using the leased area will run for five years to extend the successful research work already undertaken at the Port Stephens Fisheries Institute. Floating sea cages will be used to culture Yellowtail Kingfish, Mulloway and other marine fish species. The research aims to demonstrate the suitability of these species for aquaculture, develop new diets, validate equipment and technology, and monitor environmental effects. The approval requires that some 60 conditions, relating to administration, sea cage construction, maintenance and decommissioning, and environmental management and reporting, are met. These

conditions have been imposed in response to issues raised by the community and Government agencies during the environmental assessment process, and will help ensure the sustainability of the activity.



*Yellowtail Kingfish cultured at the Port Stephens Fisheries Institute
(Photo: NSW DPI)*

Heat tolerance in durum and common wheat

Episodes of late-season heat stress have a negative impact on yield and end-use quality traits in Australian wheat crops. In a collaborative project, the department and the Australian Centre for Plant Functional Genomics in Adelaide are studying the heat tolerance of Australian durum and common wheat, using controlled environment and field-based methods. With funding from the Grains Research and Development Corporation, the group has examined over 500 wheat varieties, including about 150 varieties collected from heat-prone areas overseas. In 2012–13 the study found that heat impact on grain yield is derived from the heat's effects on floret sterility, grain number and grain size. Follow-up studies are planned to produce tools that breeders can use to select for heat tolerance.

Using 3D image analysis to measure beef traits

The department is continuing to work to improve the ability of beef cattle to meet weight and fat specifications for market compliance. In 2012–13 the department, in partnership with the University of Technology, Sydney, successfully classified hip height and fat traits in 220 cows and 80 steers at the Glenn Innes research station, using three-dimensional camera technology and data acquisition software systems integrated with BeefSpecs and a livestock data link database containing carcass trait data collected at the abattoir. This novel technology looks promising in helping to move the beef industry into a new era of value-based trading and payment to improve the production efficiency and profitability of beef producers throughout Australia.

Natural resources are sustainably managed, developed and shared to underpin current and future prosperity

Coastal infrastructure repairs

The department has responsibility for a portfolio of maritime assets at various locations along the NSW coast. These assets include 25 coastal harbours, 21 ocean entrances and 38 estuary training walls, with a total replacement value of \$1.5 billion.

During 2012–13 work continued on delivering major improvements to maritime assets between Tweed Heads and Eden under the Coastal Infrastructure Program. The program represents a \$50 million, four-year strategic investment to ensure coastal infrastructure is maintained for economic and community benefit. Key projects completed during 2012–13 included:

- » repairs to the Port of Eden mooring jetty and unloading wharf
- » improvements to the hardstand and car parking area and replacement of moorings at Bermagui Boat Harbour
- » dredging of the bar at the mouth of the Clyde River
- » repairs to the Ulladulla tuna wharf and the Coffs Harbour unloading wharf
- » repairs to the quay walls at Wollongong Harbour
- » replacement of moorings at Nelsons Bay Boat Harbour and at Tuncurry
- » repairs to the Camden Haven northern breakwater and the Ballina northern breakwater.

Sustainable dredging strategy

The *NSW Government Sustainable Dredging Strategy 2012/13–2014/2015* was released in December 2012 with a revised version released in May 2013. The strategy aims to improve the accessibility and environmental health of the State's waterways. The Government has committed \$2.5 million over three years for dredging under the strategy. The first phase of the program targets priority projects in specific waterways, including waterway entrances at Lake

Cathie, Camden Haven River, Hastings River and Manning River as well as projects at Myall River, Fishermans Bay and Wallis Lake.

During the year, the department made progress on key projects including:

- » completing the dredging of Wallis Lake in December 2012, with dredging of Lake Cathie to commence when conditions allow for safe operation of dredging plant within the lake
- » publicly exhibiting the *Myall River – Interagency Task Group Final Report – December 2012* on issues concerning the potential dredging of the eastern channel at the mouth of the Myall River, with the Government announcing a funding commitment of up to \$1 million to the project and the department working with Great Lakes Council to make progress on the work
- » working with Sutherland Shire Council as the council evaluated site investigation information to assess the feasibility of dredging at Fishermans Bay, Maianbar (Port Hacking)
- » finalising the Swansea Channel sustainable dredging framework report, with the aim of implementing the framework in 2014.

Marine estate management

In response to the *Report of the Independent Scientific Audit of Marine Parks in New South Wales*, the Government announced a new approach to managing the NSW marine estate in March 2013. The Government's response to the audit is available on the NSW DPI website.³ In 2012–13 the department supported a key initiative of the response, establishing the Marine Estate Management Authority, to oversee the management of the entire NSW marine estate. In addition, a Marine Estate Expert Knowledge Panel will provide independent expert advice to the authority, across ecological, economic and social sciences issues, to support evidence-based decision making and to address key knowledge gaps.

The Director General of NSW Trade & Investment is a member of the Marine Estate Management Authority. The authority is working to ensure that future generations can enjoy a healthy, productive and diverse marine and coastal environment that is sustainably managed to balance economic growth and environmental protection.

The department also supported other initiatives during the year as part of the Government's response to the audit. These included developing a threat and risk assessment framework, developing a marine estate management strategy and improving the management of marine parks, as well as providing input to planning reforms.

Murray–Darling Basin Plan

The Basin Plan received bipartisan support in the Commonwealth Parliament in November 2012. The Basin Plan sets enforceable limits on the quantities of surface water and groundwater that can be extracted from the Murray–Darling Basin. The NSW Government is working to ensure that the impact of the Basin Plan on regional communities is properly addressed.

The sustainable diversion limits (SDLs) for surface water are set initially at 2750 gigalitres (GL) less than current diversions (water taken for farming and industry) across the basin. The Commonwealth has undertaken to bridge the gap between current diversions and the SDLs in the Basin Plan through water recovery.

The NSW Government has concerns over the recovery of an initial 2750 GL, the environmental outcomes that will be achieved and how this water will be delivered to specific environmental requirements. The NSW Government has indicated to the Commonwealth that these aspects need to be properly addressed before any consideration should be given to the recovery of additional water beyond the 2750 GL.

Because of the concerns of NSW rural communities over the purchase of water entitlements from individuals and industry (licence buybacks) to bridge the gap between current diversions of water taken for farming and industry and the limits on the quantities of surface water and groundwater that can be extracted (Sustainable Diversion Limits) in the Basin Plan through water recovery, in January 2013 the Government imposed a three per cent limit per valley per decade on further licence buybacks for the environment.

The department has engaged extensively with all major stakeholders including the Commonwealth, Murray–Darling Basin Authority and Basin communities, having attended over 100 meetings during the process to highlight the impacts and negotiate on aspects affecting rural communities.

More detail on the Basin Plan and the NSW Government response is available on the NSW DPI website⁴.

Securing natural resource management investment funds

During the year, the department continued to work with Catchment Management Authorities (CMAs) to deliver improved natural resource management outcomes. In 2012–13 the department delivered \$100.1 million to CMAs to support CMA operations and implement landscape priorities under regional catchment action plans (CAPs), to secure the health of regional landscapes and local communities.

³ www.dpi.nsw.gov.au/__data/assets/pdf_file/0009/460368/Government-response-to-the-marine-parks-audit-a-new-approach.pdf

⁴ www.water.nsw.gov.au/Water-management/Law-and-policy/National-reforms/murray-darling-basin-plan

This funding, sourced from State and Commonwealth government recurrent and grant funds, comprised:

- » \$37.9 million from NSW consolidated funds
- » \$26.9 million for CMAs from Catchment Action NSW funds
- » \$35.3 million for CMAs from Commonwealth Caring for our Country funds.

Additional NSW Government investment in natural resource management during the year included:

- » administering \$500 000 in consultation with Landcare and CMAs to deliver the Government's 2012–13 commitment under the four-year Landcare Business Plan
- » providing \$920 000 for a major monitoring, evaluation and reporting project to enable Government agencies to record their activities spatially and enable effective reporting of activities contributing to whole of Government CAPs
- » securing a further \$112 million of Catchment Action NSW funding over four years from 2013–14 to 2016–17 to support CMAs and later Local Land Services to undertake strategic on-ground natural resource management activities.

Construction of Brewarrina fishway

The completion of the Brewarrina weir rock ramp fishway in 2012–13 was the culmination of over a decade of work by the department. Following extensive consultation with the local community and a number of significant modifications to the original design, the fishway has restored the free passage of fish at one of the most significant ecological and Indigenous cultural heritage sites within the Murray–Darling Basin. Migratory fish are now able to access over 1000 km of upstream habitat that was previously only accessible during large floods. The Brewarrina fishway will provide lasting benefits to the health of the river and the amenity of the local community.



Brewarrina fishway (Photo: Gleeson Excavations)

Commercial fisheries reform

In November 2012 the Government supported the vast majority of 22 recommendations made in the *Independent Review of NSW Commercial Fisheries Policy, Management and Administration*. The Government's response is available on the NSW DPI website⁵. The review highlighted three key areas for improvement: introducing structural adjustment to make the fishing sector more viable; changing consultation mechanisms; and improving governance arrangements to restore confidence within the sector and in decision making. The resulting Commercial Fisheries Reform Program is being rolled out from 2013 (see the NSW DPI website⁶).

Key program elements that commenced in 2012–13 included:

- » restructuring the commercial fishing industry through share linkage and exit grants. The Government committed \$16 million in adjustment funding to help set the base for a long term viable and efficient commercial fishing sector. A key aim is to restore some meaning and value to shares (the main form of fishing rights) by linking them to resource access. Industry consultation began during 2012–13, and once the mechanism for linkage is finalised an exit grant tender process will commence to enhance opportunities for fishers to exit the industry or a particular fishery.
- » forming the Ministerial Fisheries Advisory Council. The Fisheries Management (General) Regulation 2010 was amended to replace the former Seafood Industry Advisory Council with the new cross-sectoral Ministerial Fisheries Advisory Council, which will provide the Minister with high level advice on strategic and policy issues, such as fisheries resource sharing and cost recovery.
- » establishing the Independent Structural Adjustment Review Committee. This committee was established to assist with the structural adjustment and associated components of the reform program. The committee consists of an independent chair, an independent fisheries manager and an independent fisheries economist, with a fishing industry representative and the department's Director of Commercial Fisheries attending as permanent observers.
- » preparing for the establishment of a peak commercial fishing industry body. The department prepared a discussion paper seeking industry comments on the formation of the peak body. In 2013–14 the department will run a tender process to determine which organisation should undertake the consultative services to be funded through a mandatory levy on the industry.

5 www.dpi.nsw.gov.au/__data/assets/pdf_file/0005/448187/Govt-response-to-independent-comm-fisheries-review.pdf
6 www.dpi.nsw.gov.au/fisheries/commercial/reform

Mulloway recovery program

Mulloway is an important recreational and commercial species. The department identified several years ago that it was being overfished and in need of a recovery program. In 2012–13 potential management options to promote the recovery of Mulloway were developed in conjunction with a cross-sector Mulloway Resource Planning Group consisting of departmental officers as well as recreational, commercial, Indigenous and conservation representatives. Public submissions were invited on the management options. An assessment of responses and future management actions is due to be finalised in 2013–14.

Increased protection for deepwater gulper sharks

During the year, the department, in consultation with the commercial and recreational fishing sectors, developed a strategy to reduce interactions of deepwater shark species with fishing activities, and associated shark mortality. The strategy will assist with the rebuilding of Harrison's Dogfish and Southern Dogfish populations and provide protection for other dogfish species in NSW waters including Endeavour Dogfish and Greeneye Dogfish. The department worked with the Australian Fisheries Management Authority on strategies to address the risks posed by NSW and Commonwealth fisheries on the two high risk species (Harrison's Dogfish and Southern Dogfish). The changes to fishing methods resulting from the strategy came into effect in early 2013. Further details can be found on the NSW DPI website.⁷

Responding to fish kills

A total of 49 fish kills were reported to the department and investigated by Fisheries NSW and/or the NSW Environment Protection Authority in 2012–13. The most significant event involved tens of thousands of dead fish in the lower Hunter River in March 2013 following major flooding. The kill was caused by a combination of factors associated with the rapid drainage of low dissolved oxygen flood water from the floodplain back into the river via the drainage network. Two large kills were reported in Lake Burrinjuck and Lake Keepit involving thousands of fish. Delays in reporting limited the potential for investigation, and the causes of these two kills were undetermined.

Investigating hydraulic thresholds of native fish passing through river infrastructure

The development of infrastructure on rivers, such as dams, weirs, hydro-power stations, and general flow regulation structures, has been implicated as a major cause of decline in the condition of freshwater ecosystems globally.

Departmental researchers at the Port Stephens Fisheries Institute and the Narrandera Fisheries Centre commenced work in 2012–13, with experts from around the world, using state-of-the-art facilities to determine the upper limits of pressure change and turbulence that eggs, larvae and juveniles of native fish species can tolerate to ensure their

safe passage through river infrastructure without death or injury. Once available, the results will be used by fisheries managers and the irrigation and hydro-power industries to make informed decisions regarding the design of, and risks associated with, current and proposed river developments to ensure the sustainability of the irrigation and hydro-power industries and the protection of freshwater fish populations.

Protecting key fish habitats and threatened species

The department is responsible for conducting environmental assessments of any proposed developments affecting key fish habitats and threatened fish or marine vegetation listed under the *Fisheries Management Act 1994*. In 2012–13 the department gave conditional approval to over 900 developments. Conditions are used to ensure that there is no net loss of key fish habitats, that environmental safeguards are put in place during implementation of works, and that post-construction rehabilitation of sites is undertaken where required.

In May 2013 the department released *Policy and guidelines for fish habitat conservation and management: Update 2013*, available on the NSW DPI website.⁸ The document helps developers, their consultants and other organisations (both government and non-government) to ensure compliance with legislation, policies and guidelines affecting fish habitat conservation and management. It is used to inform land use and natural resource management planning, and development planning and assessment processes. It is also a valuable tool to improve awareness and understanding of the importance of fish habitats and how impacts on fish habitats can be mitigated, managed or offset.

Threatened species management

The independent Fisheries Scientific Committee (FSC) proposed a number of additions to the threatened species schedules of the *Fisheries Management Act 1994* in 2012–13. They included:

- » the Smooth Hammerhead shark (*Sphyrna zygaena*) as a vulnerable species (proposed final determination referred back to the committee for scientific reasons);
- » the Darling Hardyhead (*Craterocephalus amniculus*) population in the Hunter River catchment as an endangered population
- » the Murray crayfish (*Euastacus armatus*) as a vulnerable species.

The department provides executive support to the FSC and implements or coordinates work to protect and recover threatened species listed by the FSC. Examples of such work during 2012–13 included:

- » introducing new measures to protect Murray Crayfish including additional closed areas, shortening the fishing season by one month and changing bag, size and possession limits to provide continued recreational fishing opportunities while managing the resource in a precautionary manner

⁷ www.dpi.nsw.gov.au/fisheries/commercial/info/gulper-shark

⁸ www.dpi.nsw.gov.au/__data/assets/pdf_file/0009/468927/Policy-and-guidelines-for-fish-habitat.pdf

- » preparing and publicly exhibiting a species impact statement in relation to recreational fishing for stocked Trout Cod (*Maccullochella macquariensis*) in specified impoundments and undertaking statutory consultation
- » finalising and publishing the *Shark Meshing (Bather Protection) Program Annual Performance Report 2011–12*, available on the NSW DPI website⁹
- » commencing statutory consultation on a proposed Ministerial Order authorising limited recreational fishing for the endangered Southern Bluefin Tuna (*Thunnus maccoyii*)
- » finalising a major review of Grey Nurse Shark protection in September 2012 and implementing a wide range of new measures, including: changes to recreational fishing and diving rules at several Grey Nurse Shark critical habitat and aggregation sites; revocation of redundant fishing rules; and amendments to several Grey Nurse Shark critical habitat sites, with implementation of review outcomes due to continue in 2013–14
- » producing and publishing new Primefacts for the marine worm, *Hadrachaeta aspeta*, and Haswells caprellid, *Metaprotella haswelliana*, and endangered populations of *Posidonia australis* seagrass in Port Hacking, Botany Bay, Sydney Harbour, Pittwater, Brisbane Waters and Lake Macquarie
- » updating existing Primefacts for Trout Cod, Eastern (Freshwater) Cod, Grey Nurse Shark and Southern Purplespotted Gudgeon.

Protection of seagrass from boating activity in North (Sydney) Harbour

The department is partnering with Roads and Maritime Services and the NSW National Parks and Wildlife Service to improve protection for seagrasses in Manly Cove West and Quarantine Beach, North (Sydney) Harbour. Seagrasses are protected under the *Fisheries Management Act 1994*. North Harbour also contains an endangered population of strapweed seagrass, *Posidonia australis*. In 2012–13 following a formal consultation process with the local community, Roads and Maritime Services agreed to fund eight courtesy moorings (including up to five environmentally friendly moorings) to be positioned at Manly Cove West and Quarantine Beach by August 2013.

Environmental watering for native fish in the Murray–Darling Basin

The department worked with the NSW Office of Environment and Heritage, State Water Corporation and the Commonwealth Environmental Water Office to manage one of Australia's largest environmental flow events in the Murrumbidgee River from October to December 2012. The

flow event targeted the spawning season of the iconic fish species, Murray Cod, and aimed to provide optimal water level and temperature conditions for pairs of Murray Cod to establish nests and lay eggs, and for the eggs to hatch and the juveniles to disperse. Over 200 000 megalitres of environmental water were used during the event. Fisheries researchers gathered a large amount of data during the event. This will be analysed and used to inform the design of future environmental flow events for fish.

Fisheries compliance enforcement outcomes

In 2012–13 departmental fisheries officers conducted around 49 000 client inspections. A total of 6280 fisheries offences were detected and more than 52 000 fish, molluscs and crustaceans and over 3100 items of illegal fishing gear were seized. As a result, over 2180 penalty notices were issued and more than 300 matters were referred for prosecution.

Seized gear included over 770 crab traps, 620 hoop or lift nets (dilly pots) and 600 yabby traps. Seized fish, molluscs and crustaceans included over 22 000 cockles, 2200 abalone, 8100 pipis, 2600 saltwater nippers, 1900 yabbies, 610 eastern rock lobsters and various species of finfish including over 2600 Silver Trevally and 1000 Yellowfin Bream.

Fisheries officers also seized two motor vehicles and three boats used to commit offences during the reporting period.

New watercraft

During the year, the department invested over \$400 000 in specialist watercraft to assist in the delivery of key frontline services including fisheries compliance, research, and aquaculture management. Nine watercraft, plus other individual trailers and outboard motors, were replaced as part of an ongoing replacement program.

New watercraft included a 7.3 m rigid hull inflatable boat for the Sydney North District to patrol Sydney Harbour and offshore waters, two 6.2 m rigid hull inflatable boats (currently being built) for Port Macquarie and Swansea, and six smaller aluminium boats for departmental fisheries officers to patrol estuaries, dams/impoundments and rivers and provide advice on the health of aquatic ecosystems across New South Wales.



Fisheries compliance vessel (Photo: NSW DPI)

⁹ www.dpi.nsw.gov.au/__data/assets/pdf_file/0010/467065/SMP-2011-12-Annual-Performance-Report-Aug-2013.pdf

Sustaining the Basin initiative improves irrigation farm business efficiency

The NSW Sustaining the Basin: Irrigated Farm Modernisation Project (STBIFM), implemented by the department and funded through the Commonwealth Government's Water for the Future initiative, is making significant contributions to improving the long term sustainability of regional communities. STBIFM assists irrigators to maintain or improve productivity, adapt to reduced water availability and deliver water back to the environment by providing financial incentives for planning and upgrading irrigation infrastructure, complemented by a comprehensive skills development program.

The first funding round closed on 30 November 2012 and delivered 32 successful projects with a total \$12.1 million of incentives. Irrigators contributed a further \$4 million from their own resources. Projects funded in round one included a diverse range of activities from the installation of centre pivot spray irrigators and storage reconstructions, to pump station upgrades.

A second round of funding closed on 30 April 2013 and attracted 76 applications. The department's assessment of the applications for technical feasibility and value for money will be finalised in 2013–14.

The NSW Forest Industries Taskforce

The NSW Forest Industries Taskforce is a small group with a wealth of experience representing key sectors of the forestry industry, including hardwood, softwood, milling, processing, harvest contracting, professional forestry and policy expertise. The Minister for Primary Industries established this forum in 2011–12 as part of a commitment to see the forest industries ensure their vital and legitimate role in the State's economy, through industry and Government identifying key strategic issues and opportunities.

The department provides secretariat and executive support to the taskforce. In 2012–13 the taskforce identified and produced working documents on key issues facing the sector, including:

- » the sustainability of NSW forest resources, both native forests and plantations
- » a business case for the involvement of government in forestry
- » an alternative model for the active management of Crown land
- » forestry's role in the delivery of carbon sequestration and ecosystem services
- » effective forestry regulation.

This work identified the positive role the forestry industry can play in addressing key policy challenges and obstacles currently reducing the effectiveness of the sector.

Harvested forests provide potential ongoing greenhouse gas benefits

Published in 2012–13, internationally peer-reviewed case studies by departmental researchers demonstrated the significant greenhouse gas (GHG) abatement potential of harvested forests compared with conservation forests (see the NSW DPI website for further details¹⁰). Managed, multiple use production forests have the capacity to:

- » store carbon on site
- » produce wood products that continue to store carbon off site
- » provide substitutes for more GHG-intensive building products such as concrete and steel
- » minimise the need for GHG-intensive imports, and
- » produce residues that can be used to generate renewable energy, displacing fossil fuels.

These case studies suggest that converting production forests to conservation forests (encouraged by the Commonwealth Government's Carbon Farming Initiative) may provide negative GHG outcomes.

As a result of the department's research, the Council of Australian Governments' Standing Council on Primary Industries (SCoPI) noted the importance of the issue to the Australian forest industry and its implications for the sustainability of the resource base and the industry. During the year, SCoPI, via its subcommittee, the Resource Management Committee, established a national, cross-jurisdictional working group to quantify greenhouse gas outcomes of key policy measures affecting the forest industry and identify additional policy options to reward the forest sector for reducing emissions and sequestering carbon. The working group, which is chaired by New South Wales, includes federal and state-based representatives, and forest industry stakeholders.

North coast timber supply and coastal integrated forestry operations approvals

In May 2012 the Government announced that it would conduct a review of the north coast timber supply and the integrated forestry operations approvals for the Eden, Southern, Upper and Lower North East coastal regions of New South Wales.

The Project 2023 Steering Committee was established to review the resource volume and economic sustainability of the industry and to recommend options to ensure a sustainable forest industry into the future. The department provided policy support to the steering committee. In 2012–13 the steering committee submitted the recommendations of its *Review of New South Wales Forest Agreements and Integrated Forestry Operations Approvals: Upper North East, Lower North East, Eden and Southern*

¹⁰ www.dpi.nsw.gov.au/research/topics/climate-change/harvested-forests-provide-the-greatest-ongoing-greenhouse-gas-benefits

regions: (available on the NSW EPA website¹¹) to the NSW Premier, the Minister for Primary Industries and the Minister for the Environment for consideration.

Biomass electricity from forest residues

In 2012–13 the Minister for Primary Industries initiated an interagency working group to review the existing prohibition on using native forest residues for biomass electricity. The department chaired the working group and a report was prepared recommending options to remove the prohibition through amendment of the relevant Regulation. As at 30 June 2013 the Minister for Primary Industries and the Minister for the Environment were considering the recommendations and associated regulatory detail.

Agricultural impacts of state significant developments

During the year, the department provided advice to the NSW Department of Planning and Infrastructure on agricultural impacts relating to 99 environmental assessments and to the Division of Resources & Energy on 70 reviews of environmental factors for state significant developments, primarily relating to mining and coal seam gas developments. The assessments form a key component of the assessment process in terms of evaluating and avoiding impacts on and loss of agricultural resources.

National partnership agreement on coal seam gas

As a result of New South Wales signing the National Partnership Agreement on Coal Seam Gas and Large Coal Mining Development, NSW Trade & Investment received funding for a number of projects to provide support for implementing the *Strategic Regional Land Use Policy*. The following projects were funded and are being coordinated by the department's Office of Agricultural Sustainability & Food Security:

- » groundwater modelling research
- » aquifer impacts monitoring
- » biophysical strategic agricultural lands soils mapping
- » agricultural impact statement industry training
- » coal seam gas and mining communications officers
- » mapping of aquatic biodiversity values.

Biophysical agricultural land verification protocol

The department, in partnership with the NSW Office of Environment and Heritage, led the development of an interim protocol to identify and map biophysical agricultural land (BSAL). The Government's *Strategic Regional Land Use Policy* requires mining and coal seam gas proponents to use the protocol to identify the existence of BSAL. The interim protocol is available on the NSW Department of Planning and Infrastructure's website and as at 30 June 2013 was being peer reviewed by the scientific community.

Safe, healthy and biosecure industries

Management of Pacific Oyster Mortality Syndrome

The NSW oyster farming industry faced a challenge during the year when Pacific Oyster Mortality Syndrome (POMS) was confirmed in farmed Pacific oysters from the Hawkesbury River estuary. Some oyster farmers reported up to 80 per cent crop loss to the disease, at a cost of almost \$2.4 million. Efforts to contain POMS during 2012–13 included the closure of affected estuaries to all oyster movements, which restricted the activities of some Sydney rock oyster (as well as Pacific oyster) farmers.

The department worked during the year with farmers and Government agencies to mitigate the impacts of POMS through research to better understand the disease, to assess the potential to breed disease-resistant stock, and to promote the 'Make "clean" part of your routine' program, which encourages stricter biosecurity protocols to help slow the spread of POMS and other aquatic pests and diseases. This work will continue into 2013–14.

Departmental researchers at the Elizabeth Macarthur Agricultural Institute are also evaluating disease-resistant lines of selectively bred Pacific oysters.



Departmental and Hornsby Shire Council officers with a member of the Broken Bay Oyster Association sampling Hawkesbury River oysters during the POMS outbreak (Photo: Ian Lyall)

¹¹ www.epa.nsw.gov.au/resources/forestagreements/ReviewFAandIFOA.pdf

NSW Algal Management Strategy

Most algae are safe and are a natural part of aquatic ecosystems. However, some algae can produce toxins that cause harm to humans, domestic animals and livestock. These toxin-producing algae can be found in freshwater as well as in brackish and marine waters.

The *NSW Algal Management Strategy* is administered by the department and supported by the NSW State Algal Advisory Group and nine regional algal coordinating committees. These committees provide warnings and advice to the public, and maintain an extensive network of algal monitoring sites throughout New South Wales. A total of 45 water bodies across New South Wales were under algal red alerts for some period of 2012–13. A red alert exists when a bloom is present that may be toxic. The average time on red alert was 10 weeks; however, several persisted for 30 weeks or longer.

During 2012–13 the department drafted the *Algal Risk Management Sub-Plan* for endorsement by the NSW State Emergency Management Committee. The department also began investigating the use of remote technologies for algal surveillance.

NSW Biosecurity Strategy

Emerging animal diseases present ongoing challenges for animal biosecurity. Some diseases, such as Australian bat lyssavirus and Hendra virus, have been detected only in Australia, and only within the past two decades. Emerging diseases frequently have the potential to infect humans, or to infect species of animals where the disease has not been previously seen, such as the case, confirmed in May 2013, of two horses infected with Australian bat lyssavirus in Queensland. The department needs to remain vigilant and respond quickly to emergency animal diseases, such as avian influenza and anthrax, or to manage significant endemic diseases, such as bovine Johne's disease and cattle tick.

The protection of New South Wales from pests, diseases and weeds reached a new milestone in May 2013 with the release of the *NSW Biosecurity Strategy 2013–2021* by the Premier of New South Wales, the Hon. Barry O'Farrell MP. The strategy, available on the NSW DPI website,¹² outlines how the Government, industry and the community will work together to manage biosecurity risks. It aims to highlight the importance of biosecurity to the NSW economy and the wellbeing of the State's communities, and identifies the objectives that will be pursued over the next eight years.

The strategy outlines the following broad objectives for biosecurity in New South Wales:

- » managing risks by preventing the entry of pests, diseases and weeds into New South Wales;
- » quickly finding, containing and eradicating any new entries; and
- » effectively minimising the impacts of those pests, diseases and weeds that cannot be eradicated.

¹² www.dpi.nsw.gov.au/biosecurity/biosecurity-strategy

In 2012–13 the department began working closely with Livestock Health and Pest Authorities, other Government agencies, industry and the community to implement the strategy.

Technology boost for biosecurity

The department's capability to manage pests and diseases in the State's livestock industries received a boost in 2012–13 with the further expansion of the high-tech Biosecurity Information System. The system was used during the year by over 100 veterinarians and rangers across New South Wales to record and manage livestock health and disease surveillance activities. The system enhances the department's capacity to respond quickly and effectively to emergencies and can be expanded rapidly to support the increased field resources required during an emergency pest or disease response.

The system already contains 22 000 observations on biosecurity and work is well underway to have plant, aquatic and invasive species information added to the data set. This type of information provides the added benefit of demonstrating to the State's trading partners that New South Wales is free of many of the biosecurity threats that affect agricultural industries across the globe.

Animal welfare laws improved

Amendments to the *Prevention of Cruelty to Animals Act 1979* during the year have the potential to improve the health and welfare of livestock by promoting early expert intervention and animal husbandry advice to stock owners so they can address animal welfare concerns. The changes also provide for the option to remove and dispose of livestock where animal cruelty offences have been identified, but only after the owner or person responsible has failed to take action to improve the welfare of the animals. The changes are intended to help prevent cases where the condition of livestock deteriorates to such an extent that keeping the stock alive is an act of cruelty. The amendments encourage education and provide the opportunity to improve husbandry to restore the animals' health before prosecution action is taken.

Avian influenza is nothing to sneeze at

A quick response by the department during the year helped to contain an outbreak of avian influenza to a single property and minimise the potential economic impact to the poultry industry. The outbreak of the highly pathogenic strain of avian influenza (H7N7) in a semi-free range flock of layer hens was detected on a property near Maitland in November 2012.

Poultry and eggs on the infected premises were destroyed and the facilities cleaned and decontaminated. Following extensive surveillance and monitoring of surrounding properties and facilities that had been in contact with the infected property, no additional infected properties were identified. The infected property was restocked approximately six weeks after the last infected bird was culled. All results of surveillance testing on the poultry in the 21 days following restocking were negative.

Foot-and-mouth disease training in Nepal

Departmental veterinarians are better prepared to combat foot-and-mouth disease after observing active infections in farms in Nepal during the year. Two senior departmental veterinarians travelled to Nepal in late February 2013 for a five-day foot-and-mouth disease preparedness training program. The program included field trips to dairy farms and a piggery to examine animals with active foot-and-mouth disease infections. The program provided invaluable experience in observing clinical foot-and-mouth disease in a real life situation including the opportunity to analyse the pattern of spread of the disease.

The lessons learnt in Nepal will help improve nationwide foot-and-mouth disease preparedness and response strategies should an incursion occur.

Hendra virus in horses

The detection of Hendra virus in a horse on the mid north coast of New South Wales in June 2013 saw the quarantining of the property and the monitoring of all animals that had been in contact with the horse. Rarely, Hendra virus spreads from flying foxes to horses, causing severe disease and up to 70 per cent mortality. Hendra virus can also spread from infected horses to people, and four of the seven people who are known to have been infected with Hendra virus have died. The department now undertakes routine monitoring for this disease.

During the year, the department was involved in a series of successful Hendra vaccination information evenings for horse owners as part of the push to increase uptake of Hendra vaccination. Vaccination provides protection for horse owners and other people, especially children, who may come into contact with horses.

Aquatic weed eradicated from Wallagoot Lake

A thorough investigation that concluded during the year confirmed the eradication of the marine weed, *Caulerpa taxifolia* (Caulerpa), from Wallagoot Lake on the far south coast of New South Wales. Caulerpa is a noxious marine weed that was first detected in Wallagoot Lake in 2007. The department, working closely with other agencies and the community, undertook an aggressive control campaign over three years to eradicate Caulerpa before it could spread to other areas. Surveys conducted during February 2013 marked the third consecutive year without detection of Caulerpa in Wallagoot Lake. The lake is the second location in New South Wales where Caulerpa has been eradicated successfully.

The pointy end of biosecurity

A joint investigation by the department, the NSW Police Force and the NSW National Parks and Wildlife Service resulted in two successful seizures of illegally kept African pygmy hedgehogs during the year. The African pygmy hedgehog is prohibited in Australia due to its potential to introduce exotic animal diseases and because the species has the capacity to become a serious invasive pest if it was to escape into the Australian environment. The department

followed up the seizures with a program to improve public awareness of the risks associated with the illegal trade in invasive animals and the potential risks these animals pose to the environment and to public health.

Launch of the NSW Wild Dog Management Strategy

The Minister for Primary Industries launched the *New South Wales Wild Dog Management Strategy 2012–2015* in August 2012, stating, 'for the first time, New South Wales has a high level framework to improve coordination between all the agencies and landholders'. The strategy aims to minimise the negative impacts of wild dogs on primary production, the environment and the wider community by clearly defining the roles and responsibilities of land managers and other community members in managing wild dogs. The department coordinated the development of the strategy with input from state and national stakeholders. The strategy is available on the NSW DPI website.¹³

Weeds Action Program

The Government provided \$10.8 million for noxious weed control in 2012–13, including \$9.7 million in grants to State agencies, local councils, industry and community groups under the NSW Weeds Action Program. During the year, \$1.1 million was provided under the Weeds Action Program specifically for new innovative projects that would benefit noxious weed control in the State.

The Weeds Action Program enhances the capacity and capability of weed managers to identify high risk pathways for the introduction of weeds, improve early detection capabilities, undertake strategic inspections, improve community awareness of weeds and manage weeds on public lands. The \$27 million in Government grants provided in the first three years of the current program has been more than matched by contributions from project partners. The 14 Regional and 9 State Weeds Action Program projects cover all of New South Wales and involve more than 200 partner organisations.

The *New South Wales Weeds Action Program Annual Report 2011–2012* was published in February 2013 and documents investment, activities and achievements in weed management across the State. The report is available on the NSW DPI website.¹⁴

Be alert with Weed Alerts

The department made a new information resource available during the year to assist weed professionals with early detection of, and rapid response to, weeds in areas affected by new incursions. The Weed Alert information series consists of 41 new factsheets for State and regionally prohibited weeds, providing information about each plant's impacts, its means of spread, its identification features and how to report a suspected finding. The Weed Alerts can be

¹³ www.dpi.nsw.gov.au/__data/assets/pdf_file/0004/445234/NSW-Wild-Dog-Management-Strategy-2012-2015.pdf

¹⁴ www.dpi.nsw.gov.au/agriculture/pests-weeds/weeds/legislation/nsw-weeds-action-program/nsw-weeds-action-program-annual-report-2011-12

downloaded and customised by local authorities to make the Weed Alerts locally relevant for mail drops or handouts in affected areas.

The new Weed Alerts are available on the NSW DPI website,¹⁵ and as high quality press files on the subscription-based Weeds Extranet (to subscribe, go to www.dpi.nsw.gov.au/weeds).

New approach to Queensland fruit fly

2012–13 marked a significant turning point in the fight against Queensland fruit fly in the Riverina. Over a number of years, the distribution of Queensland fruit fly has shifted significantly south to the point where the pest can be considered established in many parts of Victoria and most of New South Wales. Maintaining a fruit fly exclusion zone is no longer technically feasible or financially justifiable.

The department worked closely during the year with the then Department of Primary Industries Victoria, and industry stakeholders to deregulate the movement of host fruit and vegetables across parts of New South Wales and to support growers as they took greater responsibility for managing Queensland fruit fly on their properties. This work included extension and advisory support to growers on pre- and post-harvest fruit fly control and market access practices.

The department will continue to work with growers and the Commonwealth Government in 2013–14 to develop market access protocols for fruit fly sensitive markets such as the United States of America.

Farm biosecurity guidance for the organic grains industries

Organic grain growers now have access to the latest information on how to implement biosecurity best practice and deal with pest threats within an organic farming system. *The Farm Biosecurity Manual for the Organic Grains Industry* was released by Plant Health Australia (PHA) at the beginning of May 2013, and is available on the PHA website.¹⁶ The department led the development of the manual in collaboration with PHA, as part of the national Grains Farm Biosecurity Program. New South Wales is the largest producer in Australia of organic grain (including wheat, barley and soybean), the majority of which is consumed domestically with the exception of a few specific export markets.

Crop disease R&D investment boost

The threat of plant diseases to the State's broad acre farms in the southern region of New South Wales is very real. The costs of the top five diseases of wheat and barley have been estimated at \$305 million dollars in lost productivity for the State's broad acre farms every year.

The expansion in 2012–13 of the successful plant pathology partnership between the department and the Grains Research and Development Corporation (GRDC) is set to help biosecurity and productivity for Australian grain growers. The expansion to a \$6.35 million partnership program over five years followed a national review of investment in plant pathology research and development in 2012 by the GRDC.

Research conducted in the partnership aims to encourage a sustainable approach to crop protection, by combining the use of plant resistance genes, cultural practices and tactical fungicide applications. The additional investment will allow for the appointment of two new professional officers in southern New South Wales.

Disease management in blueberries

Coastal lakes on the mid north coast of New South Wales are being helped by a new disease management project to reduce spraying of blueberry crops. The project is jointly supported by Horticulture Australia Limited and the Coffs Harbour City Council, with input from departmental fisheries and plant pathology specialists. The project will involve training growers in integrated pest management, disease identification and monitoring. On a related project, the Blueberry Industry Code of Practice will also be launched at the Blueberry Industry AGM later in 2013.

A multi target approach to fruit spotting bug management

The Horticulture Australia Limited funded project, 'A multi target approach to fruitspotting bug management', aims to develop a suite of chemical, biological and cultural controls to manage fruit spotting bug (FSB), a major native pest insect in many subtropical and tropical horticultural crops in Australia. The project delivered a number of major outcomes in 2012–13, including the development of an optimised pheromone for one of the two main species of FSB, the release of a mass-reared parasitic wasp as a biological control agent on over 20 commercial farms, and the successful testing of two new chemicals that show promising results. This year data from a commercial farm also showed promise for the use of trap hedges as a tool for monitoring FSB populations. Future directions for the project include laboratory-based assays to identify the pheromone for the second species of FSB, collation of any damage data at farm trials to identify changes after the release of the parasitic wasp, and assessing whether visible feeding damage correlates to the presence of FSB as monitored in trap hedges.

Energy and regional water supplies and services are reliable, efficient and sustainable

Groundwater monitoring in NSW coal basins

The department maintains a state-wide groundwater monitoring network. This has historically focused on monitoring groundwater levels in those groundwater sources that yield significant water supplies supporting irrigated agriculture, town water supplies and industry.

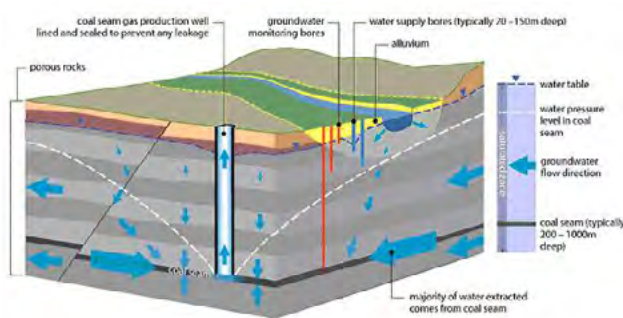
¹⁵ www.dpi.nsw.gov.au/agriculture/pests-weeds/weeds/publications

¹⁶ www.planthealthaustralia.com.au/wp-content/uploads/2012/11/Farm-Biosecurity-Manual-for-the-Organic-Grains-Industry.pdf

In 2012–13, in response to a public focus on the emerging coal seam gas industry, the department made information available about issues surrounding the impact of coal seams gas exploration and extraction on groundwater, to ensure debate was based on accurate information. This included improved access to the data from department's extensive bore monitoring network. The department also began work to establish a number of new monitoring bores in coal seam areas at depths of between 100 and 300m. These sites will be near Gunnedah, Merriwa and Broke.

The bores will be used for both groundwater level and quality monitoring. They will be companion sites to existing shallower sites for groundwater monitoring already occurring within the department's monitoring network in these areas.

To complement the piezometer construction, real-time data loggers are also being installed at 10 existing shallow monitoring bores in areas that have underlying coal seams targeted for coal seam gas exploration in the Gunnedah, Merriwa and Casino areas.



Schematic diagram of groundwater flow in the vicinity of a coal seam gas production well (Diagram – NSW Office of Water)

Data-centric groundwater modelling for coal seam gas and large coal mining

The Data-Centric Groundwater Modelling Project is a collaboration between National ICT Australia and the department. The project was initiated in 2012–13 to develop alternative modelling techniques to assess the impacts of coal seam gas and large scale coal mining developments on groundwater resources.

The overall aim of the project is to improve existing groundwater assessment capabilities undertaken by the department and bring all useful groundwater data together into a single integrated model to support groundwater decision making. It is based on the integration of traditional groundwater flow equations and statistical techniques and will be scaled up into a broad scale project and cumulative assessment tool.

Aquifer Interference Policy

The Government's *Strategic Regional Land Use Policy* was released in September 2012 in conjunction with the *NSW Aquifer Interference Policy*. The new framework details how potential impacts on aquifers should be assessed, and how this information is provided to the relevant planning authority including the Gateway Panel and/or the NSW Planning Assessment Commission.

Floodplain Harvesting Policy

The *NSW Floodplain Harvesting Policy* was released in May 2013, and is available on the NSW DPI website.¹⁷ The policy will be applied state-wide to bring floodplain harvesting activities into a statutory licensing and approvals framework under the *Water Management Act 2000*.

Water sharing plans

During 2012–13 seven inland water sharing plans commenced, covering all of inland New South Wales. A further three water sharing plans for the south coast were placed on public exhibition.

As at 30 June 2013, over 95 per cent of water extraction in New South Wales was covered by statutory water sharing plans. This brings all water users within the licensing system of the *Water Management Act 2000*, providing the benefits of greater security of water entitlements, specific rules to provide for the environment, and more opportunities for water trading. With the commencement of the Murray–Darling Basin Plan, all inland plans on subsequent renewal must be consistent with its provisions.

During the year, workshops were held in a number of NSW coastal areas with local Aboriginal communities. The workshops were intended to help Aboriginal communities understand the water sharing plan process as well as to obtain feedback on how plans will impact on their communities. An information manual, *Our Water Our Country: An information manual for Aboriginal people and communities about the water reform process*, continued to be used to assist in the development of partnerships to improve understanding of Aboriginal economic and cultural opportunities in relation to water.

The first round of water sharing plans, which commenced in New South Wales in 2004, are due for renewal in 2014. To prepare for the renewal process, the department commenced work on two projects in 2012–13. The first was a project evaluating the appropriateness, performance and effectiveness of the plans against socio-economic, environmental and cultural outcomes. The second was a project reviewing the water sharing plans against a set of eight agreed criteria.

This second process was carried out in parallel with the NSW Natural Resources Commission review of water sharing plans as required under the *Water Management Act 2000*. Recommendations from both the department and the commission are anticipated to be provided to the Minister for Primary Industries in the second half of 2013 to inform the Minister's decision regarding plan extension or replacement.

¹⁷ www.water.nsw.gov.au/Water-management/Law-and-policy/Key-policies/Floodplain-harvesting/Floodplain-harvesting/default.aspx

Allocating water and managing flood flows

The department is responsible for determining water availability and announcing annual water allocations for licence holders. Near full or full water allocations were announced by mid to late spring for 2012–13 across all regulated river catchments in New South Wales, together with over 60 announcements of access to supplementary flows being made. Resource assessments continued regularly throughout the year and communiqués were published updating water users on likely water availability.

In collaboration with NSW State Water, the department managed the surcharging of Menindee Lakes early in 2012–13 with over 2030 gigalitres (118 per cent capacity) of water captured in the lakes by the end of August 2012. A managed reduction in water volume was implemented to the end of November 2012 until the lakes reached 100 per cent capacity and the Murray–Darling Basin Authority resumed management of the resource.

The department issued 14 flow advisory and information communiqués during 2012–13 to keep the community and stakeholders informed of river flows and lake operations, and to assist riparian landholders to plan appropriate property management during the floods, including the timely movement of stock.



Departmental hydrographers traversing the swollen Clarence River at Grafton, measuring water levels and flow velocities just ahead of the record flood peak on 29 January 2013. (Photo – NSW Office of Water)

Water shepherding

To meet the environmental outcomes of the Murray–Darling Basin Plan, the Commonwealth is seeking to be able to ‘shepherd water’ – to move water it holds under its water licences through catchments to specific environmental assets or to provide for downstream environmental needs. However, losses and impacts on other water users need to be taken into account.

In 2012–13 the Commonwealth provided the department with \$1.95 million to investigate the potential for water shepherding in unregulated rivers flowing from Queensland and contributions from regulated rivers within New South Wales into the Barwon–Darling River and beyond to

Menindee Lakes. All the milestones in this investigation project were completed by October 2012.

Consultation occurred between May and July 2012 on a draft of the proposed arrangements for shepherding environmental water in New South Wales. Submissions received as a result of this consultation were reviewed and provided to the Shepherding Taskforce for consideration. A comprehensive summary of the issues and responses were provided in the report, *Proposed arrangements for shepherding Commonwealth environmental water in NSW – Outcomes of consultation*.

Matters raised during consultation informed areas for further investigation. This work will be undertaken as part of stage two of the water shepherding project. The undertaking of stage two is subject to a further agreement between the NSW and Commonwealth governments, to be negotiated in 2013–14.

The Living Murray Initiative

The Living Murray Initiative is one of Australia’s most significant river rehabilitation programs. Established in 2002 as a partnership between the NSW, Victorian, South Australian, ACT and Commonwealth governments, it is coordinated by the Murray–Darling Basin Authority. The initiative has recovered almost 500 gigalitres of water to help improve the health of six iconic wetland sites along the Murray River, and has included the construction of various works and measures to improve environmental outcomes.

A fishway to improve fish passage was completed at the Edward River offtake in December 2011 and construction of another fishway at Stevens Weir on the Edward River is underway. In 2012–13 departmental scientists commenced surveys of fish populations along the Edward River to assess the effectiveness of these new fishways.

Snowy releases

The Snowy Initiative was established in 2002 to achieve significant increases in environmental flows into the Snowy River, Snowy Montane Rivers and the Murray River. The Commonwealth, New South Wales and Victorian governments committed to fund and commission water efficiency projects to return 212 gigalitres (GL) – or 21 per cent of the average natural flow – to the Snowy River, 117.8 GL to the Snowy Montane Rivers and 70 GL to the Murray River. The water recovery targets were met in July 2012. Water savings entitlements under the initiative totalled 285 GL.

During 2012–13 162.72 GL were released for Snowy River Increased Flows and 57 GL were released for Snowy Montane Rivers Increased Flows.

In the Snowy River below Jindabyne environmental water was released each day to better mimic the hydrology of the river. The environmental flows also included the provision of an annual spring snowmelt flood in 2012. The spring flood had a peak flow of 10 000 megalitres per day, with 80 GL released to the Snowy River over 17 days during mid September.

The key objective of these annual spring floods is to scour the beds of the rivers to remove accumulated sediment and debris. The condition of the physical habitat in the Snowy River is poor and ongoing releases will be required to ensure the river's recovery and to maintain its eventually improved condition.

During 2012–13 long term environmental water releases commenced in two more Snowy Montane Rivers: the Geehi River in the Upper Murray River catchment and the Snowy River between Island Bend and Jindabyne Dams.

Water licensing

The department assesses, issues and manages licences to access water, work and use approvals to extract water, and approvals for activities on waterfront land including riverine corridors. Licence holders range from large water utilities, irrigation corporations, councils, individual irrigators, industry and mining operators to rural landholders accessing domestic water.

The major water and power utilities include Sydney Catchment Authority, Hunter Water Corporation, Sydney Water Corporation, State Water Corporation, Delta Electricity, Macquarie Generation, Eraring Energy and Snowy Hydro. Together with five irrigation corporations in the south-west of New South Wales, the total water entitlement of these organisations is more than 5000 gigalitres per year.

During the year, approximately 100 licensing operations staff, spread over 21 regional centres, assessed and determined 2760 applications including:

- » 1169 approvals for water supply works and use under the *Water Management Act 2000*
- » 1236 licences for access to surface and groundwater under the *Water Act 1912*
- » 355 controlled activity approvals for works in riverine corridors.

Water trading

During the year, New South Wales continued to lead the way nationally in water trading – the buying and selling of water entitlement licences and annual water allocations.

A permanent trade involves the transfer of a water access licence to another party or the sale of a part of the licence share. These transactions must be recorded on the relevant state's water access licence register. In 2012–13 there were 1478 permanent transfers undertaken under the *Water Management Act 2000*, totalling 558 722 megalitres of entitlements. This does not include trades within irrigation corporations, private irrigation districts and irrigation trusts.

A temporary trade involves the buying or selling of annual water allocations between licensed water users. The total number of temporary trades during the year was 4568 resulting in the movement of 2 540 476 megalitres between water accounts.

Water compliance

In 2012–13 the department continued its commitment to implement the *National Framework for Compliance and Enforcement Systems for Water Resource Management*. This saw the implementation of a more rigorous risk-based compliance monitoring program, with over 7000 audits of licensed works conducted since February 2012.

In 2012–13 the department received and assessed 531 alleged breach reports, allocated 624 reports for investigation (including allocating some reports received in 2011–12), and finalised 538 investigation reports.

In response to these alleged breaches, a range of enforcement actions were carried out. These included:

Enforcement action	2012–13
Advisory letters	257
Warning letters	88
Penalty notices	77
Stop work orders	45
Statutory/remediation notices	56
Draft statutory notices	29
Prosecutions finalised	2

Prosecutions undertaken by the department during the year included:

- » prosecuting a driller and a landholder in the Wagga Wagga Local Court in relation to the sinking of bores without obtaining the relevant licences under the *Water Act 1912*, with the driller being found guilty of all charges brought against him and the court imposing a two-year good behaviour bond and costs totalling \$2083 and the landholder being found guilty of all charges brought against him and the court imposing a two-year good behaviour bond and ordering him to pay a fine and costs totalling \$4583
- » prosecuting a landowner for 10 offences relating to taking water unlawfully, with the landowner being found guilty of the charges under the *Water Management Act 2000* and incurring a fine and costs totalling \$370 000.



A NSW Trade & Investment water compliance officer undertaking a routine inspection. (Photo – NSW Office of Water)

Groundwater drilling

In 2012–13 the department continued to provide specialist services to Government agencies and communities for water-well drilling, particularly for very deep bores. Significant drilling projects during the year included:

- » providing a new town bore at Narromine
- » providing twelve new artesian bores, reconditioning two bores and sealing eight old bores as part of the Cap and Pipe the Bores Program
- » establishing a test production bore and monitoring bores for the University of New South Wales at Fowlers Gap, Maules Creek and Quirindi as part of the National Centre for Groundwater Research and Training
- » geophysically logging twenty artesian bores as part of the Cap and Pipe the Bores Program.



The department's drilling team sinking a new deep artesian bore at Polly Brewon homestead, north of Coonamble (Photo – NSW Office of Water)

Our services meet client and customer expectations

NSW cemeteries and crematoria

There has been significant reform to cemetery management in New South Wales in recent years. A number of Crown cemetery trusts have been amalgamated, and strong professional boards appointed, to streamline and improve the management of Crown cemeteries. Legislation will be enacted during 2013–14 to establish Cemeteries

and Crematoria NSW to coordinate governance of all NSW cemeteries and address the diminishing supply of available burial space.

In May 2013 the last major undeveloped area of land within Rookwood Cemetery was officially opened by the Minister for Primary Industries, for Muslim and Jewish burials. Comprising nearly four hectares, the area known as Lot 10 will provide around 6700 burial plots for the Muslim and Jewish communities to help ease a critical shortage of burial space. The department, in collaboration with Crown cemetery trusts, is continuing to seek land in the Greater Sydney region to meet future demand for burial space.

Emergency efforts rewarded with thanks

Many thousands of hectares of agricultural land were burnt and more than 13 000 livestock were destroyed as a result of bushfires that hit areas of central west New South Wales in January 2013. At the same time damaging winds and torrential rains from Cyclone Oswald hit the NSW coast from the Hunter to the Queensland border, inundating farming lands and damaging horticultural crops.

The department's natural disaster team worked alongside other agencies and affected communities to assess and report on agricultural damage, destroy and then bury injured livestock, and distribute emergency fodder, water and other essential items. The RSPCA and the NSW Wildlife Information Rescue and Education Service Inc (WIRES) assisted with the management of injured wildlife while the NSW Farmers' Association took responsibility for the distribution of donated fodder to affected primary producers and hobby farmers.

The department's rural support workers engaged with communities in affected areas to ensure that rural people understood the recovery packages and services that were available.

Customer services

During the year, the department's Water Regulation Group responded to approximately 17 803 enquiries via two 1800 enquiry/compliance numbers and six email accounts.

The department continued to develop online services enabling customers to apply, pay for and track their water applications. In August 2012 the department released 'trackNOW', an app that allows customers to follow the progress of water applications submitted online. Customers can now track their application through the assessment process to determination. The app even notifies them when their application has moved to the next stage in the assessment process.

Enhanced opportunities for the community to participate in decision making

Landcare Support Program

The department continued to support implementation of the *Landcare Support Program Strategic Business Plan 2011–2015* during 2012–13. The program is delivering a

tailored action plan for Landcare in New South Wales, with funding of \$500 000 per annum for four years to 2014–15.

Business plan projects that the department supported in 2012–13 included:

- » developing promotional and information documents highlighting the contribution Landcare makes to natural resource management
- » delivering an insurance and governance advisory service that Landcarers can access free of charge
- » funding workplace health and safety workshops across New South Wales
- » identifying and funding local training by Catchment Management Authorities for the landcare movement
- » employing a State Landcare Coordinator who is responsible for the coordination of the Landcare Support Program.

The Landcare Support Program Steering Committee has developed strong partnerships with organisations such as Landcare NSW, Conservation Volunteers, Tocal Agricultural College and Catchment Management Authorities in order to deliver the outcomes of the business plan.

Community confidence in our services is increased

Digital content for fisheries compliance

During the year, the department continued to engage with the community, using digital content, to promote fisheries compliance outcomes to create deterrence through the following:

- » online publishing of the 2011–12 comprehensive annual summary of enforcement outcomes including details of seizures, common offences detected, major compliance operations, significant outcomes, court results, Fishers Watch and details of new patrol vessels
- » posting two new videos on the new Fisheries NSW YouTube channel providing information on correctly measuring crustaceans and the lawful use of recreational crab traps
- » releasing a number of ‘tweets’ on the department’s Twitter account regarding information about recreational fishing licences, areas or seasons closed to fishing, prosecution outcomes, rules and significant apprehensions.

FishOnline

FishOnline is a secure regulatory service control system that was developed to provide for the administration of commercial fisheries. The system currently consists of three main components: FisherAssist, which is the system used by departmental staff to provide assisted services to clients; FisherDirect, which will provide the option for online self-service for a variety of transactions; and FisherIVR, which is an interactive voice response (IVR) system that supports pre- and post-fishing landing reports for specific commercial fisheries that are required to provide these.

Key FishOnline achievements during the year were:

- » roll out of the FisherAssist component of FishOnline on 24 August 2012, successfully replacing the department’s legacy commercial licensing system
- » the deployment of FisherDirect under a pilot program for the electronic submission of the catch and effort information component of the self service options
- » the commencement of development of smart phone and tablet application access, extending the online accessibility of the system for commercial fishers to complete reporting requirements
- » advancing the implementation of a business-wide data warehouse and business intelligence infrastructure to improve the availability, quality and timeliness of information to allow the department to make better informed management and planning decisions.

Future plans/directions

In 2013–14 the department intends to:

- » continue to support the establishment of Local Land Services to be operational across New South Wales from January 2014
- » continue developing a community engagement strategy and action plan to build resilience and capacity in rural and regional communities facing natural disasters, enhancing opportunities for communities to participate in decision making and planning, such as increasing preparedness for incidents and emergencies
- » work with north coast industries, such as sugar cane and dairy initially, that are highly vulnerable to floods and severe weather events, to increase resilience in these sectors, by developing an industry-wide plan containing priorities for building industry resilience, as well as providing tools for producers to develop farm level plans for prevention, preparedness and resilience
- » develop five-year research and development investment plans for Agriculture NSW
- » participate in the new five-year Southern Barley Agronomy project, providing a coordinated barley research agronomy program for southern Australia, aiming to improve grower productivity and industry sustainability through the successful adoption of improved barley cultivars
- » continue working to ensure insect-free grain, by managing insect resistance to stored grain chemicals, investigating new chemicals, educating workers in the industry, and understanding pest ecology, following the successful tender for several national/international projects funded by the National Plant Biosecurity CRC
- » complete the Agriculture Industry Action Plan, building a partnership between industry and the Government and outlining a vision and ten-year development strategy including two and five-year goals

- » maintain an integral involvement in the new NSW planning legislation review process to ensure that related portfolio industries and interests continue to be appropriately considered in the wider planning context
- » deliver online workshop components to consultants and mining proponents on the identification and mapping of biophysical strategic agricultural land
- » focus on improving management of the entire NSW marine estate, including marine parks, and on addressing key information gaps
- » continue delivering the commercial fisheries reform program, including linking shares with resource access, improving consultation arrangements, managing a fair and equitable exit grant process for those fishers wishing to exit the industry and reducing unnecessary input controls (restrictions on fishing gear or boats)
- » continue working towards obtaining approval for 50 hectares of commercial shellfish leases in Jervis Bay, with the state significant infrastructure application and environmental impact statement to go on exhibition later in 2013 following consultation with local community associations, Indigenous groups, waterway users, local businesses, the Royal Australian Navy and the Commonwealth Government
- » work with other authorities to reduce red tape associated with fish habitat protection, by developing and implementing complying development codes for low risk or private developments affecting waterways
- » new five-year project supported by the department, CSIRO, the University of New England and Meat and Livestock Australia to develop new methods and technologies to improve the understanding of the animal genetics, activities and behaviours that determine feed efficiency on pastures, using specially developed sensors and wireless sensor networks
- » develop Water Resource Plans if NSW signs up to the Commonwealth's Murray Darling Basin Plan.
- » work with Land and Property Information and State Water Corporation to provide NSW input into the Commonwealth-funded National Water Market System. The project will develop and implement a Common Registry System that will replace NSW's existing water access licence register, water transactions systems and water accounting systems, providing real time information on the water market and improving access to water market information.

NSW DPI performance

Service Measures	Units	2010–11 Actual	2011–12 Actual	2012–13 Forecast	2012–13* Revised
Farmers attending PROfarm training activities ¹	no.	3 719	3 000	2 490	2 602
Native fish stocked in NSW freshwater ²	mill	2.2	1.9	1.9	0.9
Fisheries compliance actions ³	no.	2 743	2 823	2 560	2 484
Pest and disease monitoring programs in place ⁴	no.	40	41	71	71
Water sharing arrangements in place or commenced ⁵	%	62	77	90	85
Water supply and sewerage projects completed (cumulative)	no.	466	481	492	491
Gross revenue collected from Crown land tenures ⁶	\$m	51.6	51.5	54.8	54.8

* Revised figures as at 30 June 2013.

¹ Due to the emerging dry conditions in late Autumn/early Winter there was an increase in the number of producers seeking information to be able to respond.

² Prevailing environmental conditions in 2012–13 reduced departmental and private hatchery production capacity, resulting in lower than forecast results.

³ Compliance actions include prosecutions and self-enforcing infringement notices.

⁴ Based on a new baseline figure established for 2011–12, and factoring in new monitoring programs in plant biosecurity and animal biosecurity, along with additional wild dog monitoring, the number of monitoring plans to be delivered in 2012–13 has been revised upwards.

⁵ Completion of plans has taken longer than expected due to complex issues needing to be resolved with water users in a number of water sources.

⁶ These figures do not include Public Management Fund and Crown Lands Reserve Trust income in line with the 2013–14 Budget papers.

INDUSTRY, INNOVATION, HOSPITALITY & THE ARTS DIVISION

Nature and scope of activities

The Industry, Innovation, Hospitality & the Arts Division works to create employment and increase the competitiveness of New South Wales, by supporting businesses and industries across urban and regional New South Wales to increase trade, attract investment, connect to research excellence and stimulate innovation. The division also regulates and advises the hospitality and racing industries and supports the development of creative and diverse arts and cultural sectors for economic benefits and to enrich communities.

The division has the following five branches:

- » **Investment & Export Services**, helping to grow economic wealth and create jobs in New South Wales. This is achieved by promoting the State's capabilities in priority sectors, attracting and facilitating investment in new or expanded operations in New South Wales, supporting New South Wales exporters seeking to expand internationally, and providing strategic support to regional businesses and communities
- » **Innovation & Industry Policy**, driving delivery of the NSW Economic Development Framework to targeted industries, as well as facilitating business, skilled and investor migration to New South Wales, and working to resolve cross-border issues for NSW residents near state borders. This is achieved by undertaking analytical, stakeholder engagement, policy and strategy development, and program management work, focusing on increasing innovation and productivity
- » **Strategic Policy & Economics**, supporting the delivery of a range of NSW 2021 outcomes through strategic policy development, economic research and statistical analysis of policies and programs across the department. The branch applies a consistent appraisal framework to identify opportunities for activities and reform that will enhance productivity and growth across the NSW economy, and assisting the department in developing and prioritising programs to explore those opportunities
- » **Office of Liquor, Gaming & Racing**, developing, implementing and ensuring the integrity of the regulatory framework across New South Wales for activities related to alcohol, licensed clubs, charitable fundraising and gambling

- » **Arts NSW**, building a dynamic and creative State which values artists and the State's cultural heritage, as well as working to ensure that the State's economy is strengthened by the capacity of creative industries to generate wealth and create jobs. This is achieved by providing an extensive range of support for the NSW arts sector, including policy development, infrastructure investment, strategic partnerships and a revitalised arts funding program.

Key challenges

The high Australian dollar for the majority of the 2012–13 financial year challenged businesses across diverse sectors of the NSW economy, eroding margins both for exporters and for businesses that compete with imports. NSW Trade & Investment responded by developing a new model for delivering export services to metropolitan clients, involving increasing the skills of its business advisers to improve their responsiveness to client needs. NSW Trade & Investment also developed a strategic approach to international markets, intended to deliver outcomes by working with allies in the public and private sectors, in priority markets whether or not NSW has a local presence. To increase foreign direct investment in New South Wales, the department developed improved processes to convert business leads into new investment.

Through work on skilled migration and outcomes from the Government response to the Decentralisation Taskforce, the department is working to address skills shortages including these in regional NSW. Alongside Infrastructure NSW, the department is working on investment into infrastructure, particularly in regional communities impacted by mining and dealing with a slow down in mining investment.

While New South Wales has experienced a recent trend of decreased alcohol-related assaults, some precincts remain vulnerable to alcohol-related crime and harmful behaviour. The department was proactive in 2012–13 in seeking to combat alcohol-related harm through regulatory intervention and strong partnerships with other levels of Government, industry and community stakeholders in these problematic precincts. The department focused on two precincts during the year – Kings Cross and Byron Bay.

The department continued to work during the year to support and grow the arts and cultural industries in New South Wales. The department's work included developing the Creative Industries Action Plan, supporting the Government response to that plan and beginning the development of the State's first arts and cultural policy. Work continued on the development of the Walsh Bay Arts Precinct, Cultural Venues Strategic Plan and infrastructure support program.

Major outcomes achieved during 2012–13

Growth in total business investment and exports

Delivering business investment, jobs and exports

In spite of the economic challenges facing businesses in 2012–13, the department continued to support growth in total business investment, job creation and exports across New South Wales.

The department worked on over 120 investment projects across 2012–13 forecast to generate in excess of \$1.7 billion in business investment and export sales, and create over 3700 jobs over the next three years in New South Wales.

During the same period, the department worked with NSW businesses to achieve over \$340 million in export sales in 2012–13, with a forecast value of over \$440 million over the coming three years.

Export services

In 2012–13 the department continued to work with metropolitan and regional NSW exporters to build their capabilities and assist them to access new markets. The resilience of emerging markets and developing economies has seen export markets expand in these areas. Despite the strong Australian dollar for most of the year, NSW exporters maintained strong exports to the Asian region.

During the year, the department continued to assist companies to build capability to export. Export preparation programs were provided at 87 events for 3205 existing and aspiring exporters in 2012–13 through:

- » NSW Export Labs
- » *Getting Started in Exports* workshops
- » website reviews
- » country and sector briefings
- » networking
- » regional field days in Gunnedah, Henty and Orange
- » domestic exhibitions, including the Sydney International Boat Show, and the Australian Auto Aftermarket Expo 2013.

In addition to the above programs, the department provided direct assistance to over 300 clients through high level business advice, the Austrade TradeStart program, communication of export opportunities to NSW businesses and export mentoring.

TradeStart is an Austrade initiative that delivers services through the department and other TradeStart partner organisations. The prime objective of TradeStart is to assist small and medium enterprises to achieve long term success in international business. The department has been delivering TradeStart for 12 years. The six NSW advisers, based in Port Macquarie, Tamworth, Gosford, Orange, Nowra and Wagga Wagga, address the needs of individual businesses, drawing on the combined worldwide resources of Austrade and the NSW Government.

Strategic alliances

The department's Strategic Alliances Group was established during the year to leverage public and private sector partnerships to assist in facilitating investment and export outcomes for the State. In 2012–13 the group partnered with key Government, peak industry and trade bodies, and private sector allies with similar objectives to deliver strategic initiatives and activities that support growth in NSW exports and investment. These initiatives and activities included:

- » joint AusIndustry and NSW Trade & Investment information sessions to support NSW companies interested in obtaining Commonwealth grants
- » Austrade market opportunity briefings to maximise access by NSW companies to priority Asian markets
- » working with the Australia India Business Council and corporate allies in support of an inbound information and communications technology delegation from Kerala, India
- » co-hosting with the Australia Arab Chamber of Commerce & Industry a debrief by the Deputy Premier on his mission to the Middle East to promote New South Wales.

In 2012–13 the department developed a corporate referrals capability by engaging actively with a wide range of private sector companies to enhance the range of investment and export services and advice available to potential investors and businesses.

Export and Investment Advisory Board/Export and Investment Advisory Panel

The Export and Investment Advisory Panel, formerly the Export and Investment Advisory Board provides strategic advice to the Government to help increase the international competitiveness of NSW industry, to promote investment into New South Wales and to encourage the growth of NSW business activity in overseas markets.

During the year, the Panel provided advice on the department's approach to major trade events, the development of appropriate visa categories to attract significant investors, attracting greater numbers of key customers to business events hosted in New South Wales, and improving the global profile of Sydney and New South Wales.

NSW Multicultural Business Advisory Panel

The NSW Multicultural Business Advisory Panel (MBAP) advises the Deputy Premier and Minister for Trade and Investment and the Minister for Citizenship and Communities on actions that promote greater understanding between New South Wales and its important trading partners. The MBAP aims to harness the State's cultural diversity, language skills and overseas contacts to assist in growing innovation and market opportunities. MBAP members maintain strong links with NSW business communities from India, China, Japan, Korea, Indonesia and the Middle East. The MBAP chair is represented on the NSW Export and Investment Advisory Panel.

In 2012–13 MBAP members provided advice on strategies to develop the international education sector and the visitor economy. Developing an Asia-capable workforce in New South Wales was also addressed.

During the year, the MBAP worked to build linkages with the NSW Korean business community and the Ethnic Communities Council to build networks and identify key NSW strengths to promote in overseas markets.

Members also provided advice on specific market opportunities for the Premier and Deputy Premier's overseas missions to China, India, Japan and the Middle East. MBAP members also supported Government meetings of visiting overseas leaders and heads of state with the Premier and various Ministers. This included members participating in forums and seminars with visiting international delegates.

International engagement strategy

A vital component of the new NSW Economic Development Framework was the release in April 2013 of the *NSW International Engagement Strategy*, the State's first whole-of-government approach to growing international trade and investment activities in New South Wales. The strategy was developed in response to the opportunities and challenges of an increasingly globalised economy, and aims to position the State to attract more international investment, facilitate exports, create jobs and grow the economy. The strategy is available from the Business website.¹

The new strategy builds on the strong working relationship between the private sector and the Government, and provides a clear way forward for a centrally coordinated whole of government approach to help the State achieve greater trade and investment outcomes. It details how New South Wales will apply available resources to better promote the State's capabilities and opportunities in key markets.

The strategy identifies specific international engagement activities to:

- » prioritise NSW markets and sectors
- » attract productive international investment and regional headquarters
- » encourage growth in NSW business activity in overseas markets
- » build close international trade and investment relationships
- » coordinate efforts and improve structure for delivery.

During the year, the Government expanded the State's priority markets from six to ten, reflecting the State's key sources of foreign direct investment, as well as the main buyers of NSW merchandise and services exports. The priority markets are Japan, the United States of America, China, the United Kingdom, India, Malaysia, the United Arab Emirates, South Korea, Singapore and Indonesia.

Priority sectors were also identified for each market to ensure a strong focus on the State's competitive advantages and to maximise the potential for growth. Sectors include: professional services, construction/infrastructure, advanced manufacturing, education and research, information and communications technology, clean technology, mining, agribusiness and tourism.

Priority markets

The NSW Trade & Investment overseas offices are located in four of the State's ten priority markets as identified in the *NSW International Engagement Strategy*: India (Mumbai), the United Arab Emirates (Abu Dhabi), the United States of America (San Francisco), and China (Shanghai and Guangzhou).

In 2012–13 the department's international office network generated over 70 qualified investment leads, resulting in close to \$400 million in foreign direct investment and \$235 million in business export outcomes, while facilitating the creation of more than 750 full time jobs for the State.

Government missions

Government mission highlights during the year included:

Premier's trade and investment mission to India (October 2012)

The Premier led a trade and investment mission to India in October 2012 that visited Mumbai, Hyderabad and New Delhi. There were eleven program partners, eleven business meetings, eleven business events and two cultural visits over six days. As well as establishing a sister-state relationship between New South Wales and Maharashtra, the Premier announced Macquarie University's \$11 million Indian investment, and investments into New South Wales by the SP Jain School of Global Management campus, the Bank of Baroda, Omnitech InfoSolutions and Vax Housing Finance Corporation.

¹ www.business.nsw.gov.au/__data/assets/pdf_file/0020/29351/NSWGOV_IES09_1_PA_14JUNE2013.pdf

Deputy Premier's visit to Japan and China (December 2012)

The Deputy Premier co-led the Australia Japan Business Cooperation Committee's Australian Healthcare Industry Mission to Japan in December 2012. After fulfilling his commitments in Tokyo, the Deputy Premier continued to China where he addressed business representatives at seminars targeted at qualified Chinese investors seeking to apply for the new Significant Investor Visa.

Deputy Premier's mission to the United Arab Emirates and India (April 2013)

The Deputy Premier led an infrastructure, financial services, education, agriculture, aviation/tourism and healthcare trade and investment mission to the United Arab Emirates and India in April 2013. The Deputy Premier raised awareness of New South Wales as a business partner and leading investment destination, and actively sought investment and new export opportunities.

Premier's third official mission to China (June 2013)

Following the release of the *NSW International Engagement Strategy*, the department coordinated the Premier's third official mission to China in June 2013. Building on the strong relationships established during the Premier's prior two visits, the mission focused on high level Government meetings, further bedding down the State's strategic sister-state relationship with Beijing, promoting participation in the 25th NSW-Guangdong Joint Economic Meeting, and promoting the State's \$61.8 billion investment pipeline.

Oz Fest

NSW Trade & Investment coordinated the NSW Government's support for the Australian Government's five-month Oz Fest celebration of Australia in India. From October 2012 to February 2013, Oz Fest showcased to India the best of Australian contemporary culture, with 159 events reaching more than 290 000 Indians in 18 cities, and achieving an equivalent advertising value of nearly \$3.4 million in media coverage, 40 000 unique website hits per month, 66 000 'likes' on Facebook and 600 Twitter followers. In Mumbai, the Premier launched the Australian Film Festival of India, sponsored by Destination NSW and supported by Screen NSW.

The Oz Fest business program delivered opportunities for Australian and Indian businesses to interact, and demonstrated that Australian business is as innovative, creative and outward-looking as Australian arts and culture. Around 800 people attended four Oz Fest business forums in four Indian cities – one on food and beverages (Bengaluru), two on innovation (New Delhi and Mumbai), and one on mining and resources (Kolkata). The department's Mumbai office followed up with 120 calls and explored 30 new business leads as a result of these events.

Business events and missions

In 2012–13, export-ready NSW companies promoted their tradeable goods or services to key buyers, investors, distributors and media via a range of international trade events and missions led by the department's TradeStart export advisers.

The export advisers identified, recruited and supported NSW companies at six exhibitions and missions held in Berlin (rail), Kuala Lumpur (rail), Qatar (construction), Hong Kong (food), Shanghai (consumer goods) and Seoul (food and hotels) in collaboration with the department's international offices, Austrade and other industry allies.

The department supported a number of key collaborative events by, for example, hosting inbound foreign investment delegations and providing briefings for the NSW Consular Corps. The department also continued to develop the department's NSW Export Lab Series, holding seven events to help build capability among NSW businesses interested in exporting. The workshops alternated between building skills and imparting priority market expertise.

NSW capability was showcased at the following major trade showcases:

Australian International Airshow (February 2013)

The Australian International Airshow is one of the Asia Pacific's premier defence expos and the largest airshow in the southern hemisphere, attracting almost 200 000 delegates. NSW Trade & Investment's stand showcased seven companies from the State's defence hubs in Newcastle, Shoalhaven and Sydney. As part of a broader re-engagement with the defence, aerospace and aviation sectors, NSW Defence Adviser, Ken Gillespie, and the Member for Newcastle, Tim Owen MP, conducted several high level meetings on the stand with key defence organisations and decision makers. The Deputy Premier hosted a Defence Industry Leaders Breakfast to explore supply chain opportunities for NSW small and medium enterprises with multinational defence corporations.

G'Day USA: Australia Week 2013 (9–27 January 2013)

In 2013 G'Day USA: Australia Week celebrated its 10th year of showcasing Australian culture, industry and trade opportunities, with a three-week program in eight American cities: Los Angeles, San Francisco, Houston, Sacramento, New York, Chicago, Dallas and Washington DC. NSW capability and policy leadership were showcased at a series of networking events covering energy, carbon trading, water, financial services, innovation and tourism business. Tailored one-on-one business meetings were also conducted with potential American investors and exporters interested in conducting business in New South Wales. The Cappello Capital Corp. Australia Desk Annual Australia–US Investment Conference provided a way for NSW companies to access the American market in a forum with bilateral investors, advisers and government representatives. The University of Sydney's United States Study Centre also participated with support from the department, staging US–Australian dialogues on the water-energy nexus, carbon pricing, and energy.

CeBIT Australia 2013 (28–30 May 2013)

CeBIT Australia, the Asia Pacific's largest business ICT showcase and conference, was held in May 2013 in Sydney for the 12th time. During the event, the Premier and the Deputy Premier announced that the Government had secured CeBIT in Sydney for a further three years. The department's commitment to the event is extensive. In addition to showcasing NSW innovation, the department coordinated the involvement of the Premier, the Deputy Premier and the Parliamentary Secretary for Asia Pacific Trade, hosted an international business reception at Government House for visiting international delegations, and liaised with visiting delegations and the NSW Consular Corps to identify opportunities for investment and partnerships in the NSW economy.

NSW Premier's Export Awards (October 2012)

The state's top exporters were celebrated at the 50th NSW Premier's Export Awards in October 2012. NSW Trade & Investment was principal sponsor of the awards, and the NSW Exporter of the Year – Western Sydney-based manufacturer of recording equipment, Rode Microphones – was presented with the award by the Premier. A series of regional launches increased the reach to regional exporters, including in Wauchope/Kempsey, Bathurst and Wollongong. NSW companies won six of the 12 categories at the 50th Australian Export Awards held in Canberra on 27 November 2012.

Japanese infrastructure mission to Sydney (April 2013)

In April 2013, NSW Trade & Investment worked with its key bilateral partner, the Australia Japan Business Cooperation Committee, and its Japanese counterpart, the Japan Australia Business Cooperation Committee, to support an infrastructure mission to Sydney by 45 senior business executives from the Japanese infrastructure industry, including contractors, equipment suppliers, facilities operators, financial institutions, engineering consultancy firms, and trading houses. The mission focused on the workings of public private partnerships (PPP) in Australia, and on PPP investment opportunities in New South Wales. The mission helped to share information between the NSW and Japanese PPP markets, and promote New South Wales as a safe, transparent and commercially viable market for investment by Japanese companies.

NSW Competitiveness Report

In 2012–13 the department published the 2013 edition of the *NSW Competitiveness Report*, bringing together economic, trade, demographic, lifestyle and other business data to promote the strengths of Sydney and New South Wales as a place to do business. The report highlights the State's highly skilled labour force, diverse industry strengths including in the financial, professional services, creative and high-end manufacturing industries, extensive research infrastructure and transport links and internationally

competitive office and industry occupancy costs. The report is available from the Business website.²

Highlights from the report included the findings that in 2011–12 the NSW economy, the largest in Australia, contributed the highest state share of national output not only in all services industries apart from construction, but also in manufacturing, and that the NSW economy was larger than many national economies in the Asia Pacific. New South Wales provided 40 per cent of national services exports in 2011–12, making it Australia's premier tourist destination. NSW is also a centre for international learning and the nation's leading business and finance centre. It is supported by the largest number and concentration of knowledge workers of all states. Around one-quarter of the State's population was born overseas.

Improved performance of key industry sectors leading to growth in Gross State Product

Industry Action Plans

During the year, the department led the development of Industry Action Plans, the Government's priority initiative to position key sectors of the State's economy for strong growth.

Development of the plans occurred in two key phases in 2012–13. The first phase involved a major policy exercise to engage business and industry to create Industry Action Plans with a ten-year horizon for six key industry sectors. The department worked with industry-led taskforces to coordinate public feedback and produce the final plans. This led on to the second phase of delivering on the early recommendations and initiating an implementation and review process for the plans.

Between October and December 2012, the Deputy Premier, the Hon Andrew Stoner MP, launched four plans – the International Education and Research, Digital Economy, Manufacturing, and Professional Services Industry Action Plans – along with the whole of government response to all four of these plans. The Government response, *The NSW Government response to the Industry Action Plans for digital economy, international education and research, manufacturing, and professional services, incorporating the NSW Economic Development Framework*, is available from the Business website.³

The Visitor Economy Industry Action Plan was also released in December 2012 as a whole of government response to the independent report of the industry-led Visitor Economy Taskforce. The response, *Visitor Economy Industry Action Plan: The NSW Government response to the final report of the Visitor Economy Taskforce*, is available from the Business website.⁴

2 www.business.nsw.gov.au/invest-in-nsw/about-nsw

3 www.business.nsw.gov.au/__data/assets/pdf_file/0012/26211/iap_gov_response_20121213.pdf

4 www.business.nsw.gov.au/__data/assets/pdf_file/0006/26349/121218_VE-IAP-Full-version_FINALv2.pdf

The Creative Industries Taskforce was established in June 2012 and the department provided secretariat and project management support. This included supporting the taskforce's extensive consultation with industry, industry peak bodies and industry experts, as well as public consultation through the Government's Have Your Say website. In March 2013, the taskforce released its draft plan for final industry comment, prior to the plan's finalisation and submission to the Government.

In June 2013 the Creative Industries Action Plan was released by the Deputy Premier, as was the Government response to that plan. The response, *The NSW Government Response to the Creative Industries Action Plan*, is available from the Business website.⁵

In June 2013 the Deputy Premier also launched the *NSW Creative Industries Economic Profile*, available from the Business website.⁶ This report profiles the State's creative sector and the sector's component industries, and maps their locations throughout New South Wales using the latest census data. The analysis was a recommendation of the NSW Creative Industries Taskforce. Findings from the analysis contributed to the Government response to the plan.

The department hosted a series of forums in June 2013 to help develop revisions and new priorities for 2014 as part of the ongoing implementation of the Industry Action Plans.

Economic Development Framework

In developing the Government response to the Industry Action Plans, the department identified a number of broad guiding principles common to the different plans. Using these principles the department developed the NSW Economic Development Framework to guide the implementation of the actions recommended by the various taskforces. The Deputy Premier released the framework, *A Platform for Growth: the NSW Economic Development Framework*, on 13 December 2012. It is available from the Business website.⁷

The framework represents a new business model and signals a shift from potentially market-distorting industry assistance to capability building, innovation and collaboration across the economy. It acknowledges partnerships between industry, education and research organisations and all levels of government as a key element in achieving the State's vision of dynamic economic growth.

The framework aims to make it easier to do business in New South Wales and to position industry for long-term global competitiveness through innovation and productivity, and is built on the following five key principles:

- » **demonstrating leadership**, through stronger engagement with industry, implementing innovative and fiscally responsible economic policy, and advocating nationally for the needs of the State's major industries
- » **making it easier to do business**, by improving the Government's operations and processes to reduce costs to businesses and provide greater certainty, while maintaining an effective regulatory regime for a robust and competitive market
- » **collaborating to drive innovation and competitiveness**, by ensuring industry is better prepared to respond to new challenges, create new products and markets, and take advantage of emerging opportunities
- » **investing in critical infrastructure**, by planning for the provision of strategic and efficient infrastructure needed to drive the economy
- » **raising the global profile of Sydney and New South Wales**, by promoting the State in a more strategic and coordinated way to attract globally mobile businesses, entrepreneurs and talent to Sydney and New South Wales.

Infrastructure and construction

During the year, the department helped to attract a number of projects to New South Wales, including:

- » Establishment of Bouygues Construction's new office in Sydney. Bouygues Construction is one of the world's largest construction companies, with 52 000 staff worldwide and sales of \$12 billion.
- » Redevelopment of the existing Woolworths supermarket and associated car parks on New South Head Road, Double Bay, in a joint venture between Woolworths Limited and Woollahra Council. The Kiaora Land Development Project will include a new Woolworths supermarket; a range of retail, commercial and speciality stores; a new three-storey state-of-the-art public library; and a car park that will provide 442 car spaces. The project includes capital expenditure of \$76 million and will create up to 257 new jobs.
- » Establishment of the first Australian store of major North American retailer Williams-Sonoma at Bondi Junction. The company has invested up to \$3.5 million and will create up to 100 jobs over the next five years.

The department was also active in marketing the priority infrastructure projects set out in the *NSW Government State Infrastructure Strategy*.

In total, the department assisted in attracting four infrastructure and construction projects to the State during 2012–13, with a combined investment value of \$139 million and the projected creation of 382 jobs.

5 www.business.nsw.gov.au/__data/assets/pdf_file/0012/30171/Government-Response-to-the-Creative-Industries-Action-Plan.pdf

6 www.business.nsw.gov.au/__data/assets/pdf_file/0015/30174/Creative-Industries-Economic-Profile.pdf

7 www.business.nsw.gov.au/__data/assets/pdf_file/0015/26223/nsw_economic_dev_framework_20121213b.pdf

Information and communications technology

As part of the NSW Economic Development Framework, the department established Innovate NSW, which is focused on addressing challenges to growth in key sectors of the NSW economy through the application of enabling technologies (cloud, mobile, analytics, sensors, advanced materials and biosciences). The program provides targeted assistance to promote collaboration between innovative small and medium enterprises (SMEs) and business customers and researchers to bring new products and services to market, and to open up new high growth business and export opportunities.

These innovative SMEs are increasingly recognised as having a disproportionate impact on jobs and productivity, through their capacity to develop new solutions and business models. Sydney was acknowledged as the heart of Australia's innovation ecosystem in 2013 when PricewaterhouseCoopers and Google Australia announced their findings that 64 per cent of Australia's technology start-ups are found in Sydney.

Twenty-three early stage companies were showcased in Sydney at Tech23 in September 2012, sponsored by NSW Trade & Investment. Fourteen more companies were showcased at CeBIT in May 2013, alongside Fishburners, a Sydney-based innovation incubator.

In August 2012 the NSW Government renewed funding of National ICT Australia (NICTA). Headquartered at Australian Technology Park in Redfern, NICTA was allocated \$29 million under the Research Attraction and Acceleration Program for funding to 2015–16, comprised of \$5 million for 2012–13 (in addition to the existing \$3 million commitment for 2012–13 under a previous funding agreement) plus \$8 million for each of the following three financial years. Now in its tenth year, NICTA applies digital technology and information and communications technology to transform business delivery and productivity in the current economy, while delivering the ICT research and technologists needed to create new businesses in the digital economy of the future.

Renewable energy

Renewable energy is a growing sector for the NSW economy, driven by the national target of 20 per cent renewable energy generation by 2020.

New South Wales has an abundance of clean energy resources and is the leading state for renewable energy generation. New South Wales has a significant number of projects under review by the NSW Department of Planning and Infrastructure, including numerous wind energy proposals. These projects, if delivered, represent over \$6 billion of investment and over 3000 ongoing jobs.

In recognition of the renewable energy sector's potential, the Government released its *Draft NSW Renewable Energy Action Plan*, available on the Government's Have Your Say website,⁸ in September 2012. One of the draft plan's key

areas of focus is to attract investment into New South Wales by taking practical steps to remove investment barriers.

Over the past year, the department met with and assisted over 100 renewable energy related companies, leading to a number of successful outcomes, including the following:

- » Fulcrum3D's expansion of its manufacturing capability base in Sydney, with significant export potential. Fulcrum3D is a Sydney-based technology company delivering 3D remote sensing solutions to the renewable energy industry, including advanced wind monitoring sensors based on its Sodar platform.
- » Trina Solar's expansion, resulting in the creation of 14 jobs and an investment of \$2 million to become Australia's largest photovoltaic panel supplier.
- » Sungevity's expansion of its operations into Australia. Sungevity is a pioneer in residential solar leasing systems, based in California, USA. Sungevity Australia's head office is in Byron Bay and the company is seeking to hire 20 staff initially.
- » Neoen's decision to establish a presence in Sydney, following 12 months of research into Australian market opportunities. Neoen is a French independent renewable energy producer with wind, solar and bioenergy assets in its portfolio.

Professional services (including financial services)

Whilst uncertainty and austerity were the catchcry of markets in the USA and Europe during the year, New South Wales continued to demonstrate security and growth for investment and investor confidence. Established operations within New South Wales were able to plan for modest growth in the NSW economy.

In 2012–13 Sydney continued to reinforce its status as the centre of financial services in Australia and its position as a global financial centre. A number of overseas banks secured approval from the Australian Prudential Regulation Authority (APRA) to establish branches and representative offices in Sydney. Woori Bank of South Korea opened its Australian branch office in Sydney. Doha Bank opened its representative office in Sydney, making it the only bank from the Cooperation Council for the Arab States of the Gulf with a presence in Australia. Whilst the setting up of offices of these banks was significant in itself, these offices were opened in response to the needs of the banks' customers, reflecting the growth in the NSW economy more generally.

China UnionPay launched its partnership with the Commonwealth Bank of Australia in May 2013 for the use of China UnionPay's transaction cards in over 170 000 CommBank Merchant terminals across Australia. China UnionPay also announced its direct debit card facilities across China could be used for direct conversion from the Chinese renminbi (yuan) to the Australian dollar. China UnionPay has issued 3.5 billion cards and is accepted in 140 countries.

⁸ <http://engage.haveyoursay.nsw.gov.au/document/show/475>

Following the establishment of the Centre for International Finance and Regulation (CIFR) in Sydney, the centre embarked on a substantial body of work researching issues in systemic risk, market regulation and financial market developments. CIFR's international research program includes an important study CIFR is conducting in partnership with the Shanghai University of Finance and Economics into the liberalisation of the Chinese renminbi (yuan).

The Sydney–Shanghai Finance Services Symposium was held in Shanghai in June 2013 in conjunction with the Lujiazui Forum in Shanghai, the largest and most prestigious financial services forum held in China each year.

The International Council of Securities Associations (ICSA) held its 26th Annual General Meeting in Sydney in May 2013 hosted by the Australian Financial Markets Association. ICSA is composed of trade and self-regulatory associations for both domestic and global capital markets. ICSA members represent and/or regulate the vast majority of the world's equity, bond and derivatives markets, and thus the event represented an opportunity to showcase Sydney on the global stage.

Manufacturing (including defence)

In 2012–13 the Government's industry-led Manufacturing Taskforce delivered a 10-year Industry Action Plan to position key sectors of the State's economy for strong growth, resilience, improved innovation and productivity, global competitiveness and new investment opportunities. The plan and related material are available on the Business website.⁹

The manufacturing sector is important to the NSW economy. In 2011–12 it generated the second largest industry value-add in the State – more than \$35 billion, representing over 8 per cent of Gross State Product, behind only finance and insurance services. NSW manufacturers compete on a global basis and make a strong contribution to exports and innovation.

The department actively pursues investment opportunities in the manufacturing sector, particularly in high growth sub-sectors such as food, metals fabrication, defence and clean technology. In 2012–13 key manufacturing projects attracted by the department included:

- » the expansion of packaging company Colorpak's manufacturing operations into a neighbouring building in Regents Park, with the company planning to employ an additional 100 people with approximately \$2 million in investment.
- » the expansion of Swisse Vitamins' NSW footprint, with staff Levels expected to increase from five jobs in July 2011 to 70 jobs by 2014. Approximately 90 per cent of the company's product is manufactured in New South Wales under licence and planned growth in sales is expected to see job numbers increase at the manufacturer's facility by over 100 over the next three years.

In total, the department assisted in attracting nine manufacturing projects to the State during the year, with a combined investment of \$98 million, forecast exports of \$153 million and the projected creation of 565 jobs.

Sydney tourism employment plan

As part of the work undertaken under the Commonwealth, state and territory tourism strategy *Tourism 2020*, eight regions across Australia were selected for the development of tourism employment plans (TEPs), including Sydney. NSW Trade & Investment, with support from Destination NSW, continued to work with the Commonwealth during the year to deliver its Sydney TEP. Project oversight is provided by an industry-chaired steering committee and the project will be completed in 2013–14. As part of the development of the TEP, industry-led targeted and practical measures to address labour and skills issues impacting on the visitor economy in Sydney are being explored, such as linking tourism businesses with programs geared towards improving education, training and employment outcomes.

International education and research

The *Industry Action Plan: NSW International Education and Research* recommended the establishment of a new entity, StudyNSW, as the best way to implement many of the plan's initiatives. StudyNSW will be a partnership between the Government and industry.

During 2012–13 the department received Government funding approval for \$4.7 million including capital over four years from 1 July 2013, subject to matched contributions from education providers, to establish StudyNSW. Delivery of key initiatives and negotiations with major industry stakeholders will be a focus area for the department in 2013–14.

As a 2013 priority of the *Industry Action Plan: NSW International Education and Research*, the department began to develop an international student charter. The department sought input from public and private education providers, peak bodies and other stakeholders in developing the charter. Support for the development of the charter was received from NSW Deputy Vice-Chancellors (International), the Australian Council for Private Education and Training, and the Council of International Students Australia.

In October 2012 the Premier announced travel discounts for international students to increase the competitiveness of New South Wales in international education relative to other jurisdictions offering similar discounts. The department worked with Transport for NSW to introduce the travel discounts from January 2013. The department is represented on the working group established to monitor implementation and resolve any administrative issues.

⁹ www.business.nsw.gov.au/doing-business-in-nsw/industry-action-plans/manufacturing

Jobs are supported and created in urban and regional New South Wales

Regional business investment

In 2012–13 NSW Trade & Investment assisted over 51 companies planning to establish or expand into regional New South Wales. These companies were aiming to invest more than \$358 million and create over 1000 jobs across regional New South Wales.

Pactera Technologies' establishment of a national service delivery centre in Wollongong for software development, testing and systems support is an example of regional, innovative job creation supported by the Government. Pactera plans to invest \$2.9 million and create 35 jobs by 30 December 2014.

Office of Regional Development

The Office of Regional Development was established in 2012 to deliver services and programs to deliver regional economic development and support initiatives under NSW 2021 such as the Regional Action Plans, Jobs Action Plan, the Regional Relocation Grant Scheme and Resources for Regions. The Regional Industries Investment Fund is used by the Office of Regional Development to help drive economic growth in regional New South Wales.

Regional Industries Investment Fund

During the year, the Government provided financial support for infrastructure investment through the Regional Industries Investment Fund (RIIF). The RIIF provides financial support to infrastructure projects that help drive economic growth and support job creation in regional New South Wales.

The department conducted detailed assessments of proposals for financial support under the RIIF, helping to identify project opportunities with strong public benefit outcomes such as:

- » the development of a private sector-led regional medical centre serving the needs of the resources sector
- » infrastructure enhancement at the Glen Innes Airport to enable flight training proposals to proceed.

The Glen Innes Airport project secured State funding of \$1.6 million toward infrastructure upgrade costs, helping to facilitate the Australian Wings Academy international aviation college. The funding will be used to support upgrades to water, sewerage and power, road access, car parking, aircraft aprons and taxiways at the aerodrome site. The college project represents capital expenditure in excess of \$52 million, teaching up to 600 pilot/aviation students per year and employing up to 379 jobs when fully operational.

During the year, NSW Trade & Investment undertook a review of the RIIF to ensure departmental support focuses on investment and business advice and facilitation and that finite Government funds are allocated to those projects that best deliver on the Government's policy priorities.

The review resulted in the implementation of a series of measures, including more robust mandatory requirements and assessment processes for the fund, to ensure greater transparency and improved outcomes for regional New South Wales.

Resources for Regions Program

In partnership with Infrastructure NSW, NSW Trade & Investment helped design, deliver and promote the Resources for Regions Program which will provide grants totalling \$160 million over four years for communities experiencing unique direct and indirect pressures on their infrastructure and services as a result of mining activity.

The second annual *Economic Assessment of Mining Affected Communities* prepared by the department was released in February 2013. The report identified communities eligible to apply for priority support through the Resources for Regions Program in 2013–14.

Decade of Decentralisation

The Government's Decade of Decentralisation policy aims to support the development and sustainability of regional economies and communities, attract population, skills and investment from Sydney to regional New South Wales, and increase the opportunities for communities in regional New South Wales to participate in Government decision making.

Key initiatives being implemented under the Decade of Decentralisation policy are the Regional Relocation Grant, Jobs Action Plan (regional component), Restart NSW (regional component), Resources for Regions, and the decentralisation of Government agencies.

In November 2012 the Government appointed a NSW Decentralisation Taskforce, comprising five NSW members of parliament, to review the Decade of Decentralisation policy and associated initiatives. The taskforce conducted a targeted consultation process and submitted its report to the Government in April 2013. Overall, the taskforce found broad support for the Decade of Decentralisation policy objectives. The Government response to the taskforce report will be released in 2013–14.

NSW Trade & Investment partnered with Government Property NSW during 2012–13 to review Government agencies' accommodation commitments due to expire within the next five years. The first phase of the work identified opportunities to relocate agencies out of the Sydney CBD to elsewhere in metropolitan Sydney. Additional work was carried out on opportunities to decentralise public sector jobs and functions to regional New South Wales. This included providing advice on the characteristics of locations best suited to host relocated Government activities, the kinds of Government entities most suited to relocation and ways to best manage relocations. The decentralisation of agencies is also designed to transfer knowledge and skills to support the economic development of non-CBD locations in Greater Sydney and regional New South Wales.

Regional Development Advisory Council

The Regional Development Advisory Council comprises the chairs of the State's 14 Regional Development Australia (RDA) committees. The NSW RDA committees are jointly funded by the Australian and NSW governments and advise the NSW Government on regional economic development issues.

During the year, the council identified a range of issues that either challenged NSW RDA committees or created opportunities in the regions. These issues included cross-border issues, transport corridor solutions, the Independent Local Government Review, regional infrastructure needs, digital economy options in regional areas, the impact of mining, and employment opportunities for young people. The council provided input to specific submissions on skilled migration in terms of regional skills needs, regional freight and port issues to Transport NSW, and the NSW Decentralisation Taskforce's review of the Government's Decade of Decentralisation policy and associated initiatives.

National regional policy development

In 2012–13 the department provided policy advice to support NSW attendance at meetings of the COAG (Council of Australian Governments) Regional Australia Standing Council, the peak national forum for regional development policy.

New South Wales is represented on the council by the Deputy Premier in his capacity as Minister for Trade and Investment and as Minister for Regional Infrastructure and Services.

During the year, the department's involvement in supporting the work of the council included:

- » leading an investigation (in consultation with other jurisdictions and relevant NSW agencies) into local government, debt and capacity to meet local infrastructure investment needs
- » contributing to initial work by the council to develop a regional infrastructure investment strategy by June 2014, aiming to develop an integrated national investment strategy for infrastructure, including the means to better align Commonwealth, state and territory infrastructure investment with regional needs and priorities.

In 2012–13 the department also conducted research on priority locations for the development of place-based strategies to be undertaken consistent with a proposed memorandum of understanding between the Commonwealth and the states.

Promotion of country and regional living

Through ongoing support by NSW Trade & Investment of the Country & Regional Living Expo held in Sydney each year, in 2012–13 over 7500 attendees engaged with regional councils and saw first-hand the benefits of living and working in country and regional New South Wales.

Aboriginal Business Service

NSW Trade & Investment's Aboriginal Business Services assisted 267 Aboriginal business owners to continue to grow and develop their commercial enterprises in 2012–13 through the provision of business advisory services and connections to relevant government programs and services.

Migration

Throughout 2012–13 the department implemented policy and practices to deliver on the *NSW strategy for business migration & attracting international students*, released in March 2012. The strategy aims to boost the State's share of skilled and business migrants and ensure that migration supports the NSW economy and the needs of regional New South Wales. New South Wales has significantly increased the number of skilled and business migrants it has nominated under the strategy, from 1300 in 2011–12 to 2600 in 2012–13.

In 2012–13 New South Wales engaged actively with the Commonwealth on migration issues including the establishment of the new Significant Investor Visa (SIV). New South Wales created a complying investment for the SIV in the form of NSW Waratah Bonds issued by the New South Wales Treasury Corporation. Funds raised through these bonds are invested in infrastructure for the State.

During 2012–13 NSW Trade & Investment hosted two well-attended seminars in partnership with the New South Wales Treasury Corporation and the Commonwealth Department of Immigration and Citizenship to brief industry on the SIV. The new visa was also promoted through the NSW Government's network of international offices and through a number of international trade events.

Global Talent Hub Project

The Global Talent Hub Project is a joint initiative between the Government and the Committee for Sydney and aims to position Sydney as an attractive location for internationally mobile, highly skilled workers.

Commencing in early 2013, the first phase of the project was to establish an evidence base to explore issues affecting whether globally mobile talent would choose to locate to Sydney. The department undertook initial census analysis, conducted a global survey sent to over 100 000 recipients to determine attitudes to Sydney as a place to live and work, and began interviewing key stakeholders including senior executives and international skilled employees. The project will continue in 2013–14.

Cultural, creative and recreational opportunities are enhanced to support and strengthen communities

Board appointments

Six cultural institutions are constituted under NSW legislation: the Art Gallery of New South Wales, the Australian Museum Trust, the Board of the New South Wales Film and Television Office (which trades as Screen NSW), the Library Council of New South Wales (which oversees the State Library of New South Wales), the Museum of Applied Arts and Sciences (which includes the Powerhouse Museum), and the Sydney Opera House Trust. During the year, the department completed the processes necessary to ensure that 19 appointments and reappointments to the boards of these institutions took effect from 1 January 2013. The department developed a skills analysis matrix for each trust to inform the selection of new members and to help ensure a full complement of skills appropriate to the challenges facing the board of governance of a modern cultural institution.

Independent Liquor and Gaming Authority

During the year, the department coordinated the reappointment of three members of the Independent Liquor and Gaming Authority. This included conducting all necessary Cabinet appointment processes including the probity assessment required by the *Gaming and Liquor Administration Act 2007*. The department also developed a skills analysis matrix to better identify skills required of authority members and to assist in maintaining a complementary set of skills among board members in future recruitment.

'Three Strikes' and Violent Venues schemes

Through the Office of Liquor, Gaming & Racing (OLGR), the department works actively to improve the safety and operation of all licensed premises across New South Wales. It has two key regulatory platforms: the 'Three Strikes' disciplinary scheme and the Violent Venues scheme.

The 'Three Strikes' disciplinary scheme commenced on 1 January 2012 and targets irresponsible venue operators who disregard the law and put the safety of their patrons and the broader community at risk. In 2012–13, more than 40 venues incurred strikes for serious breaches of the liquor laws. First and second strikes can result in licence restrictions targeting higher risk activities (such as extended trading and the use of glass drinking vessels), while a third strike can lead to the suspension or cancellation of a liquor licence. Strikes are listed on a public register on the OLGR website.¹⁰

The Violent Venues scheme seeks to reduce alcohol-related violence in and around licensed premises across the State by publicly identifying venues with high numbers of assaults and other violent incidents, imposing restrictions on their operations (especially after midnight when the majority of assaults occur) and creating the impetus for venues to improve their operations and reduce assaults. The most recent round of the scheme, Round 9, was based on Bureau of Crime Statistics and Research (BOCSAR) data for 2012 and demonstrated an overall downward trend in the number of violent incidents in licensed premises in New South Wales. There is now only one level 1 venue, that is, a venue that has had 19 or more attributed violent incidents over the last 12 months. Level 1 and 2 venues are listed on the OLGR website.^{11,12}

The department reviewed the Violent Venues scheme during 2012–13. The review found that the scheme had helped to achieve positive outcomes in reducing alcohol-related violent incidents. It recommended that the core elements of the scheme be retained and that reforms be made to facilitate best practice by industry and strengthen the scheme's operation. The reforms will commence with the next round of assessments under the scheme on 1 December 2013.

Alcohol-related violence in Kings Cross

In September 2012 the Premier announced a plan of management to reduce alcohol-related violence in Kings Cross. The department is responsible for implementing a number of legislative reforms under the plan, including the *Liquor Amendment (Kings Cross Plan of Management) Act 2012*, which commenced on 7 December 2012. These amendments introduced a newly expanded and consolidated Kings Cross liquor precinct, extended the Kings Cross liquor licensing freeze until December 2015, and required licensees and staff to complete updated responsible service of alcohol (RSA) training by 1 March 2013.

Under the Liquor Amendment (Kings Cross) Regulation 2012, which commenced on 7 December 2012, licensed premises in the Kings Cross precinct are subject to special conditions to help reduce alcohol-related violence. These special conditions include drink restrictions, a glass prohibition, a requirement for closed-circuit television and the engagement of RSA marshals. Conditions are applied to licensed venues based on their risk profile.

Byron Bay Alcohol Action Plan

The Office of Liquor, Gaming and Racing also worked in Byron Bay with the NSW Police Force, the local liquor accord, Byron Shire Council and other local stakeholders to introduce a range of strategies to tackle irresponsible behaviour in and around licensed premises in Byron Bay. These included the development of the Byron Bay Alcohol Action Plan available on the OLGR website.¹²

¹¹ www.olgr.nsw.gov.au/alcohol_restrictions_for_violent_venues.asp

¹² www.olgr.nsw.gov.au/pdfs/Accords/final_byron_bay_alcohol_action_plan.pdf

¹⁰ www.olgr.nsw.gov.au/liquor_3_strikes_register.asp

Liquor promotion

In 2012–13 NSW Trade & Investment significantly increased its monitoring of liquor promotions, targeting suspected undesirable liquor promotions and activities likely to encourage the misuse or abuse of liquor. Responsible service of alcohol is a fundamental tenet of the *Liquor Act 2007* and venues that sponsor or conduct high risk liquor promotions or activities are contributing unduly to the risk of alcohol-related harm. The department targeted suspect liquor promotions as a priority activity during the year, resulting in 34 statutory notices being issued to licensees to restrict or prohibit liquor promotions or activities deemed undesirable or likely to encourage the misuse or abuse of liquor. The Government will release updated liquor promotion guidelines early in 2013–14 to ensure guidance remains contemporary and expectations for the conduct of liquor promotions are clearly defined.

Liquor licence density research and trial of the Environment and Venue Assessment Tool

The Office of Liquor, Gaming & Racing partnered with the Independent Liquor & Gaming Authority to fund a project to identify the economic and social impacts of licence density, the risks posed to the community and how these risks might be best managed. This research was completed this year and led to the development of the Environment and Venue Assessment Tool (EVAT). The EVAT provides two overall risk assessments: location risk (which includes both external and market factors) and venue risk. The tool provides a consistent and transparent basis on which to make liquor licensing decisions. A 12-month trial of the EVAT commenced in the City of Sydney and Newcastle local government areas in early 2013.

Small bar licences

The Liquor Amendment (Small Bars) Bill 2013 was passed by Parliament in March 2013 and introduced a new category of liquor licence for small bars. The new licence category recognises the need for greater industry diversity and smaller, more intimate venues to overcome some of the patron management issues associated with large venues, which can be exacerbated in higher density precincts such as Kings Cross. These reforms will commence on 1 July 2013 and enable small bar licences to be approved across New South Wales, subject to a maximum capacity of 60 patrons. Special arrangements were made to enable existing general bar hotel licences to be more easily converted into small bar licences during the first six months after the new laws commence.

Out Tonight? Party Right

Launched on 14 February 2013, *Out Tonight? Party Right* was developed by NSW Trade & Investment and the NSW Department of Education and Communities to align with the NSW school curriculum for upper secondary school students. This interactive web-based education resource promotes awareness of potential risks and dangers associated with alcohol consumption. It aims to promote cultural change by encouraging senior secondary school

students to question behaviour and common perceptions about alcohol use, and uses a range of teaching resources, videos and games and examples of real-life situations. The education resource is available on the *Out Tonight? Party Right* website.¹³

Memorandum of understanding with Clubs NSW

Amendments were made to the *Registered Clubs Act 1976* in November 2011 to implement a number of commitments contained in *Strong Clubs, Stronger Communities*, a memorandum of understanding between the NSW Liberal and National parties and ClubsNSW to enhance the viability of the registered club sector. These amendments introduced regulation-making powers enabling corporate governance measures to be implemented by law, if necessary, including requiring mandatory training for club directors and managers, imposing a nine director limit on club boards, allowing controls to be applied to voting eligibility for various classes of club members, allowing core features of a club to be defined, enabling the direct appointment of up to three directors to a club board, and facilitating three-year rolling elections for clubs.

In 2012–13 the department prepared the Registered Clubs Amendment (Training) Regulation 2013, to prescribe mandatory training requirements for club directors and managers. The Regulation, which will commence on 1 July 2013, will provide a balanced approach to the need for training to improve industry governance and management, taking into account the impact on the club sector, particularly on smaller clubs. The Regulation requires two directors of clubs with annual gaming machine profits of less than \$1 million to be trained by July 2016, with the majority of directors in other clubs also required to be trained by that date. The Director General of NSW Trade & Investment has issued training exemption guidelines under the Regulation to specify the types of skills and qualifications that exempt club directors and managers from the training requirements.

In relation to other corporate governance reforms, a Regulation is proposed to be made in the second half of 2013 to impose the nine director board limit from 1 July 2016; and to allow for the direct appointment of up to two directors to a club's board, subject to certain safeguards. The club industry has the opportunity to take action voluntarily in regard to the other corporate governance reforms until June 2016. This will be subject to regular progress reporting by the industry, before the need for further regulation is considered.

ClubGRANTS implementation

The ClubGRANTS scheme provides gaming machine tax rebates to registered clubs with annual gaming machine profits exceeding \$1 million, where those clubs spend an equivalent amount on approved community projects and services. Amendments to the *Gaming Machine Tax Act 2001*

¹³ www.partyright.nsw.edu.au

in 2011 increased the Category 2 rebate (for expenditure on community development and support services) from 0.75 per cent to 1.1 per cent of annual gaming machine profits exceeding \$1 million, and enabled Category 2 funding to be used for a club's core activities, such as maintenance of bowling greens and golf courses. For the gaming machine tax year ending 31 August 2012, Category 2 expenditure by clubs was \$30.9 million, compared to \$20.2 million in the previous year.

A new Category 3 ClubGRANTS Fund was introduced as part of the 2011 reforms. Under these reforms, 0.4 per cent of a club's annual gaming machine profits exceeding \$1 million are placed into a state-wide pool to fund large scale sporting, community and health projects. During 2012–13 the expenditure of \$6.2 million from this funding was approved for significant sporting infrastructure. The funding included a final payment of \$1.2 million in respect of Pluim Park at Lisarow on the State's Central Coast for the upgrade of football infrastructure, after initial funding of \$1.8 million was provided for the project in the previous year. A payment of \$5 million was approved towards the redevelopment of football facilities at Valentine Park, Glenwood. The Commonwealth Government has committed \$3 million towards the Valentine Park redevelopment, while Football NSW is contributing \$8.4 million towards the project.

Gaming machine reform

The *Gaming Machines Act 2001* was amended to allow small clubs with a maximum of 33 gaming machine entitlements to operate up to five multi-terminal gaming machine player terminals. This implemented a Government commitment to ClubsNSW contained in the 2010 Memorandum of Understanding, *Strong Clubs, Stronger Communities*.

In 2012–13 the department continued to lead national work directed at streamlining the *Australian/New Zealand Gaming Machine National Standard* and accompanying jurisdictional appendices. Significant reductions in variations between jurisdictions will reduce the regulatory burden on the gaming machine industry. The national standard will be re-characterised into high level outcomes-based principles. In 2012–13, 88 amendments to jurisdictional appendices were identified for removal. This represents a 73 per cent reduction in the number of variations between jurisdictional appendices.

National gambling reform

During the year, NSW Trade & Investment continued to work closely with the Commonwealth and stakeholders on national gambling reform and reform implementation arrangements. New South Wales provided input to the review of the *Interactive Gambling Act 2001* (IGA). The review recommended proposed national standards for both harm minimisation and consumer protection for online gambling services permitted by the IGA (including wagering and lotteries). The proposed standards cover a range of issues, including pre-commitment, responsible gambling

messages, restrictions on providing lines of credit, and limits on betting inducements.

Totalizator licence exclusivity

TAB Limited, a fully owned subsidiary of Tabcorp Holdings Limited, operates Ministerial licences to conduct on-course and off-course totalizator services. These licences authorise the operation of TAB shopfronts, PubTAB and ClubTAB outlets, mobile outlets at major sporting venues and other events, telephone betting through TAB's telephone betting facility, and internet betting through TAB's website.

The two licences commenced in 1998 for a 99-year period. A 15-year exclusivity period was allowed for both licences. The exclusivity period ended on 22 June 2013.

In 2012–13 the department facilitated a process for examining market options that would deliver the best value for money to the Government and people of New South Wales. It led an inter-agency steering committee comprising representatives from the Department of Premier and Cabinet, NSW Treasury and the Crown Solicitor's Office. The steering committee members were supported by an external corporate adviser (PricewaterhouseCoopers) and a probity adviser (McGregor Consulting). The process sought to optimise revenue and sustainability objectives through upfront and ongoing returns to the Government, returns to the racing industry and returns to punters.

Following consideration of options, the Government accepted an offer whereby Tabcorp would pay the Government \$75 million for an extension of exclusivity for off-course totalizator services for a 20-year period. An upfront fee of \$50 million will be paid immediately after legislative amendments come into operation (with a target of September 2013) and \$2.5 million will be paid annually from 2024.

Responsible Gambling Fund

In 2012–13 the Responsible Gambling Fund (RGF) committed \$4.05 million to a three-year project to minimise gambling harm in NSW Aboriginal communities. One element, the Gambling and Aboriginal People Awareness Program, which allocates up to \$1.8 million over three years, went to tender in June 2013.

Other awareness activities included the State's participation in the national Responsible Gambling Awareness Week, which directly engaged more than 200 000 people across the State with a raft of events in May 2013, and the development of a *Stay On Track* mobile application to assist online sports bettors to stay within their limits. Communications initiatives included the launch of a resource to support families of problem gamblers, and the development of several video and online resources in languages other than English.

In October 2012 the Government released *The Prevalence of Gambling and Problem Gambling in New South Wales* report, funded by the RGF and available on the website of the Office of Liquor, Gaming & Racing.¹⁴ The research estimated that 0.8 per cent of the NSW adult population were problem gamblers. In May 2013 tenders opened for RGF-funded research into gambling harm minimisation. The aim is to provide the Government with a comprehensive and up-to-date understanding of the potential harm that gamblers may suffer and the level of risk associated with that harm. The research will also identify a range of strategies that have the potential to be effective in preventing harm.

Arts portfolio budget and assets

The Government's arts portfolio is comprised of Arts NSW, Screen NSW and the NSW cultural institutions – the Sydney Opera House, the State Library of New South Wales, the Museum of Applied Arts and Sciences, the Art Gallery of New South Wales and the Australian Museum.

In 2012–13 the arts portfolio budget totalled \$385.853 million, comprising a recurrent allocation of \$255.193 million and a capital allocation of \$130.660 million.

Arts portfolio assets total approximately \$6.59 billion (valued as at June 2013), including Arts NSW properties (\$272 million), cultural institutions collections (\$3.667 billion) and cultural institutions properties (\$2.648 billion).

Arts

The Arts Funding Program offers a range of opportunities for supporting artists, and arts and cultural organisations in New South Wales. In 2012–13 the Arts Funding Program provided \$54.7 million to 274 arts organisations and 27 individuals for 430 programs/projects across New South Wales, including:

- » providing more than \$18.8 million for state-wide arts activities and approximately \$25.7 million for activities in Sydney (including \$3 million in Western Sydney)
- » providing over \$11.6 million for 190 programs and projects in regional New South Wales, including \$10 million to organisations and individuals based in regional New South Wales such as local councils, community and cultural organisations, regional conservatoriums, regional galleries and museums and regional arts boards
- » providing \$6.3 million for three major festivals: Sydney Festival, the Biennale of Sydney and Sydney Writers' Festival, with Screen NSW providing \$979 559 for the 2013 Sydney Film Festival
- » investing over \$12 million in 11 major performing arts companies in New South Wales, leveraging \$47.03 million from the Commonwealth Government, and attracting audiences in New South Wales of over 1.9 million people

- » awarding \$630 000 in fellowships and awards to support individual artists and creative professionals, including the Premier's Literary and History awards managed in association with the State Library of New South Wales, the Philip Parsons Young Playwright's Award and the NSW Centenary of Anzac Commemoration (2014–2018) History Fellowship.

Arts NSW's eight properties provided subsidised accommodation valued at \$9.2 million to 30 separate arts and cultural organisations.

Support for public libraries

The State Library of New South Wales provides public library grants and subsidies totalling \$26.528 million (including \$2 million under the Country Libraries Fund), with 34 councils receiving project funding under the Library Development Grants (8) or Country Libraries Fund (26).

Support for the State's major cultural institutions

The Government supports the State's major cultural institutions which together attracted over 4.6 million visitors, toured exhibitions and performances that attracted audiences of over 600,000, had almost 110,000 members and 1971 volunteers, and self-generated revenue and donations that exceeded \$133 million.

Support for Screen NSW

Screen NSW continues to invest in the development and production of local screen projects. In 2012–13 the Government:

- » committed more than \$4.6 million to the production of 28 screen projects, leveraging NSW expenditure of over \$100 million and creating approximately 4960 NSW jobs
- » provided incentives for the blockbuster production *The Wolverine*, leveraging an estimated expenditure in New South Wales of \$80 million and creating almost 2000 jobs
- » provided incentives for the production of *The Great Gatsby*, which was filmed in NSW, leveraging an estimated expenditure in New South Wales of more than \$124 million and creating more than 2300 jobs
- » helped support public screenings in more than 50 regional venues across the state, to provide opportunities for regional audiences to see and experience quality screen content
- » provided support to build a new locations database, with more than 40 000 images of NSW locations to showcase the diversity of New South Wales to film production companies both nationally and internationally.

¹⁴ www.olgr.nsw.gov.au/pdfs/research/olgr_201210_prevalence_study.pdf

Developing a NSW arts and cultural policy, cultural venues plan and reviewing the Arts Funding Program

In February 2013 the Minister for the Arts appointed a reference group to guide the development of the first NSW arts and cultural policy through the preparation of a discussion paper, a consultation process and the development of the final policy. The policy will provide a clear direction for the sector over the next decade and will recognise its central economic role as part of the Visitor Economy Action Plan.

The five member reference group comprises:

- » Chris Freeland, Chair, Sydney Film Festival, and Partner, Baker & McKenzie
- » Professor Jennifer Craik, RMIT
- » Scott Howie, Eastern Riverina Arts
- » Lisa Havilah, Director, Carriageworks
- » Ben Quilty, artist, 2011 Archibald Prize winner.

Also underway is a review of the Arts Funding Program to ensure that New South Wales maintains an efficient, equitable and sustainable arts and cultural funding model.

The *NSW Government State Infrastructure Strategy* recognises the critical importance of cultural venues in supporting a vibrant and creative New South Wales. A priority under NSW 2021 is to develop a cultural venues strategic plan to ensure that the development of cultural facilities is integrated with the Visitor Economy Action Plan. Arts NSW will develop a cultural venues plan in alignment with the arts and cultural policy, to help guide the Government's arts and cultural infrastructure priorities in accordance with the infrastructure strategy.

Arts and culture cost benefit analyses and non-market benefits

In 2012–13 the department provided cost benefit analyses within the cultural, creative and recreational sectors for a number of projects, including:

- » the business case for expansion plans for the Australian Museum
- » the Disability Partnerships program developed by Arts NSW
- » the proposed redevelopment of the Walsh Bay precinct
- » Screen NSW's consideration of support for two film production projects, *20,000 Leagues Under the Sea* and *Sea Hawk*
- » Arts NSW's analysis of the development of the Carriageworks precinct
- » Screen NSW's assessment of production assistance for a Chinese documentary program promoting universities and higher learning within New South Wales.

The department also presented several of these analyses to Infrastructure NSW and Treasury Gateway Assessment Panels.

Following recommendations from the Infrastructure NSW Gateway Panel that the 'non-market' benefits associated with public arts and culture activities should be researched in the NSW context, the department initiated a project that aims to estimate the potential social benefits of major new public investments in arts and culture. These benefits include the value to NSW citizens from arts and culture opportunities. This work will also lead to better estimation of the community value generated by existing services provided by the State's major cultural institutions.

Major performing arts sector

The major performing arts sector plays a significant role in New South Wales as it includes 11 of Australia's 28 major performing arts companies: Bell Shakespeare Company, Sydney Dance Company, Sydney Symphony Orchestra, Bangarra Dance Theatre, Opera Australia, Australian Chamber Orchestra, Company B – Belvoir, Sydney Theatre Company, Musica Viva, The Australian Brandenburg Orchestra and The Australian Ballet.

The NSW Government is a key supporter of the sector through triennial partnerships with the Australia Council for the Arts.

Highlights in the sector in 2012–13 included:

- » a rise in paid ticket attendance in 2012 to 1.15 million paid tickets across the NSW major performing arts companies, from 1.10 million in 2011
- » an Arts in Education Forum held to discuss crucial issues in arts education, including the latest developments in the national arts curriculum
- » the premiere season of *Project Rameau*, which took place in Sydney to critical acclaim and represented the first collaboration between the Sydney Dance Company and the Australian Chamber Orchestra
- » two of Australia's most acclaimed artists, Neil Armfield and Andrew Bovell, collaborating to bring Kate Grenville's award-winning novel, *The Secret River*, to the stage, with the production opening in January 2013 at the Sydney Theatre Company as part of Sydney Festival and receiving critical acclaim, winning six Helpmann Awards, including Best Play and Best Direction
- » one of Australia's most accomplished directors, Gale Edwards, presenting a new and provocative production of Richard Strauss' *Salome*, starring Cheryl Barker, as part of the Opera Australia 2012 Winter Season, with *Salome* also winning six Helpmann Awards, including Best Female Performer and Best Male Performer.

Strengthening the appeal and impact of the State's significant arts and cultural sector

In December 2012 the Government published the *Visitor Economy Industry Action Plan* in response to the *Final Report of the Visitor Economy Taskforce*, which had been published in August 2012. Key directions of the plan include building a strong events calendar for Sydney and New South Wales and providing a quality visitor experience. Destination NSW, Arts NSW and the cultural institutions are working together to ensure arts and cultural experiences are aligned with tourism and major events planning. Further activities include:

- » developing an enhanced visitor experience in key arts precincts such as Walsh Bay and Carriageworks
- » the hosting by Arts NSW of a biennial Cultural Tourism Forum for arts and cultural organisations to coordinate programming and promotions, with the forum creating opportunities for CEO-level collaboration between Destination NSW, Arts NSW, Screen NSW, the NSW cultural institutions and state significant arts organisations and festivals in Sydney.

In addition, Destination NSW is working to develop a major Indigenous Festival and a strong events calendar for Sydney and New South Wales.

Arts infrastructure

Arts NSW manages a property portfolio consisting of eight properties in and around the Sydney CBD. Facilities include theatres, exhibition spaces, rehearsal facilities, creative spaces and office and storage accommodation.

The properties accommodate arts organisations at subsidised rents, and are a major sector resource, providing key arts and cultural organisations with affordable spaces to support program delivery.

Key outcomes within the infrastructure area during the year were:

- » a new infrastructure support policy commenced implementation to set out a framework for allocation of spaces under Arts NSW management, to optimise the use of the properties as government assets and to ensure the financial sustainability of the properties

- » continued planning on the Walsh Bay Arts Precinct development
- » the signing in May 2013 of long-term (45-year) leases with the Sydney Theatre Company for its spaces on Wharf 4/5 and the Sydney Theatre, anchoring one of Australia's major performing arts organisations to Walsh Bay for more than a generation, and also ensuring the ongoing viability of Sydney Theatre, an essential component of the Government's vision for Walsh Bay as a vibrant arts and cultural precinct
- » using Pier 2/3 as a key venue for the 18th Biennale of Sydney in 2012 and the 2013 Sydney Writers' Festival, with the venue available as a cultural facility for short-term hire and attracting 100 000 visitors throughout the year.

Carriageworks

2012 was a highly successful year for Carriageworks, with visitors doubling to 220 000.

Increased attendances were achieved in part through the pursuit of strategic partnerships aimed at building capacity. Key partnerships secured for 2013 included the presentation of Australian Fashion Week.

Highlights in the 2013 program included the critically acclaimed choreographer, Martin del Amo, in *Slow Dances for Fast Times, and Stories Then and Now* where six Asian Australians told their personal stories of determination and defiance in a contemporary Australia.

During the year, Carriageworks continued its implementation of an ambitious five-year plan spanning 2012–16. The Plan delivers a strategic direction to realise its potential to become a major cultural precinct for New South Wales. The Plan is committed to developing new culturally diverse audiences who do not have a history of engaging with contemporary arts institutions and the 2012 results already demonstrate some success towards this objective.

The Government provided \$1.5 million for Carriageworks in 2012–13.



Sydney Writers' Festival at Pier 2/3 (Photo: Prudence Upton)

Museum of Contemporary Art

Following the \$53 million redevelopment of the Museum of Contemporary Art Australia (MCA), the museum reached 1 million visitors 11 months after its March 2012 reopening, almost doubling its previous annual record of 578 913 visitors in 2010.

The MCA Online Collection has broadened the audience further still with 750 000 MCA website visits in the first 11 months since the MCA's reopening.

Cultural institutions

2012–13 was another strong year for cultural institutions. Highlights included:

- » In January 2013 the Sydney Opera House announced a three-year, multi-million dollar partnership with Etihad Airways. The partnership will connect Sydney Opera House to a global network of destinations and enhance Sydney's profile as one of the world's great tourist and cultural destinations.
- » In March 2013 the Art Gallery of New South Wales unveiled a strategic vision and masterplan to transform itself into an art museum for the 21st century, with a proposal for a major expansion and renewed focus on serving a global audience. Funding to support this expansion was announced by the Minister for the Arts as part of the 2013–14 Budget.
- » The *Francis Bacon: five decades exhibition* ran from November 2012 to February 2013 at the Art Gallery of New South Wales. It was the first major exhibition of Francis Bacon's works in Australia, including rare works by the master of post-war British art drawn from 37 collections including the Tate London, and the Metropolitan Museum of Art and Museum of Modern Art, New York.
- » *Alexander the Great: 2000 years of treasures exhibition* at the Australian Museum was the largest collection of treasures ever to come to Australia from the world-renowned State Hermitage in St Petersburg, Russia, and set new attendance records for the museum, attracting 161 145 visitors over 22 weeks.
- » A research consortium led by the Australian Museum achieved a world-first major breakthrough by completing an initial sequencing of the koala genome, the genetic blueprint of koalas.
- » The State Library of New South Wales launched *Curio*, a mobile app that transforms the way people experience the library by providing an interactive guide through its collections and historic buildings.
- » In April 2013 the State Library of New South Wales launched its new AMAZE gallery, showcasing 60 rare and often quirky objects from the library's Sir William Dixon collection, one of the richest and most extensive Australiana collections in the country.

- » The Powerhouse Museum celebrated its 25th anniversary in 2013 as one of Australia's leading cultural institutions.
- » The Powerhouse Museum embarked on a major capital project to increase its storage and access capacity which will be shared between the Powerhouse Museum, the Australian Museum and Sydney Living Museums (formerly the Historic Houses Trust of NSW). Design work for the new facility was completed in 2012–13, with council approval anticipated in 2013–14.

Screen NSW

Screen NSW continued to invest during the year in the development and production of local screen projects, development of the screen sector in the State and support for screen events. In 2012–13 the Government committed more than \$4.6 million in the production of 28 screen projects. This will leverage production expenditure of more than \$100 million and supports the creation of more than 4950 jobs in the State.

The Government provided incentives for the blockbuster production *The Wolverine*, which leveraged expenditure in New South Wales of an estimated \$80 million and created almost 2000 jobs. Also provided were incentives for the production of *The Great Gatsby*, which was filmed in New South Wales, leveraging estimated expenditure in New South Wales of more than \$124 million and creating more than 2300 jobs.

The Screen NSW supported film, *The Sapphires*, was the most successful Australian film of 2012, taking more than \$14.7 million at the box office. It is also enjoying an international release.

Screen NSW also built a new online locations database, with more than 40 000 images of NSW locations to showcase the diversity of New South Wales to film production companies both nationally and internationally. The database is publicly accessible 24 hours a day for people looking for filming locations, and for individuals to upload images of their own locations that they wish to make available for screen productions.

Screen NSW also continued its support of events and professional development opportunities in regional locations.

Regional creative impact

Arts NSW continued its support for capital projects in regional New South Wales through an investment of over \$700 000 in 2012–13.

Projects supported included:

- » Four Winds Concerts Ltd receiving \$249 500 towards the capital redevelopment of the Four Winds Pavilion in Bermagui, with the redevelopment including acoustics, lighting and staging to enable the pavilion to be used for residencies, composing, rehearsals, broadcasting, recording and performances

- » Broken Hill City Council for the Broken Hill Regional Gallery receiving \$39 000 towards new painting storage racks, to raise the professional standards of the gallery, enabling the permanent collection to be properly stored, handled and conserved
- » Bathurst Regional Council for Bathurst Memorial Entertainment Centre receiving \$96 000 towards a capital redevelopment, including the installation of a sprung floor to allow dance, physical theatre and circus workshops, rehearsals and performances to take place in the City Hall venue.

In addition, nearly \$11.6 million was provided in 2012–13 for arts and cultural activities in regional New South Wales (which includes Newcastle and Wollongong) through the Arts Funding Program.

Highlights included:

- » A \$500 000 boost in funding for the State's 14 regional arts boards in 2012–13, bringing total investment in the network to \$2.1 million. Together these regional arts organisations provide services to over 100 local government areas and more than 1.7 million people.
- » Support for a new Regional Partnerships category for 2013, with \$480 000 provided to 15 new art and cultural development partnerships with organisations including Arts OutWest Inc, Outback Theatre for Young People and Northern Rivers Performing Arts Inc.
- » \$720 000 for regional conservatoriums to undertake a diverse range of projects across the State, including \$47 000 for the Central Coast Conservatorium towards a music series of 18 concerts performed in various venues throughout New South Wales. An additional \$51 000 was provided to Goulburn Regional Conservatorium towards a commission for Stephen Leek to compose music for a multi-arts work made in collaboration with organisations, musicians and artists across the region in celebration of Goulburn's 150th anniversary.
- » \$1.4 million provided to the NSW Department of Education and Communities towards core operational funding for regional conservatoriums.
- » Leading on from the findings of the research report, *Future Frameworks: Towards a Strategic Plan for the Visual Arts and Museum Sector* in NSW, Arts NSW provided \$300 000 in multi-year funding (\$100 000 per annum for the three years 2012–2014) to Museums & Galleries NSW to deliver a program of targeted initiatives over three years. The program focuses on supporting the small to medium museum sector. A number of projects were rolled out including the Museum of the Riverina (Wagga Wagga) to identify the significance of paper collections at the four museums in Tumbarumba, Tumut and Hay. The Lady Denman Maritime Museum at Huskisson (trading as Heritage Complex) also received a grant under this initiative. This grant will enable a volunteer to increase skills and experience by undertaking a placement at Newcastle Museum.

In 2012–13 Arts NSW provided \$450 000 for performing arts touring to 28 regions throughout New South Wales.

This included funding of \$200 000 towards Arts on Tour's 2013 performing arts touring program, reaching audiences in 18 regional and metropolitan NSW locations including Albury, Newcastle, Taree, Port Macquarie, Tamworth, Lismore, Griffith and Queanbeyan. The touring program included Monkey Baa Theatre for Young People's Emily Eyefinger, Riverside Productions' *RU4ME*, Ensemble Theatre's *Frankenstein*, and Shaun Parker and Company's *Happy As Larry*.

The funding also included \$38 000 to Sydney Improvised Music Association to tour three jazz ensembles throughout 2013 to regional locations including Wollongong, Milton, Kiama, Armidale, Gunnedah, Bellingen and Dubbo.

Arts NSW investment in new activities

Arts NSW continues to invest in innovation and new activities.

Some of the projects supported in 2012–13 included:

- » Kandos Projects for *Cementa_13*, a biennial contemporary arts festival which involved 40 artists and numerous sites in the regional town of Kandos in February 2013
- » the *Yellamundie* National Aboriginal and Torres Strait Islander Playwriting Festival presented in February 2013 by Carriageworks in partnership with Mooghalin Performing Arts and Sydney Festival.

Major festivals and events

In 2012–13 Sydney was host to four major festivals: Sydney Festival, Sydney Writers' Festival, Sydney Film Festival and the 18th Biennale of Sydney.

In 2013 Sydney Festival ran for 23 days, presenting 92 events with 321 ticketed performances at 53 locations across Sydney including the Sydney Opera House, Carriageworks, Riverside Theatres, the Sydney Town Hall and The Famous Spiegel Tent. More than 432 000 people enjoyed 26 free events as part of the 2013 program.

The 2013 Sydney Film Festival, in its 60th anniversary year, showcased more than 190 titles from 55 countries in venues across the CBD and, for the first time in 30 years, in Cremorne on Sydney's north shore. The festival attracted an overall attendance of 143 000. The Festival Hub featured free exhibitions, talks, panels, live music and performances throughout the festival. The Travelling Film Festival toured highlights of the festival program to seven regional NSW venues: Newcastle, Wollongong, Bowraville, Dubbo, Tamworth, Huskisson and Wagga Wagga.

The 18th Biennale of Sydney, Australia's largest visual arts event, ran from 27 June to 16 September 2012 and presented the work of more than 100 artists from 44 countries. As one of the longest running exhibitions of its kind and the first biennale to be established in the Asia Pacific region, the Biennale of Sydney has provided an international platform for innovative and challenging contemporary art for nearly 40 years. Visitor numbers to the Biennale of Sydney have more than doubled over the last

three events, with the 18th Biennale of Sydney achieving a record 665 488 visits across all venues. This represented an increase of approximately 29 per cent from 2010. The 18th Biennale of Sydney was presented at the Art Gallery of New South Wales and the Museum of Contemporary Art Australia, as well as at non-museum venues, Pier 2/3 at Walsh Bay, Cockatoo Island and Carriageworks.

The 2013 Sydney Writers' Festival was held from 20–26 May 2013 and involved some of the world's finest poets, speakers, novelists and non-fiction authors among more than 340 events. The festival attracted an overall attendance of 80 000. Events were held in landmark locations across the city and in 50 suburban and regional locations such as Parramatta, Wollongong, Campbelltown, Penrith, Castle Hill and the Blue Mountains. More than 500 of the world's finest literary minds, including 67 international guests, were involved in the festival program.

NSW Arts and Disability partnership

2012–13 was the second year of the department's \$1.5 million, two-year NSW Arts and Disability partnership with Ageing, Disability and Home Care (ADHC), part of the NSW Department of Family and Community Services. The partnership, funded by ADHC under its Stronger Together Two disability services plan and administered by Arts NSW, increases opportunities for people with a disability to participate in arts and cultural activities and supports the creative practice of NSW artists with disability.

In 2012–13 the partnership provided funding of \$750 000 as follows:

- » \$520 050 to 15 arts and disability organisations, such as Arts OutWest and Sunnyfield Organisation, to deliver professional arts programs for people with disability
- » \$150 000 for *Amplify your art* program, to provide funding to 12 NSW artists with a disability to develop their professional artistic practice
- » \$79 950 to the University of Technology, Sydney, for a two-year research study into the impact of the partnership on the participants with disability and the participating organisations.

NSW Aboriginal Arts and Cultural Strategy

In 2012–13 Arts NSW invested over \$1 million in support for the NSW Aboriginal Arts and Cultural Strategy.

The strategy aims to foster a vibrant Aboriginal arts and cultural sector that gives Aboriginal people greater opportunities to participate in, share and strengthen their culture through arts practice, and to develop careers and businesses in the arts and cultural sector. Support is prioritised against the strategy's four directions: artists, visibility, community and jobs.

In 2012–13, 30 programs and projects were supported in total; 16 of them in regional New South Wales.

Multiyear commitments totalled over \$347 000 and included:

- » funding to the Campbelltown Arts Centre for the Parliament of New South Wales Aboriginal Art Prize
- » Beyond Empathy's community partnership in Bowraville.

Other priority initiatives included:

- » a focus on Aboriginal writing with support for the *Yellamundie* National Aboriginal and Torres Strait Islander Playwriting Festival at Carriageworks and for an emerging Aboriginal writers mentorship initiative through the NSW Writers' Centre
- » three talent identification programs for Aboriginal young people, managed by Australian Theatre for Young People, the National Aboriginal and Islander Skills Association, and the Gondwana National Indigenous Children's Choir
- » support for the 2014 Sydney Festival's *Black Diggers* project commemorating the anniversary of World War I
- » five quick response grants to artists to secure career and trade opportunities, including support for Naretha Williams from Northern Rivers to present at the 19th International Symposium on Electronic Art in Sydney and comedian Sean Choolburra to showcase his new work, *50 Shades of Black*, at the 2013 Melbourne Comedy Festival
- » grants for significant new regional work in design and storytelling through Saltwater Freshwater and the creative development of a new performance work about Bundjalung culture through Northern Rivers Performing Arts.

Finalising a review of fellowships and scholarships

The Fellowships and Scholarships Program recognises excellence and leadership in the New South Wales arts sector, by supporting a limited number of outstanding individuals each year. Arts NSW reviewed its support of fellowships and scholarships during 2012–13 and released a draft report for public comment. Comments received are being considered, prior to the review and the new fellowship program being finalised. The aim of the review was to ensure that the program is relevant to the current needs of the arts sector, reflects Government priorities and is administrated efficiently and effectively.

NSW Centenary of Anzac Commemoration (2014–2018) History Fellowship

As part of the State's commemoration of the centenary of World War I, Arts NSW offered a one-off award of \$20 000 in 2013 for the development of a historical work on any aspect of the State's involvement in World War I. The fellowship was awarded to Dr Victoria Haskins, for her project *ANZAC: Her Story*, which will explore the diverse and distinct ways in which the Anzac experience and World War I impacted on the lives of the women of New South Wales, both in the theatres of war and on the home front.

NSW Premier's History and Literary Awards

Following the 2011 review of the Premier's Literary and History Awards in 2011, the Premier's Literary Awards, which recognise Australia's greatest writers and most significant works, and the Premier's History Awards, which honour distinguished achievement in history by Australian citizens and permanent residents, are now managed by the State Library of New South Wales in association with Arts NSW.

The Premier's Literary Awards were presented twice during 2012–13, in November 2012 (delayed as a result of the 2011 review) and in May 2013 in conjunction with the Sydney Writers' Festival. The Premier's History Awards were held with the Premier's Literary Awards in November 2012.

The events were held in the historic Mitchell Library Reading Room, and had a combined value of \$655 000. Arts NSW funding towards this prize money in 2012–13 totalled \$355 000.

Strengthening boards and building the governance capacity of small to medium arts organisations

Each year Arts NSW supports over 300 arts and cultural organisations and individuals from across the State, including major companies and small to medium organisations.

To assist with capacity building for this broad range of organisations, in 2012–13 Arts NSW invested over \$73 000 in a pilot program aimed at improving the long-term sustainability and the business and management capacity of the sector.

Creative leaders from across New South Wales gathered over two days in March 2013 for Sydney's first Creative Leadership Symposium to discuss effective board governance for not-for-profit arts companies. A range of resources about effective board governance were developed and can be obtained by contacting Arts NSW or by visiting the Arts NSW website.¹⁵

The pilot program also saw 10 small to medium-sized NSW arts organisations undergo an audit by an independent expert to assess their governance performance and identify their strengths and development opportunities.

Regulatory burden on businesses is reduced

Rice vesting by the Rice Marketing Board

During 2012–13 the department undertook a public review of rice vesting by the Rice Marketing Board. The review process included regional public meetings, and almost 100 submissions were received. The review concluded that vesting should be extended until mid 2017. Following the review, the board established detailed performance metrics in conjunction with NSW Trade & Investment to underpin regular reports to rice growers and the Government on export price premiums.

Liquidation of Riverina Citrus

Following a poll of citrus growers in the Riverina in 2011–12, the Minister for Primary Industries appointed a liquidator to liquidate the assets of Riverina Citrus. In 2012–13, the department continued to oversee the liquidation and distribution of residual assets to grower organisations in the region. The liquidation will be completed in August 2013 and will reduce red tape by removing industry compliance costs and a mandatory levy.

Regulatory impact assessment

Through the Strategic Policy & Economics Branch, in 2012–13 the department conducted economic assessments of existing and proposed regulatory settings for the aquaculture industry and the veterinary profession. A review of the poultry meat industry was also launched to determine whether the current regulation continues to be in the best interests of the industry and the general public. This review will report to the Minister for Primary Industries in early 2013–14.

Review of regulatory burden

The Manufacturing Industry Taskforce requested that the Government investigate the Government-imposed operating costs and inefficiencies that may diminish the competitiveness of NSW manufacturers. As a result of this, in 2012–13 PricewaterhouseCoopers undertook work to investigate and compare the differences in government-imposed taxes and regulatory compliance burden for manufacturing businesses in New South Wales versus those in key domestic competitor locations (Queensland and Victoria). This analysis assisted the taskforce in finalising its recommendations to the Government in its Industry Action Plan.

Planning review

During the year, the department provided input to the development of the metropolitan strategy for Sydney and to the review of the NSW planning system to ensure consideration was given to the outcomes of the Industry Action Plan process, the needs of business and maintaining a competitive business environment. The department will continue to provide input to planning strategies throughout 2013–14.

'Right to Farm'

Some areas close to population centres are significant areas for farming activity, generating substantial quantities of food and fibre products. In many jurisdictions, particularly in North America and Europe but more recently also in Australia, governments have decided to intervene with legislation to protect farming practices and agricultural production in these areas. During 2012–13, the department played a leading role in considering an appropriate response for the Government to take on this issue.

¹⁵ www.arts.nsw.gov.au/index.php/news-and-publications/news/creative-leaders-and-effective-board-governance

Procurement Board's strategic directions statement

The department provided input during the year into the development of the *NSW Procurement Board's NSW Procurement Reform: Strategic Directions Statement* to ensure that consideration was given to procurement issues identified in the Industry Action Plan process, as well as to priorities identified by the NSW Innovation and Productivity Council to improve the ability of NSW agencies to source innovative solutions from the private sector. The department will continue to support these initiatives through 2013–14.

NSW Cross-Border Commissioner

The NSW Cross-Border Commissioner identifies and helps to resolve issues that NSW residents, businesses and other organisations face as a result of being located near a NSW state border. The commissioner's role commenced in March 2012.

As part of establishing the role, the commissioner focused on establishing communication networks with, and identifying issues of concern to, cross-border residents, businesses and other organisations in regard to cross-border anomalies. The *NSW Cross-Border Commissioner Listening Tour Report* was released in August 2012 and reflected the initial consultation period as part of the new role. The report is available from the Business website.¹⁶

The commissioner completed the *NSW Cross-Border Commissioner: 2013 Business Plan* in April 2013 to establish and communicate priorities for the role for the next 12 months. The business plan is available from the Business website.¹⁷

During 2012–13 the commissioner provided input from a cross-border perspective into a wide range of issues covering transport, ambulance transport, state taxes, building and construction, education, fair trading, health, police, mental health, homelessness, child protection, disability services, biosecurity, local government and post codes.

Opportunities created to drive productivity through innovation

NSW Innovation and Productivity Council

The NSW Innovation and Productivity Council considers the underlying drivers of productivity and advises the Government on policies and strategies that create an environment where it is easier for businesses to innovate, improve the innovative capacity of the NSW private sector, help increase investment, and build stronger rural and regional economies.

In 2012–13 the council oversaw the development of the Government response to the first four Industry Action Plans. The Government response included the release of the NSW Economic Development Framework, including the critical first year actions to be implemented in 2013. The framework incorporates the Government's broad reform program covering planning, procurement, regulation, infrastructure, business facilitation services and advice, and outlines 40 priority actions. The council also provided advice during the year on the development of the inaugural Business Leadership Forum, which will be held in September 2013.

The council also advised on a range of other projects, including identifying the cost of doing business in New South Wales and recommendations for improvements, the development of knowledge hubs (innovation precincts), smart work hubs, procurement, and engagement with universities (Easy Access IP Pilot/Bridging the Gap Program). The council also identified the need for the development of an Industry Action Plan addressing agriculture.

Local Land Services NSW

The Government response to the 2011–12 Ryan Review of Livestock Health & Pest Authorities was to establish a single regional service delivery organisation, Local Land Services NSW, to deliver the functions of those authorities, as well as the functions of Catchment Management Authorities and parts of the Department of Primary Industries. During 2012–13 the department supported the establishment of Local Land Services NSW, including providing economic policy advice to support the development of governing principles and funding arrangements for the new organisation. *The Local Land Services NSW Act 2013* will commence on 1 July 2013 and the organisation itself will commence operations on 1 January 2014.

Drought policy reform in NSW and nationally

The department played a leading role in the development of the new NSW drought policy arrangements announced in February 2013. The new approach has a strong focus on supporting early action by farmers in responding to dry conditions, as well as more effective support for farm families and communities. The policy is supported by a new Rural Support Advisory Council that will assess farm business and community needs on a regional basis. The new arrangements are also consistent with the Intergovernmental Agreement on National Drought Program Reform signed in May 2013.

Prospects for agricultural policy reform in partner countries

During the year, the department maintained a strategic linkage with India's National Council for Applied Economic Research, a key policy advisory body to the Indian Government. In partnership with other international collaborators and the Australian Centre for International Agricultural Research, progress was made on analysing potential agricultural policy reforms in India, as well as the

¹⁶ www.business.nsw.gov.au/__data/assets/pdf_file/0017/24731/cbc_listeningtour_report_20120823.pdf

¹⁷ www.business.nsw.gov.au/__data/assets/pdf_file/0020/29405/Cross-Border-Commissioner-2013-Business-Plan_-_1-1.pdf

role Indian agriculture might play as a provider of carbon offsets. This work aims to support bilateral relationships, enhance policy capacity in both countries, and assist India and Australia to identify new production and trade opportunities.

Grape production in the Murray Valley

In December 2012 grape growers in the NSW and Victorian Murray Valley voted to continue the Murray Valley Wine Grape Industry Development Committee. The committee is constituted under Victorian legislation with extraterritorial jurisdiction over grape growers in the NSW portion of the valley. It collects and invests grower levies in market information and research projects endorsed by Murray Valley wine grape growers. The department worked with the Victorian Department of Environment and Primary Industries to facilitate the continuation of the committee.

Corporatisation of Forests NSW

The Strategic Policy & Economics Branch of the division played an important role in the process of corporatising Forests NSW. It was represented on the Forests Corporatisation Steering Committee which oversaw the process of change and the Legal and Regulatory Working Group which assessed and recommended changes to the legislation which underpins the new corporation. The new Forestry Corporation of NSW began on 1 January 2013.

FarmGAS Scenario Tool

The FarmGAS Scenario Tool enables primary producers to estimate their carbon emissions and to evaluate options for reducing emissions. The nationally acclaimed calculator was developed in 2008–09 by the department under contract to the Australian Farm Institute. FarmGAS was modified during 2012–13 to improve the calculator's compliance with the National Greenhouse Accounts Methodology and to deliver enhanced reporting capability to users. The FarmGAS Scenario Tool can be accessed on the Australian Farm Institute website.¹⁸

Knowledge hubs (innovation precincts)

Knowledge hubs work to improve local knowledge production and/or adoption, create an environment whereby the transfer of both local and global knowledge between different sectors operates efficiently, and support the development of world-leading local industry capability.

In 2012–13 the department undertook research and analysed existing knowledge hubs to identify key players in New South Wales who could work to turn agglomerations of industries into knowledge hubs/clusters. Results are consistent and align well with a Commonwealth Government program to establish innovation precincts. During the year, the department facilitated contact between stakeholders who have been bidding for precincts under the Commonwealth program.

Smart work hubs

NSW Trade & Investment is collaborating with public and private partners to develop a pilot smart work hub in New South Wales to better understand the issues and opportunities associated with teleworking. A smart work hub is a facility or space that offers workers from multiple organisations an alternative to working in their normal place of work or working from home.

The department worked in partnership with the NSW Government Architect's Office and the University of Technology, Sydney to hold a stakeholder workshop in October 2012 using design thinking methodologies. Design thinking aims to reframe a problem context to allow for new solution scenarios to be developed. The design thinking approach aligns with the NSW Innovation and Productivity Council's goals to explore how these techniques might be used to improve innovation, productivity and policy outcomes.

This partnership informed preliminary research to articulate the smart work hubs concept and identify areas for further investigation. In March 2013 the department also participated in Central Coast Telework Week held at locations in Gosford and Wyong. The department will continue to work with industry to explore public sector participation and to determine the most suitable ways to pilot smart work hubs.

Bridging the Gap Program

The Bridging the Gap Program aims to increase collaboration between universities and industry through facilitated introductions of industry representatives to the 11 NSW-based universities as a group. The industry representatives are introduced and present to university technology transfer representatives at up to six scheduled meetings throughout the year. The department was instrumental in establishing the initial project in 2012–13. During the year, the department also started introducing smaller, more clearly defined individual industry challenges to the technology transfer officers' group. This is intended to allow businesses developing new technologies to better harness the research and development capabilities of NSW universities.

Easy Access IP Pilot

To increase collaboration with the small and medium enterprises sector, NSW Trade & Investment facilitated two Easy Access IP innovation sandpit events during the year, bringing together small and medium enterprises with researchers from the University of New South Wales, the University of Wollongong and Macquarie University. Easy Access IP makes a proportion of research outputs available to industry in the form of no-cost licences so that industry can rapidly engage in commercialisation of the intellectual property.

¹⁸ <http://calculator.farminstitute.org.au/login?destination=login\%22>

Natural resources are sustainably managed, developed and shared to underpin current and future prosperity

Crown land management review

As part of the Government's commitment to cutting red tape and updating legislation to improve community and industry outcomes, in 2012–13 the department commenced a comprehensive review into the management of Crown land in New South Wales. The aim of the review is to ensure that best use is made of the State's valuable Crown land assets by improving community outcomes, engaging with the private sector, and revitalising the regions. The review is investigating the overall management of Crown land including legislation, financial management, governance and business structures. The review is being overseen by a high level interagency steering committee chaired by an independent chair, Mr Michael Carapiet, and supported by the department. The review will report in early 2013–14.

Improved management of the marine estate

The department made a major contribution during 2012–13 to the development of the Government's response to the *Report of the Independent Scientific Audit of Marine Parks in New South Wales*. Subsequent to the decision to establish a Marine Estate Management Authority and an associated Expert Knowledge Panel to improve coordination and consistency in the management of the State's coastal waters and estuaries, the department led the development of policy and operating principles for the new authority. This role will continue into 2013–14.

Reform of commercial fisheries management

In May 2012 the Government released the *Independent Report into NSW Commercial Fisheries Policy, Management and Administration* and committed to a structural adjustment program to address the problem of excess and poorly defined access rights in most fisheries. The division's Strategic Policy & Economics Branch contributed significantly to the design of the structural adjustment program and is providing economic policy and research support to Fisheries NSW during the implementation of the reforms, including undertaking research to determine maximum economic yield in output managed fisheries.

Survey of irrigators

Since 2006, irrigators across New South Wales have been regularly surveyed to monitor socio-economic changes in the industry at a regional and industry level and to provide data critical to the development of well-informed water management policy and practice in the State. The department launched the fourth state-wide Irrigators' Survey in early 2013. Data from the survey are expected to be available in September 2013.



Centre pivot irrigation system (Photo: NSW DPI)

Water sharing and management in New South Wales

Water sharing plans establish rules for sharing water to protect the health of rivers and groundwater, while providing water users with perpetual access licences, equitable conditions and increased opportunities to trade water. In 2012–13 the department provided economic advice and data to assist in the development, evaluation and remaking of water sharing plans, thereby contributing to sustainable and efficient access to a major natural resource. A case study assessment of the potential impact on regional water supplies and quality of the emergence of a coal seam gas industry in the Gloucester Basin was also undertaken. Advice was also provided for the development of valley-wide floodplain management plans for the five northern NSW floodplains.

Review of Murray–Darling Basin arrangements

The department leads the State's engagement with the Murray–Darling Basin Authority. During 2012–13 national negotiations were conducted on the authority's 2013–14 joint (multi-jurisdiction) programs budget. The department's Strategic Policy & Economics Branch led a review to improve the efficiency and effectiveness of the program in the NSW portion of the Basin. This review ensured that the joint programs were consistent with NSW budget targets, whilst simultaneously achieving alignment with the State's regional water resources priorities. These priorities include operating and maintaining major storages and regulating structures, maintaining key hydrometric and water quality data programs, maintaining the operation and maintenance of NSW salt interception schemes and providing support for the continuation of key audit, salinity and water trading register functions.

Biodiversity offsets policy

In November 2012 an interagency working group was formed to develop a Government policy for offsetting any adverse impacts on biodiversity from state significant developments or state significant infrastructure. It is proposed that the policy will include: (i) clear requirements for assessment of the development impact on biodiversity values; (ii) a method for calculating the costs of required offsets; and (iii) consideration of the social and/or economic

benefits of offsets. The department provided advice into the policy development process in 2012–13 and this work will continue into 2013–14.

Safe, healthy and biosecure industries

Intergovernmental Agreement on Biosecurity

The department is represented on the national working group tasked with developing a National Decision Making and Investment Framework to guide government and industry pre-border, border and post-border biosecurity investments. Significant advice was provided during 2012–13 on efficient government-industry pricing arrangements, consistent with the Intergovernmental Agreement on Biosecurity.

Dams safety review

In January 2013 the department initiated a review of the *Dams Safety Act 1978* and the Dams Safety Committee following a recommendation from the NSW Commission of Audit that 'an independent review be conducted of the standards set by the Dams Safety Committee following a thorough risk and cost assessment'.

The review is examining the objectives of the legislation and whether they are in line with community expectations on public safety and best regulatory practice. An important aspect of the review is assessing the appropriateness of current expenditure on mitigating dam safety risk. The review will also examine the governance, roles and responsibilities of the Dams Safety Committee and interaction with the planning system. The review is expected to be finalised by the end of 2013.

Energy and regional water supplies and services are reliable, efficient and sustainable

Review of the GreenPower Program

The National GreenPower Program has been the major and most widely recognised mechanism in Australia for consumers to voluntarily purchase renewable energy. It has aimed to increase the amount of renewable energy available to energy consumers and reduce the overall emissions profile of electricity generation. With the establishment of a carbon price, the national Clean Energy Future Initiative and the national Renewable Energy Target, a review is being conducted by the department as to whether or not the GreenPower Program remains relevant and effective. The review will include extensive consultation with GreenPower funding organisations and consumer representatives. The review is expected to be completed in late 2013.

Cloud seeding

During 2012–13 the department oversaw the development of the *Snowy Mountains Cloud Seeding Trial Amendment Act 2012*. This Act came into force on 31 May 2013, amending the *Snowy Mountains Cloud Seeding Act 2004*. It provides

for the former cloud seeding trial to be replaced by the full operation of cloud seeding activities over the entire Snowy catchment. Cloud seeding has been demonstrated to increase snowfall. This results in substantial benefits, including greater and more consistent energy production, improved water security through increased melt water for irrigators and the environment, and improved snow depth and a longer ski season for domestic and international tourists. This contributes to economic growth in regional New South Wales in the hydro-electric, agricultural, alpine recreation and tourism sectors and improves the viability of related service sectors in the alpine region.



The Hon. Andrew Stoner MP, Deputy Premier; Mr John Barilaro MP, Member for Monaro; Perisher Ski Resort CEO, Mr Peter Brulisauer; and the then Snowy Hydro CEO, Terry Charlton, announcing the full operation of cloud seeding activities at Blue Cow, Perisher, on 14 September 2012 (Photo: Office of the Deputy Premier)

Rural bulk water pricing reforms

The Government was concerned at the impact of rural water charges on bulk water users and the State Water Corporation during the 2001–2009 drought. To address these concerns, the department engaged the Independent Pricing and Regulatory Tribunal in 2012–13 to review rural bulk water charges, with a specific focus on pricing in coastal valleys. The Government subsequently agreed to the introduction of a policy to assist rural water users on regulated streams by deferring water charge payments under certain conditions. In 2013–14 further work will be undertaken to advance the introduction of the deferred payments policy on unregulated streams, to investigate mechanisms for cost recovery from users not currently subject to water charges, and to consider the treatment of small irrigation valleys.

Water industry competition

During 2012–13 the department worked to provide economic advice to the Metropolitan Water Directorate of the Department of Finance and Services on a review of the *Water Industry Competition Act 2006* and regulatory arrangements for water recycling under the *Local Government Act 1993*. This review is considering issues relating to the current regulatory framework for water recycling and wastewater schemes undertaken by private entities, local councils and water supply authorities regulated under the *Water Management Act 2000*. The review will be completed in late 2013.

Our services meet client and customer expectations

Knowledge management

The Information and Knowledge Services team was established within the division during the year to improve the development and dissemination of accurate trade and investment insights and advice within the department and to the offices of the Premier and Ministers, as well as to improve the flow of investment opportunity information to State and overseas markets. The department worked towards centralising a solid knowledge base of NSW industry capabilities for priority sectors and markets, and putting in place new systems and processes for knowledge capture and information flow management to assist the department's work in attracting investors and raising the global profile of the capabilities of the State's priority sectors.

Office of Liquor, Gaming & Racing compliance strategy

In 2012–13 the department's Office of Liquor, Gaming & Racing began developing a compliance strategy to guide the office's risk-based compliance approach and operations. This strategy encompasses the full range of compliance efforts, from proactive and preventative strategies to prosecution. The office consulted extensively with other regulatory agencies, both within New South Wales and nationally, and a range of other stakeholders, and conducted a comprehensive scan of international and national best practice approaches to compliance.

Publication of information relating to the NSW economy

The department has developed a portfolio of regular economic publications designed to inform those with an interest in the NSW economy, including existing businesses, potential new investors and the wider community. These publications include the Competitiveness Report series, the annual Trade & Investment Economic Data Card series, the Contribution of Primary Industries to the NSW Economy Key Data brochure series, the biannual Regional Indicators and Trade & Investment Reports, and the monthly Regional Labour Force Reports.

Implementation of an on-line application system

In 2012–13 Arts NSW implemented an on-line application system for applications to the Arts Funding Program. 98 per cent of all applications were submitted for the 2013 Arts Funding Program through this system, which increased access and equity for applicants. Comprehensive information about the system was uploaded to the Arts NSW website to provide added support.

Community confidence in our services is increased

Administration of agricultural statutory authorities

During 2012–13 the department maintained effective oversight of authorities established under the *Rice Marketing Act 1983* and the *Agricultural Industry Services Act 1998*. These include the Rice Marketing Board, the Wine Grapes Marketing Board, Riverina Citrus (in liquidation), the Murray Valley Citrus Board and the Murray Valley Wine Grape Industry Development Committee. The statutory *Annual report on the administration of agricultural statutory authorities* for the year ending 30 June 2012 was prepared and tabled in Parliament.

Program evaluation

To ensure that departmental programs are efficiently and effectively addressing Government priorities, the Strategic Policy and Economics Branch of the division led the introduction of the first agency-wide program evaluation process. The NSW Trade & Investment Program Evaluation Framework was introduced in August 2012, with around one third of the department's programs evaluated by June 2013.

Future plans/directions

In 2013–14 the division will focus on:

- » attracting investment and job creation to regional New South Wales, with an increased focus on connecting regional New South Wales with international trade and investment opportunities, particularly in key growth markets in Asia
- » working with the Department of Premier and Cabinet on coordinating and delivering the *NSW International Engagement Strategy* to promote priority sectors within priority markets
- » re-establishing the Global Growth Program to support NSW exporters seeking to expand into new international markets
- » expanding the department's export service delivery capability, in addition to six specialist export advisers, by up-skilling around sixty business advisers located across New South Wales to enable them to deliver export, investment attraction and innovation services to clients
- » continuing to lead and influence the development of strategic evidence-based policy and program settings that support industry growth, innovation and productivity by removing unnecessary regulatory burdens and helping to strategically focus the department's policy and program effort on key issues and challenges facing industries in New South Wales
- » helping the Government identify high return investment initiatives by applying rigorous investment appraisal methodologies to proposals in areas such as industry and regional development

- » establishing StudyNSW, developing a StudyNSW website and hosting an International Student Celebration (incorporating the Premier's NSW International Student of the Year Awards) to recognise the achievements of outstanding international students studying in New South Wales
- » advising on the Government's 2014 priority initiatives under the NSW Economic Development Framework, and delivering framework initiatives and monitoring their implementation, including through the inaugural Business Leadership Forum in September 2013
- » providing advice on reform to the NSW planning system, including strategies for the development of key industry precincts and land zoned to support employment opportunities to drive long term economic growth and industry competitiveness
- » completing statutory legislation reviews of the *Liquor Act 2007*, the *Gaming and Liquor Administration Act 2007* and the *Thoroughbred Racing Act 1996*, examining whether the policy objectives of the Acts are still valid and whether the terms of the Acts are still appropriate to deliver those objectives
- » implementing the Liquor Accords Strategic Plan, to assist local liquor accords – voluntary industry-based partnerships working in local communities to introduce practical solutions to liquor-related problems – to develop and formalise strategies to address alcohol-related issues in their local communities
- » continuing the development of a new arts and cultural policy, with consultation anticipated to commence in mid 2013 on a proposed vision and priority themes for Government efforts to deliver on that vision with a final policy to be developed in early 2014
- » reviewing the NSW Arts Funding Program, one of the Government's primary mechanisms for investing in arts and cultural activities in New South Wales, to determine its effectiveness and inform decisions on how to effectively and efficiently deliver future investment programs, with the outcomes of the review to be made public towards the end of 2013 and recommendations implemented in 2014 for the 2015 funding program
- » continuing planning and design work for the Walsh Bay Arts Precinct including ongoing concept design, community consultation, determination of the precinct management model, and completion of a final business case to support the redevelopment.

IIH&A Division Performance

Service Measures	Units	2010–11 Actual	2011–12 Actual	2012–13 Forecast	2012–13* Revised
Major investment projects supported by the department: Jobs impact ¹	no.	15 379	8 836	3 500	3 784
Companies assisted through export facilitation services	no.	6 369	7 353	3 500	5 855
Occupation rate for Arts NSW Properties ²	%	81	85	90	90
Licensed venues audited or reviewed ³	%	15	12	11	11
Regulatory inspections	no.	na	na	na	1 858

* Revised figures as at 30 June 2013.

¹ Jobs creation committed to by companies offered assistance. Due to the establishment of the office of the Small Business Commissioner in 2011, this service measure has changed. Jobs created through the office of the Small Business Commissioner are not included.

² Arts NSW provides subsidised rental to many arts organisations through its property portfolio and grants provided through the Arts Funding Program.

³ The preferred service measure is regulatory inspections to better reflect the scope of compliance monitoring and improve definitional clarity. This measure will replace 'licensed venues audited or reviewed' in future years. The shift to a number of activities provides improved certainty over a percentage of licensed venues, which is a dynamic figure.

RESOURCES & ENERGY DIVISION

Nature and scope of activities

The Resources & Energy Division has the following four business units that work together to deliver economic growth, energy security, policy, programs and compliance for the Government across the minerals and energy sector:

- » **Mineral Resources**, responsible for facilitating profitable and sustainable mineral resources development, effective environmental management and safe and responsible mining and petroleum production
- » **Energy**, responsible for developing policy to support safe, secure and affordable energy supplies and competitive energy markets, as well as leading the State's response to national reforms under the Standing Council on Energy and Resources. The Energy unit is also responsible for implementing energy assistance measures for vulnerable households and programs to reduce greenhouse gas emissions, including alternative transport fuels, renewable energy and low emissions technologies
- » **Mine Safety**, the regulator of both general and specific health and safety Acts for the mining and onshore petroleum industries, working to ensure that the industries satisfy community and Government expectations for safety, health, mine subsidence and resource extraction
- » **Industry Investment**, focusing on attracting local and offshore investment into the energy and resources sectors in New South Wales by working closely with industry and investors to understand their investment requirements and assist them in the investment process.

Key challenges

During 2012–13 the division focused on providing quality resources and energy-related services to the NSW community and industry with a strong focus on delivering NSW 2021 initiatives.

Key focus areas for the division included:

- » coordinating input into the assessment of new mining project development proposals
- » continuing to build the compliance and enforcement capabilities of the department's Environmental Sustainability Unit
- » seeking expressions of interest for exploration licences for Group 11 minerals, including thorium and uranium, for the first time in 27 years
- » preparing for the introduction in New South Wales of the National Energy Customer Framework from 1 July 2013
- » delivering the Government's new Family Energy Rebate
- » developing the NSW Renewable Energy Action Plan, including releasing a draft plan in September 2012 and considering submissions received
- » assisting with the formation of the Office of Coal Seam Gas.

Major outcomes achieved during 2012–13

Growth in total business investment and exports New Frontiers, new dimensions, new energy

During 2012–13 the Government's New Frontiers minerals and energy exploration initiative continued to focus on attracting petroleum and mineral exploration investment in underexplored areas of New South Wales. The initiative has a key role to play in delivering the NSW 2021 target of boosting the value of primary industries and mining production by 30 per cent from 2010 to 2020.

A new rental fee on the mining industry to fund the continuation of the initiative commenced on 1 July 2012. The funding mechanism generated some \$5.8 million in 2012–13, and is expected to generate \$6.5 million per annum in future years. This level of funding represents an expansion of the New Frontiers initiative and is expected to underpin its success into the future.

During 2012–13 NSW Trade & Investment delivered some significant results including:

- » releasing the Geoscientific Data Warehouse and the Geoscience Product Catalogue online information systems
- » completing a hydrogeochemistry survey and a tin endowment study in the eastern Riverina region, in preparation for regional mapping that will start in 2013–14
- » completing two studies in follow-up to the regional geothermal assessment, namely, Sydney Basin 3D Heat Flow and Temperature Model and *Potential for Small-Scale Geothermal Power Generation in New South Wales*
- » initiating a study to assess the State's sedimentary basins for their unconventional petroleum potential, including shale gas and tight gas, with sampling and data collection underway for the Clarence–Moreton Basin and the Sydney Basin

- » completing the planning for a deep crustal seismic survey in central western New South Wales to image the Yathong Trough, the largest unexplored sub-basin of the Darling Basin.

During 2012–13 mineral explorers continued to make a substantial number of exploration licence applications.

Mineral and petroleum exploration and mining

Amendments to the *Mining Act 1992* were proclaimed in September 2012 to enable uranium exploration in New South Wales. This will help gain an understanding of what resources may exist in the State. The Act defines uranium to include uranium minerals and uranium ores. A ban on uranium mining remains in place. When expressions of interest closed on 13 November 2012, the Government had received 39 submissions to explore for uranium in New South Wales. An expert panel began assessing these expressions of interest in 2012–13, and is expected to make recommendations to the Government in 2013–14.

The department processed 175 exploration licence applications and 375 renewal applications in 2012–13. In addition, 11 new mining leases were granted and 22 were renewed. There were 3478 dealings processed for exploration and mining titles over the year. Of these, over 91 per cent were completed within the targeted timeframe.

Mineral titles current in New South Wales as at 30 June 2013 included 7 assessment leases, 913 exploration licences and 641 mining leases. Coal titles current in New South Wales as at 30 June 2013 included 6 assessment leases, 185 exploration licences and 355 mining leases.

Petroleum titles current in New South Wales as at 30 June 2013 included 1 petroleum assessment lease, 42 petroleum exploration licences, 1 offshore petroleum exploration permit and 6 petroleum production leases.

The department reviewed mine working plans for 70 operating coal mines and 5 metalliferous mines during the year.

Continued strong production and royalties

The combined value of NSW mineral production in 2012–13 was approximately \$20.6 billion. Coal production, valued at around \$16.4 billion, accounted for around 80 per cent of the total, reflecting the continued significance of the coal industry to the State. Coal exports from New South Wales in 2012–13 were valued at nearly \$15 billion. The value of metallic and industrial mineral production was approximately \$4.2 billion (NSW Trade & Investment, Resources & Energy Division).

NSW mining royalty figures for 2012–13 decreased by \$146 million from the previous year largely as a result of lower commodity prices and the ongoing strength of the Australian dollar. The net royalty collected was \$1.318 billion, with \$1.224 billion from coal and \$94 million from minerals.

The graph below shows the value of mineral royalties over the period 2007–08 to 2012–13.



Coal mine development

With input from the department, the Government approved a number of new and expansion projects during the year, including:

- » the \$83 million Ashton South East open-cut mine
- » the extension of mining at the Boggabri open-cut mine
- » the Maules Creek open-cut mine
- » NRE No. 1 Colliery preliminary works modifications at Russell Vale
- » the extension of operations at the Tarrawonga coal mine
- » the extension of mining at the Carrington Pit at the Hunter Valley Operations mining complex
- » the Tasman Mine extension project.

During 2012–13 the department neared completion of the stratigraphic assessment program north of Rylstone. The program commenced in January 2013 and is expected to be completed in September 2013.

Metallic mineral development

Strong growth continued in the NSW metallic mineral industry during 2012–13. New developments and project plans included:

- » commencement of production from the Cadia East gold and copper mine in January 2013
- » grant of a mining lease for the Tomingley gold mine in February 2013
- » grant of a mining lease for the Hera gold and base metal mine in May 2013
- » grant of a mining lease for the Jesusu sapphire mine in May 2013
- » renewal of the mining lease for the Mineral Hill gold and base metal mine in April 2013.

Petroleum exploration investment

The cumulative onshore exploration expenditure for conventional petroleum exploration and exploration for coal seam gas for 2012–13 is expected to rise slightly compared to the \$65 million expended in 2011–12. Lower exploration expenditure in the petroleum industry over the past two financial years compared to earlier years is largely a result of the industry adapting to new policies and guidelines. The exploration acreage take-up decreased slightly from 45 petroleum exploration licences in 2011–12 to 42 in 2012–13.

Promoting NSW mineral and exploration investment opportunities

The department actively promoted mineral and exploration investment opportunities in New South Wales during the year at local and international industry events, including the China Mining Conference and Exhibition and associated events in Tianjin and Beijing. The Mineral Resources branch hosted the department's annual industry seminar, Exploration in the House, at Parliament House in 2013.

The planning and organisation for the 13th biennial NSW Mineral Exploration and Investment Conference, to be held on 17 and 18 July 2013, was finalised in 2012–13. Exhibition booths were staffed at Mining 2012 in Brisbane, at the Resources & Energy Symposium in Broken Hill, and at the annual Australian Petroleum Production and Exploration Association (APPEA) conference in Brisbane in 2013.

Jobs are supported and created in urban and regional New South Wales

Major coal and mineral development in regional NSW

During 2012–13 the department approved 10 new major coal and mineral development proposals. Collectively these involve more than \$1.7 billion in new capital investment in regional NSW, and have the potential to create over 1250 new direct employment opportunities. The largest of these approved new projects was the Maules Creek open-cut coal mine located in the Gunnedah region, which was approved by the NSW Government in October 2012. The Maules Creek mine will produce 13 million tonnes of coal at full production and will provide around 500 direct new jobs for the region. A total of \$770 million of capital expenditure will be spent over the life of the project. This new coal project is important for the Gunnedah region as once it achieves full production it will nearly double total existing coal production from the area.

Another recently approved coal project of significance is the Ashton South-East open-cut which gained approval from the NSW Government in October 2012. This mine is located in the Hunter region and will produce 3.5 million tonnes of coal at full production, providing employment for 150 people. Capital expenditure for the Ashton open-cut will be \$83 million.

The Hera Gold Project was approved by the NSW Government in July 2012. This new mine located near Cobar

will predominantly produce gold and will provide direct jobs for around 100 employees. Capital expenditure for the Hera project will be \$40 million.

Biofuels

During the year, the department continued to administer the *Biofuels Act 2007*. The Act supports the development of the ethanol and biodiesel industries. The Manildra Group's integrated wheat processing facility at Bomaderry has expanded its capacity to meet the ethanol demand created by a mandate under the Act. It produced most of the 212 million litres of ethanol consumed in New South Wales in 2012–13. During 2012–13 National Biodiesel Limited undertook site preparation and detailed design work for its 288 million litre per annum biodiesel facility at Port Kembla.

Regulatory burden on businesses is reduced

National Mine Safety Framework and work health and safety laws for mines

In 2012–13 the National Mine Safety Framework Steering Group, of which the department is a member, moved a step closer to greater consistency in mine safety legislation throughout Australia, with the finalisation of drafting of the national model Work Health and Safety (Mines) Regulation.

NSW, Queensland and Western Australian regulators and mining industry stakeholders also worked cooperatively to finalise additional provisions to supplement the Regulation and ensure high-risk and complex mining hazards in these states continue to be appropriately regulated. The department played a leading role in achieving this outcome.

As a result of these achievements, during the year the department prepared drafting instructions for a new legislative framework for New South Wales based on the national model. The NSW Parliament passed the *Work Health and Safety (Mines) Act 2013* on 25 June 2013. The Act is expected to be assented to on 1 July 2013 and will commence upon the making of the supporting Work Health and Safety (Mines) Regulation.

Four national model mining codes of practice developed by NSW Trade & Investment were endorsed by the National Mine Safety Framework Steering Committee as part of the national harmonisation process.

National Energy Customer Framework

During the year, the department finalised the implementation of the National Energy Customer Framework in New South Wales. This involved finalising amendments to subordinate legal instruments to align retail energy regulation with other states and territories. The implementation of the National Energy Customer Framework is designed to reduce the regulatory burden on energy businesses operating in New South Wales and to enhance consumer protections. As a result of the department's close consultation with energy businesses and industry regulators, transition to the new regime on 1 July 2013 is expected to go smoothly.

Natural resources are sustainably managed, developed and shared to underpin current and future prosperity

Administrative levy for the minerals and petroleum industries

A new annual administrative levy was introduced on 1 July 2012. This will provide around \$13 million a year to fund additional compliance, regulatory and communication activities by the department in relation to the minerals and petroleum industries. The department employed additional staff to assist with these activities.

Environmental management

Regulation of exploration

As part of the Government's *Strategic Regional Land Use Policy*, a number of changes to exploration activity approval processes were made in 2012–13. These included revising exploration licence conditions and implementing the Government's requirements for agricultural impact statements.

All exploration activity applications requiring a Review of Environmental Factors are now available on the Resources website.¹

Prior to regulatory responsibility for the coal seam gas sector being transferred to the department's new Office of Coal Seam Gas (OCSG) in early 2013, the department's Environmental Sustainability Unit provided substantial input to the development of two new codes of practice for coal seam gas well integrity and fracture stimulation. These codes further strengthened the controls applying to coal seam gas exploration and production. The codes are available on the OCSG website.²

Rehabilitation guidance

During 2012–13 the department continued work to improve technical rehabilitation planning guidance and associated spatial data requirements. Revised rehabilitation planning guidelines (Mine Operation Plans) were finalised during 2012–13 and will be implemented in the second half of 2013 to help ensure that rehabilitation activities meet community expectations at all mining operations in New South Wales.

Environmental compliance and enforcement

During the year, the department made substantial improvements to its environmental compliance and enforcement capabilities in relation to the minerals and petroleum industries. These improvements included:

- » recruiting additional compliance and enforcement staff funded by the new administrative levy on industry
- » developing legislative amendments to improve the compliance and enforcement provisions of the *Mining Act 1992* via the Petroleum (Onshore) Amendment Bill 2013 (not yet passed by Parliament as at 30 June 2013)

- » implementing an environmental compliance and enforcement policy which outlines the principles used by the department's Environmental Sustainability Unit to promote compliance in the exploration, mining and petroleum industries, and also describes the factors taken into account in determining appropriate responses to contraventions and the environmental and rehabilitation performance outcomes expected by the community and the Government
- » developing a compliance and enforcement decision support tool
- » ten staff members completing Certificate IV (Government Investigations) training
- » thirteen staff members completing Environmental Auditor training to improve skills in managing environmental compliance audits.

Securities

As at 30 June 2013, the total rehabilitation securities held for current mining, petroleum and exploration titles in New South Wales exceeded \$1.4 billion.

In 2012–13 the department commissioned a review of the security deposit program to identify business risks and mitigation strategies to ensure that securities cover the full cost of rehabilitation and that the public is not left with a legacy of environmental and safety liabilities once mining ceases. The recommendations arising from this review will be implemented in 2013–14.

Derelict mines rehabilitation

During 2012–13 the department undertook rehabilitation works or investigations at 25 derelict mine sites across New South Wales under the Derelict Mines Program, at a cost of approximately \$1.6 million. Major projects included:

- » **Ponds Rehabilitation Works:** Rehabilitation works at the site in Old Mill were finalised and included the stabilisation of approximately 11 hectares of mine dumps and other disturbance. Specific works included reshaping, and the installation of contour banks and rock-lined drains, as well as revegetation.
- » **Taleeban Safety Works:** Works here aimed to make safe an old tin and tungsten mine that is popular with tourists and other visitors. Works included the installation of safety fences, the installation of grated caps over shafts, and the filling of shafts.
- » **Captains Flat Rehabilitation Works:** This project required the stabilisation of the southern tailings dam.

The Government has allocated approximately \$4.5 million for Derelict Mines Program works in 2013–14.

Woodsreef Mine Major Rehabilitation Project

The Woodsreef Mine is a derelict asbestos mine that ceased production in 1983, located 15 km east of Barraba in the Northern Tablelands. The site comprises a 75 million tonne waste rock dump and a 25 million tonne tailings dump, both of which are uncapped. The site also has a number

¹ www.resources.nsw.gov.au/environment/ref

² www.csg.nsw.gov.au/protections

of open pits, some containing considerable quantities of water, and a number of substantially unrehabilitated derelict buildings. Uncontained asbestos fibres are found throughout the site.

During 2012–13, the multi-agency Woodsreef Taskforce identified a number of rehabilitation priorities to reduce the risks associated with the Woodsreef Mine. The taskforce consists of representatives from the department's division of Resources & Energy, the NSW Ministry of Health, Hunter New England Health, the NSW Environment Protection Authority, WorkCover NSW and the NSW Department of Primary Industries.

The Woodsreef Community Advisory Group was established in October 2012 to engage with stakeholders to inform the planning and operation of the Air Monitoring & Health Risk Assessment and Demolition Works, components of the Woodsreef Mine Major Rehabilitation Project.

The planning and approval process for the project has been allocated funding of \$6.3 million, and has been broadened to encompass both State and Commonwealth environmental approval processes.

Subsidence management

A stringent regulatory system continued to apply to subsidence management in New South Wales during the year. All new coal mining projects are subject to approval by the Minister for Planning and Infrastructure, under the *Environmental Planning and Assessment Act 1979*. Recent planning approvals require an extraction plan to be in place prior to an underground coal mine performing mining activities that may lead to subsidence of the surface. The management plans that comprise the extraction plan then form a Subsidence Management Plan which is approved by the department.

For existing mines not yet subject to an integrated planning process, the existing Subsidence Management Plan process continues to apply. This process, administered by the department, enables efficient recovery of the State's resources whilst ensuring public safety and protection of the environment. Prior to approval for mining activities to commence, Subsidence Management Plans are assessed by a multi-agency committee.

In 2012–13 sixteen extraction approvals, two first-working approvals, and nineteen variations were approved with conditions.

Land use planning

During the year, the department continued to contribute to new comprehensive local environmental plans (LEPs) for all 152 local government areas in the State. During 2012–13, the department provided input into 25 comprehensive LEPs and the Government's *Strategic Regional Land Use Policy* to ensure that access to known and potential resources are maintained.

The department's Land Use Team provides advice about areas being considered for acquisition and reservation under the *National Parks and Wildlife Act 1974* (NPW Act) by the NSW Office of Environment and Heritage (OEH). Any land proposed for reservation under the NPW Act is referred to relevant Government agencies, including NSW Trade & Investment, for comment in accordance with a reserve referral process. This provides a mechanism for identifying potential land use conflicts and for resolving such conflicts, where possible, through negotiation between agencies.

The department's Mineral Resources Branch assesses the impacts of reserve proposals on known and potential mineral resources and provides advice to ensure that any impacts are considered in determining whether or not the land should be reserved.

In the case of proposals which have significant conservation values and significant mineral values, reservation as a State Conservation Area (SCA) is an option. SCA is the only conservation reserve category which allows access for exploration and mining, subject to environmental assessment.

A review of SCAs occurs every five years from the commencement of the relevant section of the NPW Act in 2002, to determine whether the SCAs can be converted to national parks or should remain as SCAs. During 2012–13 the Land Use Team began working with the OEH on the current five year review. The review is expected to be completed by late July 2013.

NSW resource audit

During the year, the department completed a resource audit of the entire State to provide data on the location of mineral and extractive resources and potential resources to councils and the NSW Department of Planning and Infrastructure. While energy resources were not included in the resource audit mapping, data will be supplied in future updates as information becomes available. The department supplied the audit information to councils and the NSW Department of Planning and Infrastructure as data packages in both digital and hard copy format.

The information will help councils with developing regional and local strategic land use plans under the newly reformed planning regime being rolled out by the NSW Department of Planning and Infrastructure.

The state-wide audit has taken five years to complete and represents the first such audit of all non-energy resource areas with details of the nature, location and extent of the resources. The audit identified 2158 known resources and 258 areas with enhanced resource potential.

The majority of sites contained construction material resources (1651), with most of these sites (1490) operating (some intermittently) at the time of the audit. Also identified were 211 metallic mineral sites (52 operating), 246 industrial mineral sites (130 operating) and 50 gemstone sites (46 operating).

Low emissions coal technologies

The Coal Innovation NSW Fund is a vital tool in reducing the State's carbon dioxide emissions. The fund's primary purpose is the undertaking of research, development and demonstration of low emissions coal technologies for commercial application. It also aims to increase public awareness of the importance of low emissions coal technologies in reducing greenhouse gas emissions.

The Coal Innovation NSW Fund was allocated \$100 million over four years until 2012–13. Due to delays in the CO₂ Storage Assessment Program, budgeted expenditure will continue for a further three years to 2015–16.

The Coal Innovation NSW Fund invests directly into the Delta Carbon Capture and Storage Demonstration Project, the NSW Carbon Dioxide (CO₂) Storage Assessment Program, seven research and development projects and other initiatives in low emissions coal technology. Progress was made on these during the year as follows:

Delta Carbon Capture and Storage Demonstration Project

The Delta Carbon Capture and Storage Demonstration Project is the State's first carbon capture and storage demonstration project. Stage 1 of this project – a \$28.3 million development and approvals stage – is jointly funded by the Commonwealth, Australian Coal Association Low Emissions Technology Ltd and the Coal Innovation NSW Fund. All three funding parties and Delta Electricity signed an agreement in February 2010. The Government, after a recommendation from Coal Innovation NSW, approved payment of \$9.43 million over four years from the fund.

During the year, the project team conducted further assessments of injectivity modelling for wells drilled in the Sydney Basin. Results from these assessments indicated that the Sydney Basin was not suitable for CO₂ storage. The project's steering committee is considering a range of options for potential storage for the demonstration project.

NSW CO₂ Storage Assessment Program

The NSW CO₂ Storage Assessment Program, with a \$54 million joint funding agreement with the Commonwealth and Australian Coal Association Low Emissions Technology Ltd, aims to identify and model the CO₂ storage potential of deep rock units in New South Wales. Stage 1B of the program is aimed at exploring the regional stratigraphy in the Darling Basin and acquiring and assessing relevant data. Throughout the year the planning for this program included:

- » finalising the reporting requirements for Stage 1A of the program
- » finalising the procurement of services through a tender process for Stage 1B
- » obtaining drill site approvals
- » developing on-site management documents
- » undertaking staff training and recruitment.

Departmental geoscientists established locations for exploration boreholes in the Darling Basin and finalised landholder access agreements as well as obtained Review of Environmental Factors approvals. The department together with NSW Public Works carried out a two-stage procurement process to provide the necessary services for the works. Project management contracts were awarded in March and it is anticipated that all service contracts will be awarded in July 2013, with drilling to start in November 2013 and to be completed by early 2014.

Activities for the year centred mainly on preparation for the commencement of the Stage 1B drilling program.

A program of community engagement continued with members of the local community.

Fugitive emissions

Centennial Mandalong Pty Ltd received a \$2.2 million grant from the Coal Innovation NSW Fund to trial an exciting new technology termed a Ventilation Air Methane Regenerative After Burner (VAM-RAB) that promises to mitigate fugitive methane emissions escaping from underground coal mines. During the year, the pilot plant was erected on site and preparations are underway to have the unit commissioned to be ready for the next phase of experiments.

Combustion efficiency

The University of Newcastle has a \$560 000 grant from the Coal Innovation NSW Fund to research and develop a Direct Carbon Fuel Cell (DCFC). This technology has the ability to use coal efficiently to produce electricity with minimal environmental greenhouse gas emissions. The overall objective of the project is to obtain proof of concept for the technology and make progress towards commercialisation of the DCFC through further development and optimisation of bench-scale and then pilot-scale systems. During the year, the project carried out fundamental research and continued the construction of a bench-scale unit with some initial testing.

The university also has an \$850 000 grant to undertake research into a novel way of producing pure oxygen for use in the efficient burning of coal to generate electricity. Building on last year's 'conceptual dual fluidised bed reactor', one of the major tasks completed during the year was the commissioning of a 10 kilowatt pilot plant. This plant was used in a series of preliminary tests to identify weaknesses, which were resolved. Significant progress was also made towards the completion of a large-scale demonstration unit due for commissioning later in 2013.

Post-combustion capture technology

CSIRO has a \$1.58 million grant from the Coal Innovation NSW Fund to support a research and development program dedicated to the chemical capture of CO₂ emitted in the flue gas from NSW coal-fired power stations. During 2012–13 the program's post-combustion pilot plant was relocated to the Vales Point power station and erected on site. Throughout the year the plant was refurbished and readied for commissioning.

CSIRO also has a \$600 000 grant to investigate the ability of a novel, patented carbon-fibre composite honeycomb-structured technology to physically separate out the CO₂ from the flue gas emitted from NSW coal-fired power stations. Throughout the year the site infrastructure was constructed at the Vales Point power station, the test unit was transported to the site, and basic infrastructure connections were made. The unit was also commissioned and made ready for the next phase of conducting experiments.

Storage efficiency

The University of Newcastle and GreenMag Group has a \$3.04 million grant from the Coal Innovation NSW Fund to develop and optimise a mineral carbonation process that takes advantage of a natural process whereby CO₂ is captured in mineral deposits resulting in it being stored in rocks. Throughout the year, negotiations secured an industry partner as co-funder for the project. Funding agreements have been signed and the project will commence on 1 July 2013.

Public consultation and community awareness

The University of Newcastle has a \$660 000 grant from the Coal Innovation NSW Fund to use an innovative approach to understand the network of relations between industry, society and government that impact on the public acceptance of low emissions coal technologies. During the year, the research team conducted interviews, a large internet-based survey, online social media analysis and ethnographic research of public engagement with two energy issues. The research team drafted a final report during the year for review by the department.

Safe, healthy and biosecure industries

Mine safety

The department is the regulator of both general and specific health and safety Acts for the mining and onshore petroleum industries. In 2012–13 the department oversaw the regulation of mine safety at:

- » 81 coal mines and preparation plants
- » 81 metalliferous, 2 387 extractive mines and 118 other mines
- » 117 coal, 332 metalliferous, 203 extractives and 208 other exploration licences
- » 52 petroleum and geothermal titles.

By June 2012, the NSW mining industry had met and exceeded the targets in the ten year *National OHS Strategy 2002–2012*. Progress toward Safe Work Australia's new 2012–2022 targets will be tracked in future reports.

Performance measure figures on fatalities, serious bodily injuries and lost time injuries bear testament to the fact that New South Wales has one of the safest mining industries in the world. Compared to figures reported in June 2008, as at June 2013 the five year averages for fatal injury frequency rate, lost time injury frequency rate and serious bodily injury frequency rate were reduced by 50 per cent, 54 per cent

and 55 per cent, respectively. The five year average fatal injury frequency rate was the second lowest on record. However, the extractives sector five year average lost time injury frequency rate has edged slightly higher in recent years.

Electrical safety programs

The NSW regulator leads the world by enabling explosion protected plant, certified overseas under the IECEx scheme, to be used in mines in New South Wales. NSW inspectors are officers of the International Electrotechnical Commission (IEC) schemes for electrical and mechanical mining equipment, meeting regularly to ensure that safety standards and systems are satisfactory. This allows mines to use innovative products and reduces the duplication of certification costs to industry, without a reduction in safety to mine workers.

During the year, the department continued its program of electrical assessments at metalliferous mine sites. These assessments were supported by regional electrical safety sessions for workers to help them identify and understand the dangers of poorly designed and maintained electrical systems.

Mechanical safety programs

In 2012–13 the department continued to play a leading role in reviewing, developing and maintaining mechanical engineering safety standards for the mining industry.

Key risk areas managed over the past year by the department's mechanical engineering inspectors were high pressure fluids, fit-for-purpose mechanical plant for use in explosive atmospheres, international fatality data analysis, diesel emissions, plant fires, mine winders and other lifting plant, mobile plant, drilling plant and general plant safety.

In February 2013 the department held two diesel emission workshops designed to improve the health of underground mine workers potentially exposed to diesel engine exhaust. Over 500 delegates were provided with information and guidance in establishing control strategies, and were able to put questions to a panel of experts.

Industry standards and assessments

During the year, NSW Trade & Investment continued to play a leading role in reviewing, developing and maintaining Australian standards for the mining industry. Five standards were published and two mining electrical engineering safety handbook projects are in development.

The department's inspectors of electrical engineering also played a major role during the year in the IECEx Australian mirror committee for the adoption of international standards within Australia. This high level of active involvement by departmental inspectors was endorsed by the Mine Safety Advisory Council.

Departmental mine safety inspectors also continued working with industry working groups to update existing mining design guidelines as well as to develop a number of guidelines for new and emerging areas of technology.

These documents provide a benchmark for industry best practice, engineering standards and fit-for-purpose mining equipment.

An increase in the number of design registered mine winders across the metalliferous and coal sectors led to the development and publication of a series of mine winder guidelines. Mine winders are considered high risk plant, the failure of which has potential for multiple fatalities. The guidelines are available on the Resources website.³

Subsidence engineering

The department's subsidence engineers perform technical subsidence engineering and risk management work, and liaise with each underground coal mine, infrastructure owners and operators. These engineers comprise one of the few leading professional groups in the world with the capability to provide high quality technical services to government, community and the mining industry.

In 2012–13 the department's Mine Subsidence Engineering Group completed the assessment of 84 mining applications, and contributed significant regulatory management and technical leadership towards the successful management of the risks of longwall mining under the Sydney to Melbourne railway and Hume Highway.

Engineering safety seminars

Mine Safety's 22nd annual Mechanical Engineering and Electrical Engineering Safety seminars attracted over 590 participants to the two-day events held in Sydney during August and November 2012. The seminars are a key industry event for electrical and mechanical engineers to share information and network. The seminars promote best practice, showcase the latest technology and present case studies on important mechanical and electrical engineering initiatives.

Mine Safety Technology Centre accepted internationally as a certifying body

The International Electrotechnical Commission System for Certification to Standards relating to Equipment for Use in Explosive Atmospheres (IECEx) is a global quality-based product certification scheme based on ISO 9001:2000. It aligns with new European Equipment and Protective systems intended for use in Potentially Explosive Atmospheres ATEX directive. The IECEx scheme is a means of ensuring that equipment is safe for use in areas where there is potential for an explosive concentration of gases, vapours or combustible dusts.

The department's mine safety research and development arm, the Mine Safety Technology Centre (MSTC) was accepted in 2012–13 as an IECEx Certifying Body.

A representative of the IECEx travelled to Australia and audited the procedures and processes the MSTC had developed to comply with the requirements of the scheme. The MSTC can now provide certification for intrinsically safe (Ex) products, with the certification recognised internationally by 29 countries.

Coal industry and metalliferous industry safety advisory committees

Quarterly Coal Safety Advisory Committee and biannual Metalliferous Industry Safety Advisory Committee meetings were facilitated by NSW Trade & Investment for stakeholders from the NSW coal and metalliferous sectors. Attendees included senior mine management, unions, the NSW Minerals Council, the NSW Mine Safety Advisory Council and the department's coal and metalliferous sectors inspectors.

Mine Safety Advisory Council

In December 2012 the NSW Mine Safety Advisory Council (MSAC) published *Mine Safety Advisory Council: Actions for world-leading Work Health and Safety to 2017*, outlining MSAC's priorities for mine work health and safety in the next five years. The document is available on the Resources website.⁴ MSAC also commissioned an independent review into the conduct of investigations and the communication of cause and prevention of mining incidents. Industry consultation on the options outlined by the review is being undertaken by MSAC.

Through its Work Health and Safety Culture Working Party, MSAC held an Industry Round Table on Associated non-Technical Skills (ANTS), where strategies were developed to embed the use of ANTS into the industry and build a resilient safety culture. The working party is also developing a 'road map for the future' for these skills.

More than 20 community groups and schools received a grant as part of a pilot health and safety grants program in the Hunter/Central Coast and Narrabri/Gunnedah Basin that promotes the high health and safety standards and principles in the NSW mining industry.

Work health and safety industry assistance

The department's Industry Assistance Unit works closely with the Mine Safety Advisory Council (MSAC) to develop and implement MSAC initiatives. The unit's Work Health and Safety Culture Benchmarking Pilot Program commenced in 2012–13 with a number of major mining operators agreeing to participate. The program applies participative assessment tools and evaluates the results.

The unit also developed learning materials for the accompanying associated non-technical skills program and a suite of interactive learning resources for a range of priority health issues identified by MSAC.

The unit also implemented a participative ergonomics program aimed at reducing musculoskeletal disorders by involving workers in identifying solutions to hazardous manual tasks, or 'gut-busting' jobs. The program communicates directly with workers and increases their level of engagement. It includes short videos, featuring actual mine workers and their spouses, designed to engage workers at an emotional level.

³ www.resources.nsw.gov.au/safety/publications/mdg

⁴ www.resources.nsw.gov.au/__data/assets/pdf_file/0005/460688/MSAC-Work-Health-and-Safety-Strategic-Actions-to-2017.pdf

Growing demand for competence assessment

The number of candidates applying for certificates of competence has increased significantly over the past few years and the department continues to manage a large number of applications. During 2012, departmental Mine Safety officers conducted 1106 individual examinations compared with 771 in 2011.

New communication initiatives developed by the department during 2012–13 around the examinations process included candidate briefing sessions, presentations to groups of potential candidates at Registered Training Organisation (RTO) course delivery sessions, site visits with RTOs, and presentations to SkillsDMC industry network meetings.

During the year, the department continued to contribute to the Statutory Positions Training Process Improvement Review Project led by SkillsDMC. Departmental representatives were part of the steering group for a pilot project on the implementation of best practice guides for candidates, RTOs and employers.

Agreed safety undertaking

In March 2012 Mine Safety entered into an agreed undertaking with two mining companies, in lieu of proceeding to prosecution. The companies agreed to fund and undertake a four-stage project focusing on the hazards associated with mobile machine-mounted bolting equipment used underground. The project aimed to increase industry awareness and improve bolting practices throughout the industry. It had a budget of \$500 000 and gained the unanimous support of all 28 underground coal mines operating in New South Wales.

An independent consultant was engaged by the companies to visit all 28 mines and conduct a review of bolting incidents recorded by the department and Coal Services Pty Ltd. The mine site visits and bolting machine reviews were completed in 2012–13 and each mine received its own site report from the reviewer.

An industry report of the review is expected to be completed by the end of September 2013. The full agreement and other information about the undertaking are available on the Resources website.⁵

Mining accident/incident investigation

During 2012–13 departmental investigators conducted numerous examinations of mining incidents in New South Wales, seeking out causes and underlying system failures leading to these incidents. Preventing system failure is one of the most important factors in ensuring the continued safety of people working in the mining industry.

Investigators also continued a program of engagement with mine operators, presenting the findings from incident investigations and making recommendations for improvement directly to operators and management at their mine sites. The program will help mines improve

health and safety performance as a result of being better informed about the causes of incidents.

During the year, the department began issuing information releases on particular incidents such as fatalities or serious bodily injuries. These releases are designed to draw attention to the occurrence of a serious incident in the mining industry and are issued at the preliminary stages of an investigation. Further information may be published as it becomes available.

Investigation reports and information releases are available on the Resources website as a useful tool for industry to help assess risks or develop risk controls.⁶

Performance statistics	2009–10	2010–11	2011–12	2012–13
Investigations commenced	3	5	2	3
Investigations completed	2	7	5	2
Investigations in field stage at the end of year	8	6	3	4
Investigation reports submitted to the Coroner	1	2	0	1
Coronial inquests commenced	0	0	1	1
Prosecutions commenced	5	8	5	2
Successful prosecutions	10	3	6	3
Unsuccessful prosecutions	0	0	1	0

Mining industry safety performance

Each December the department's annual *NSW Mine Safety Performance Report* is published for the previous financial year. The report summarises the incidents and injuries notified to the department's Mine Safety team, assessments conducted, and enforcements and advice issued by the NSW Mine Safety inspectorate, set against ten years of historical data. The report provides valuable information for industry to comparatively assess safety performance.

During 2012–2013 there was one worker fatality in the underground metalliferous sector, and a bystander died on an opal field. The coal, metalliferous and extractives industry returned its second lowest five year fatal injury frequency rate on record. There have been 13 mining workplace fatalities, eight of them in the coal sector, in the decade to June 2013. This compares to 44 fatalities, 22 of them in the coal sector, in the decade to June 2003.

Serious bodily injuries in 2012–13 decreased year-on-year from 35 to 22 in coal operations, and from 17 to 6 in metalliferous/extractives mines.

⁵ www.resources.nsw.gov.au/safety/major-investigations

⁶ www.resources.nsw.gov.au/safety/major-investigations/investigation-reports

Safety performance statistics		2009–10	2010–11	2011–12	2012–13 ¹
Fatalities	Coal	–	1	–	–
	Metalliferous	–	–	–	1
	Opal claims	–	–	–	1
	Petroleum (onshore)	1	–	–	–
Serious bodily injuries	Coal ²	32	28	35	22
	Non-coal (excl. Petroleum) ²	8	9	17	6
	Petroleum (onshore) ⁴	4	–	–	–
Lost time injury frequency rate (per million hours worked) ³	All coal	7.11	6.06	5.24	4.42
	All metalliferous and extractives	6.20	4.66	3.89	4.27
	Extractives	11.04	12.70	10.20	12.03
	Coal underground	11.73	11.79	8.91	7.05
	Metalliferous underground	5.77	3.02	2.21	2.03
Notified incidents, coal	All	2 742	2 767	2 625	2 604
	Accumulation of gas – CI 56(1)(g)	796	925	647	678
	In service failure of explosion protection features – CI 56(1)(m)	477	344	348	354
	Unintended activation of plant – CI 56(1)(p)	300	332	343	369
	Escape of fluid under pressure – CI 56(1)(o)	210	189	192	214
	Non-specific incidents resulting in a notifiable injury or outcome – including CI 55(b), CI 56(1)(a)	434	433	480	396
Notified incidents, non-coal (excl. Petroleum)	All	268	274	305	319
	Uncontrolled explosion or fire – CI 145(e)	50	45	55	70
	Unplanned fall of ground – CI 145(n)	19	20	15	37
	Loss of control of vehicle or machinery – CI 145(j)	21	16	28	23
	Overturning of vehicle or machinery – CI 145(k)	17	26	19	24
	Non-specific incidents resulting in a notifiable injury or outcome – including CI 145(b), CI 146(1)(a)	30	46	42	29
Notified incidents, petroleum (onshore) ⁴	All	12	6	1	2

The table above reflects notifications under the following legislation:

Coal: *Coal Mine Health and Safety Act 2002* (CMHSA 2002) and *Coal Mine Health and Safety Regulation 2006* (CMHSR 2006).

Non-Coal (excl Petroleum): *Mine Health and Safety Act 2004* and *Mine Health and Safety Regulation 2007*.

Petroleum: *Petroleum (Onshore) Act 1992* Schedule.

Notes:

¹ Data to 30 June 2013 extracted from COMET database as at 11 October 2013. All recent workforce and injury data should be considered preliminary and therefore subject to change.

² Serious (bodily) injuries are those reported under notifiable nature of injury definitions in CMHSR 2006 and MHSR 2007.

³ Lost time injury frequency rates are as reported from the quarterly reports of mine operators. Lost time injuries to non-mine employees such as contractors and tradespersons could be underreported unless the date they resumed work (i.e. with their external employer) was reported back to the mine.

⁴ Improved contact with onshore petroleum operators is retrospectively identifying past incidents and injuries not captured previously. Since this is an ongoing trend, all petroleum numbers should be considered preliminary and subject to change.

Lost time injuries in 2012–13 decreased year-on-year from 276 to 236 in coal operations, and from 78 to 75 in metalliferous/extractives mines.

The number of hours worked in 2012–13 increased since the previous year by 1.4 per cent in the coal sector, decreased by 13.7 per cent in the metalliferous sector and decreased by 8 per cent in the extractives sector.

Energy and utilities emergency management

NSW Trade & Investment supports the coordination of energy and utility businesses in New South Wales in the planning and preparation for, response to and recovery from emergencies.

NSW Trade & Investment sponsors the role of the Energy and Utility Services Functional Area Coordinator (EUSFAC). The EUSFAC provides coordination activities in the event of utilities emergencies and threats to utilities infrastructure, in addition to national and state coordination of liquid fuels and natural gas emergencies.

During the year, the EUSFAC coordinated the following planning, preparatory and response activities:

- » **Major Hazards Facilities (MHF) Working Group:** the EUSFAC provided advice on liquid fuel production, storage and transport as part of the MHF Emergency Plan Working Group. A substantial proportion of energy and utilities critical infrastructure falls within the category of MHF.
- » **Infrastructure security:** the EUSFAC assisted the NSW Government Critical Infrastructure Protection (CIP) Program Coordinator in the development of draft risk assessment 'criticality filters' for utility supply emergencies. The EUSFAC facilitated the attendance of energy and utility businesses at an industry and government briefing on cybersecurity sponsored by the NSW Police Force Counter Terrorism and Special Tactics Command.
- » **Chief Executives' Counter Terrorism (CT) Coordinating Group:** the EUSFAC provided support and briefings to the Director General of NSW Trade & Investment on CT and security issues. The EUSFAC maintains relationships with the CIP Program Coordinator of the NSW Police Force and other security agencies on risk and security issues in order to fulfil this role.
- » **Health facility electricity supply continuity:** the EUSFAC and NSW Health's Deputy Health Services Functional Area Coordinator are joint leaders of a working group reviewing the loss of power to hospitals. The project was initiated in early 2013 and the working group began seeking input from Local Area Health Services and electricity distributors. Project outcomes are intended to reduce risk to life during power outages whether due to severe weather events or technical problems. The primary project objectives include improved coordination and communication between parties. The project will also inform hospital design criteria for standby power capability, and improve outage management at health facilities.

» **Oil and gas emergencies:** as the NSW representative on the National Gas Emergency Response Advisory Committee (NGERAC) and the National Oil Supplies Emergency Committee (NOSEC), the EUSFAC was engaged in planning for, and participating in, major national gas and oil supply emergency exercises conducted in May and June 2013 respectively.

» **Natural disaster response:** the EUSFAC team attended the NSW Rural Fire Service State Operations Centre on seven days during the intense January 2013 bush fire season. The EUSFAC coordinated the responses by Essential Energy to extensive network damage from several severe weather events during 2012–13, including, notably, Tropical Cyclone Oswald.

Review of State Emergency and Rescue Management Act 1989 and the State's disaster plan

As a member of the State Emergency Management Committee, the EUSFAC worked during the year with the Ministry for Police and Emergency Services on amendments to the *State Emergency and Rescue Management Act 1989* and the State's disaster plan. The legislation was amended on 26 November 2012 to, among other things; rename the *NSW State Disaster Plan the New South Wales State Emergency Management Plan* (EMPLAN). The EUSFAC made substantial contribution to the draft EMPLAN, which was endorsed by the Minister for Police and Emergency Services on 4 December 2012.

Energy and regional water supplies and services are reliable, efficient and sustainable

Energy networks reforms

During the year, the department worked with other jurisdictions to drive a major program of reforms to national energy laws and rules designed to improve the regulation of gas and electricity networks and the performance of national regulatory agencies. The reforms included increasing the powers of the Australian Energy Regulator (AER) to improve transparency, accountability and performance benchmarking of energy network businesses.

The AER will also be subject to stronger governance arrangements and a reformed limited merits review appeal mechanism that specifically focuses on the long-term interest of customers.

Smart meters task force and customer information reform

In 2012–13 the department supported the Smart Meters Task Force, responsible for providing advice to the Minister for Resources & Energy on policy options that deliver net benefits for NSW electricity consumers by way of improved information, cost efficiencies and greater consumer choice.

This work aligns with the department's national activities around smart meters and demand side participation, where national reforms will ensure consumers have better access to their electricity consumption data while maintaining appropriate privacy arrangements.

Electricity network safety management system standard

In accordance with the Intergovernmental Agreement on Energy Supply Industry Safety, the department has been working with other jurisdictions and stakeholders on the creation of a nationally harmonised energy supply industry-specific safety framework. This complements the recently established national workplace health and safety regime.

As a first step, in 2012–13 the department began acting as the NSW Government representative on the Standards Australia Committee EN-004. This committee worked to develop a national electricity network safety management system Australian Standard similar to the pipeline and gas network sector standards, AS 2885 and AS 4645.

The Australian Standard, *Electricity network safety management systems* (AS 5577–2013), was published on 12 April 2013 and the department is now working through the national coordinating body, the Energy Supply Industry Safety Committee (ESISC), to adopt the standard nationally.

ESISC intends to establish a central register for approved energy network safety management systems. This will reduce the need for multiple regulator approvals and introduce cross-border recognition in this area.

Energy funding and programs to assist customers

The State's regulatory framework safeguards a reliable, safe, low-cost and environmentally sustainable energy supply for the community. Its strong consumer protection framework recognises electricity as an essential service. In 2012–13 the department continued to develop and implement policies and programs to assist customers facing financial difficulty to pay their bills. Significant energy consumer programs undertaken during the year included:

- » implementing the Government's new Family Energy Rebate from July 2012. The rebate is targeted at assisting eligible households to manage the impact of energy bills. Eligible customers had received the Commonwealth's Family Tax Benefit in the previous financial year (2011–12). Over 80 000 applications were handled by the department, using new digital systems that were purpose built to administer the rebate.
- » rolling out important changes to the Energy Account Payment Assistance (EAPA) Scheme. These included more streamlined administrative processes for the community groups who are responsible for issuing EAPA vouchers to customers. The department also worked closely with energy retailers and other stakeholders on the introduction of new EAPA vouchers with a higher face value. These will further streamline the provision of financial assistance to customers in need.
- » extending the Low Income Household Rebate to residents of retirement villages. This policy will assist residents in retirement villages on fixed incomes to meet their energy expenses in a more affordable manner.

- » supporting the NSW Government Contact Centre (GCC) which handled over 8000 customer calls to the Energy Information Line. This support involved giving timely advice to the GCC or in other cases contacting customers directly to provide information and other assistance.

Energy networks performance

There were no significant disruptions to the supply of electricity or gas during 2012–13. Unlike 2011–12, there were no potential shortfalls in gas supply during winter and, therefore, no need for the regulator to monitor supply. Electricity distributors continued to be on trend to achieve an average reliability of 99.98 per cent by 2016. At the end of June 2013, average reliability of 99.978 per cent had been achieved. This meant that customers, on average, experienced only 114 minutes without power during the year, an improvement over the 119.5 minutes experienced in the year to 30 June 2012.

Network safety

The department, working with industry, implemented an improved system for reporting significant electricity network safety incidents as a trial in late 2010–11. All incidents have been reported in the new system since July 2012. This new system has captured a number of incidents that had not been reported under the previous regime. In addition, an increased focus by network operators on the reporting of all incidents, even minor, has resulted in an apparent upward trend in incidents during 2012–13. However, this does not reflect an actual decrease in safety, in spite of the operators carrying out a higher level of work during the year.

There were zero worker fatalities during the year and one public fatality. The public fatality occurred when a farmer came into contact with a fallen power line on his property when he went to investigate a number of cows that had been electrocuted.

Mid-north coast review

At the request of the Minister for Resources & Energy, an independent review of the electricity needs of the mid-north coast was commissioned by the department. The need for this review arose out of community submissions questioning the need for a proposal by TransGrid for a new 330 kV power line from Stroud to Lansdowne, given the emerging downward trend in energy demand. The review submitted two reports to the Minister, an interim report that was released on 7 January 2013 and a final report that was released on 20 May 2013. The review engaged the Australian Energy Market Operator to prepare independent demand forecasts for the region. These forecasts indicated that the existing power lines were capable of supplying the demand until the 2030s. TransGrid subsequently announced that the project would be abandoned. The review also highlighted a number of failings in the governance and institutional framework around electricity and recommended a review of these processes.

Attracting investment and growing expertise in renewable energy and energy efficiency

During 2012–13 the department oversaw the following programs and policies to reduce greenhouse gas emissions, support energy savings and encourage the uptake of renewable energy:

- » the NSW Renewable Energy Action Plan
- » solar feed-in tariffs, including the Solar Bonus Scheme
- » the NSW Energy Savings Scheme
- » GreenPower (nationally)
- » national Minimum Energy Performance Standards and Labelling.

In September 2012 the Government released a draft Renewable Energy Action Plan for consultation and the department led the Government working group responsible for considering submissions and finalising the plan. The plan is expected to be released early in 2013–14. The plan will help achieve the national target of 20 per cent renewable energy by 2020, positioning New South Wales to increase the use of energy from renewable sources at least cost to energy customers and maximum benefit to New South Wales.

The Solar Bonus Scheme was closed to new connections from 1 July 2012. As at 14 June 2013, 146 217 customers had generators connected under the scheme, representing 341.310 megawatts (MW) of capacity. A mandatory retailer contribution to the costs of the scheme commenced on 1 July 2012. The Independent Pricing and Regulatory Tribunal (IPART) determined that this rate would be 7.7 c/kWh for 2012–13.

As at 14 June 2013, 81 082 households and businesses had connected small-scale generators outside the Solar Bonus Scheme, representing 234.363 MW of generating capacity. These customers may receive a voluntary feed-in tariff from their electricity retailer in addition to electricity bill savings. IPART set a benchmark feed-in tariff range of 7.7 to 12.9 c/kWh for 2012–13.

The NSW Energy Savings Scheme continued to achieve a high level of compliance during the year, and met its annual target. New South Wales is working with Victoria to harmonise aspects of their energy efficiency schemes.

GreenPower is a government accreditation program which guarantees that the renewable electricity bought from energy suppliers meets stringent environmental standards. In 2012–13 the voluntary GreenPower program was reformed to become fully industry funded. The department continued its role as Program Manager – Accreditation; helping GreenPower drive investment in new renewable energy generation beyond mandated targets. Audited GreenPower sales in New South Wales for the 2011 calendar year rose slightly to 533 gigawatt hours (GWh), making up nearly a quarter of the 2100 GWh in sales to households and businesses nationally.

The commencement of the *Greenhouse and Energy Minimum Standards Act 2012* passed legislative responsibility for the Appliance and Equipment Minimum Energy Performance Standards (MEPS) and energy efficiency labelling program to the Commonwealth Government on 1 October 2012. Consequently, the department acted as a regulatory service provider to the Commonwealth on a fee-for-service basis. The department approved 379 applications for registration on behalf of the Commonwealth Government with the reimbursement to the department being \$85 275 for the period 1 October 2012 to 30 June 2013.

More stringent MEPS for televisions and a new television star rating were introduced under the Commonwealth legislation on 8 April 2013. Any television imported since 8 April 2013 with a star rating of less than four stars under the previous rating is non-compliant and cannot be sold.

New MEPS will be introduced for computers and computer monitors from 1 October 2013 and it is anticipated that MEPS for multi-split air conditioners will also be introduced during 2013–14.

A skilled, engaged and cohesive workforce operating in a safe workplace

Effective mining emergency response

During the year, the department's mine safety inspectors underwent intensive training in emergency response and conducted the third annual mine emergency exercise, Red Flag 3.

Mining emergencies demand a coordinated response from a range of agencies and the department's Mine Safety Inspectorate is usually one of the first to be notified. The knowledge and experience of the department's inspectors form an integral part of an emergency response. Training in simulated emergency situations helps the inspectors to effectively handle the stressful circumstances encountered during mining emergencies.

The department has now employed a dedicated emergency response specialist to improve inspectors' skills and to assess the preparedness of mines for emergency situations.

In addition, under the chairmanship of the Hon. John Hanaford, the Mine Safety Unit has been heavily involved in interagency negotiations regarding the creation of a memorandum of understanding and subplan for mine emergency management in New South Wales under the *State Emergency and Rescue Management Act 1989*.

Police training days

Mine Safety and the Mine Safety Investigation team continued to work closely with the NSW Police during the year, delivering one-day training programs to NSW police commanders, inspectors and detectives. The training helps both agencies maintain awareness of each other's statutory roles when attending a mining incident, clarifies

jurisdictional issues on mine sites and forges good working relationships.

Industry stakeholders including Mines Rescue Service also present at the training days which in 2012–13 included a joint review of *MDG 1029 Guidelines for agency coordination during emergencies and body recovery at NSW mines*.

Mine Safety has provided training to approximately 240 police officers over the last two years.

Future plans/directions

In 2013–14 the department will focus on:

- » preparing advice to the Government in response to the Australian Energy Market Commission's review of the effectiveness of retail electricity and natural gas market competition in New South Wales
- » continued facilitation of mining and petroleum production to support NSW 2021 Goals, including improving the performance of the NSW economy, through;
 - facilitating new investment, exports and job creation, especially in regional areas

- rebuilding State finances through the collection of royalties, which can be applied to critical infrastructure
- helping to improve NSW energy security and helping consumers understand their energy consumption
- » supporting the Government's process for the sale of State-owned electricity generators
- » improving the transparency and time-frames associated with the various regulatory requirements and approval processes associated with the industry
- » implementing a mobile and desktop web service providing information to the public about the department's and industry's activities in exploration and mining in New South Wales (with a completion target of 30 June 2014)
- » continuing to increase compliance and enforcement capabilities to ensure improved environmental management of coal, mineral and petroleum activities throughout the State.

Resources & Energy Division performance

Service Measures	Units	2010–11 Actual	2011–12 Actual	2012–13 Forecast	2012–13* Revised
Mine safety regulation:					
• Investigations of operational safety ¹	No.	498	409	280	298
• Enforcement actions ²	No.	1 485	1 307	1 280	1 272
Mine environmental regulation:					
• Audits, assessments, investigations and enforcements	No.	905	950	950	1 142
Energy regulation administration:					
• Total number of licences granted under the <i>Pipelines Act 1967</i>	No.	35	35	38	39
Conveyance searches	No.	3 547	3 460	3 520	3 374

* Revised figures as at 30 June 2013.

¹ The number shown represents the subset of incidents requiring an inspector site visit, in accordance with the Mine Safety policy for determination of investigation levels. The year on year decrease indicates less severe incidents are occurring as overall notifiable incidents remain at prior year levels.

² Written notices increased steeply after the commencement of the *Coal Mine and Mine Health and Safety Acts* due to increased notification provisions. From around 360 in 2005–06, notices peaked at 1 485 in 2010–11, and have settled around 1 300 for the past two years.

FINANCE, STRATEGY & OPERATIONS DIVISION

Nature and scope of activities

The Finance, Strategy & Operations Division provides cross-departmental services, leadership and coordination across a wide range of operational and strategic functions. It develops, coordinates, manages and advises on systems, infrastructure, policies and standards for the department in the areas of corporate planning, ministerial liaison, communication, customer service, finance, procurement and administration, human resources, asset management, information and communications technology, and legal services.

The division has seven branches:

- » **Business & Technology Services**, performing the department's information and communications technology function, delivering strategic and tactical planning and developing computer business systems; developing, acquiring and supporting software; managing corporate data infrastructure, information security and messaging services; and contributing services to the department's centralised helpdesk
- » **Corporate Counsel & Practice**, delivering high quality legal services to the department including providing legal advice, assisting with legislative reform, conducting departmental litigation, drafting a wide range of legal documents, assisting with external legal procurement, and coordinating information requests (Government Information Public Access), public interest disclosure management, privacy issues and responses to customer complaints
- » **Corporate Operations**, delivering business and technical services including back-office processing of human resources, payroll, recruitment and finance transactions; building design, engineering and project delivery; accommodation strategy and planning; facilities management; fleet management; strategic procurement and purchasing; capital program management; asset strategy; and contributing services to a centralised help desk for the department's enterprise resource planning software
- » **Corporate Strategy & Communications**, facilitating department-wide planning and reporting, performance improvement, governance, corporate customer service and strategic communications
- » **Finance & Knowledge Management**, developing and implementing policies, procedures and reporting systems for departmental finances to meet the requirements of the department and central government agency

reporting; providing library, records and knowledge management services; and building the department's project management capabilities

- » **Ministerial Liaison**, servicing all four Ministers of the department in relation to their roles in Cabinet and Parliament by providing coordinated, coherent and timely advice encompassing the full range of departmental interests
- » **People, Learning & Culture**, providing safety leadership, workers compensation administration, human resources policy, organisation performance consulting, industrial relations services, organisation-wide learning and development activities, and other key projects to build the capabilities of the department's people.

Key challenges

The key challenge for the year was the continued integration of disparate agencies into a single unified department. The Finance, Strategy & Operations Division was responsible for driving the change management processes that began in 2011–12 and continued in 2012–13. The division has led the integration of multiple legacy systems and implementation of new corporate systems whilst continuing the provision of shared corporate services and communications across the department.

Specific challenges addressed by the Finance, Strategy & Operations Division this year included:

- » transitioning to a single, cloud-based enterprise resource planning (ERP) system, SAP ByDesign, consolidating the department's finance, projects, procurement and human resource systems into a single integrated solution.
- » implementation of cloud-based real time communication and interactive media services using Google technology for mail, scheduling, desktop video conferencing, chat and office automation. Integrating technological infrastructure across geographically diverse locations is intended to deliver service improvements and achieve cost reductions associated with service duplication.
- » implementing new harmonised workplace health and safety laws for employers to undertake health surveillance and monitoring of workers in specific exposure areas. This statutory requirement saw a range of process guides and tools developed to assist operational areas to conduct medical assessments effectively for identified employees.

- » servicing multiple Ministers across a wide range of portfolios. The preparation and delivery of coordinated information and advice across a diverse range of agencies and portfolios will always remain a significant challenge. As the department's information and communications technology environment and document management systems become increasingly consistent, the task will get easier. Similarly, the ongoing process of establishing the Ministerial Liaison Office, through recruitment, reporting and process improvement, will assist the department in delivering coordinated, coherent and timely advice to Ministers.
- » facilitating appropriate procurement behaviour that recognises the growing client base of the department and aligns with the departmental integration program. A new strategic procurement group was created to drive procurement efficiencies and desired behaviours.
- » developing an integrated asset strategy, asset accounting and management solutions, and a total assets management plan which together encompass the broad asset base and service delivery requirements of NSW Trade & Investment.
- » streamlining the department's approach to sponsorship, as a number of legacy policies from former agencies had remained in operation. A revised sponsorship policy was implemented for the department to comply with the Government's governance requirements and to establish a consistent framework for managing sponsorship across NSW Trade & Investment.

Major outcomes achieved during 2012–13

A skilled, engaged and cohesive workforce operating in a safe workplace

Change communications

A key component of the department's change management process was the development and implementation of a change communications plan to inform and connect staff. The department's corporate intranet continued to be the central source of information during the year for organisational changes. Work began on the proposed new intranet's information architecture and navigation, graphic design and templates, and new content. Updating legacy intranet content ready for migration began in 2012–13 and will continue to be a focus in 2013–14.

Workforce support

In 2012–13 the department developed and implemented a new safety management system for the department. The system was constructed to align with the Australian/New Zealand Standard, *Occupational health and management systems – Specifications with guidance for use* (AS/NZS 4801:2001), in a way that provides a clear and simple framework that mitigates risk and is easily adopted. A new online incident notification and investigation tool allows for all details to be captured in a single location, providing a

capability to identify, track and learn from corrective actions as part of the investigation process. The new system allows more accurate and responsive recording of workplace incidents both within the field and office environments and it works on tablet devices.

The department's early intervention strategy, where the workers compensation team engages with injured workers and their line business management immediately following a workplace injury, has delivered outstanding results. All indicators showed positive improvements through reduced premiums, refunds as part of hindsight adjustments, reduction in average cost of claims, and shortened duration rates for lost time.

Nineteen change plans were completed during the year, involving over 2000 staff members. The department conducted these processes in an equitable way and delivered the required operational and budgetary outcomes within projected timeframes. The processes were supported by providing over 135 programs on topic areas such as job seeking skills (including individual coaching sessions), resilience, change management and merit selection, and also by working through a range of industrial issues.

The roll out of a revised Performance and Development Scheme across the organisation during the year brought about a renewed focus on the department's performance practices. The roll out focused on daily conversations between employees and their managers as a means to promote a performance culture in the organisation. This was supported by the delivery of Performance and Development Conversations manager workshops which will continue throughout 2013–14 as change programs are completed.

During the year, the department's on-line learning portal, i-Learn@Trade, was rolled out across a number of business areas following its launch in 2011–12 with over 2000 staff completing all five core induction and compliance modules.

The department has been working to finalise union negotiations to simplify and standardise flexible working hours across the department. Considerable work took place during 2012–13 to simplify and standardise flexible working hours across the department, and this work will continue throughout 2013–14.

Managing physical assets

The first phase of the Metropolitan Accommodation Strategy, focusing on consolidating and upgrading CBD premises, was successfully completed on time and within the allocated budget. The second phase will commence in July 2013 and focus on refurbishing and consolidating a number of disparate tenancies in the Macquarie Tower building at Parramatta. The Metropolitan Accommodation Project will deliver proposed net savings of \$17 million over ten years and reduce the area of CBD office space by 25 per cent. Major office refurbishment work has also been completed to metropolitan facilities at Newington, 323 Castlereagh Street and the MLC Centre.

Due to changing environmental legislation, in 2012–13 the department completed the removal of 42 underground bulk fuel storage tanks across 21 departmental sites. The project included the supply and installation of compliant above ground replacement tanks at a total project cost of \$1 million.

Major office refurbishments of levels 1 and 2 of the Kite Street premises in Orange commenced in 2012–13, to rationalise floor space as part of changes to the *NSW Government Office Design Requirements* workplace density ratio in regional centres.

The department managed the completion of a greenhouse facility at the Central Coast Primary Industries Centre. The new facility incorporates a large boat storage shed and wash down bay for departmental fisheries operations and is part of the final stage commitment to relocate operations from Narara to Ourimbah.

During the year, the department began a state-wide review of all assets currently listed on the department's maintenance database, to update information on the assets' current and future liabilities. Information will be used to prepare a submission to NSW Treasury for major periodic maintenance funding.

To enable the relocation of staff from Cronulla Fisheries Office, an extension to an existing laboratory at the Port Stephens Fisheries Centre was undertaken. The work also included the extension of an existing shed to provide a dedicated facility to complete shark autopsy experimental work. These extensions had a total cost of \$550 000.

Our services meet client and customer expectations

NSW Trade & Investment website

In 2012–13 the department relaunched the NSW Trade & Investment website, enhancing the structure and design to deliver a more user-friendly, contemporary internet portal for the department. The website incorporates a direct link to the department's social media channels from all website pages, an aggregated Twitter stream from departmental entities, and customer service feedback channels from all pages. There has also been a greater focus on responsive design within the website, to allow an improved user experience on mobile devices such as smartphones and tablet devices.

Corporate customer service

NSW Trade & Investment continually seeks to provide quality services to all its customers. In 2012–13 the department continued implementation of its Customer Service Action Plan with work commencing on the development of divisional and branch specific charters. The first divisional and branch specific charters are expected to be adopted in 2013–14.

The department also completed a customer service baseline review to identify existing customer service initiatives and to drive evidence-based customer service

improvements. The review resulted in a number of recommendations for improvement, which will be applied to a revised Customer Service Action Plan in 2013–14 and implemented as appropriate.

Employees involved in customer service initiatives across the department have also continued to build linkages through the department's Customer Service Advisory Group. The group has become a valuable platform for information exchange and a way of encouraging the adoption of desired organisational behaviours.

Future activities include piloting a 'mystery shopper' program to drive desired customer service performance.

Helpdesk operations have continued to improve since the implementation of the Cherwell Service Management System, using customer feedback to drive service redesign.

Social media

In 2012–13 the department established a social media working group to enhance the department's social media governance and usage. The working group will play a crucial role in promoting, coordinating and evaluating social media use across the department.

Enhanced opportunities for the community to participate in decision making

Office of Coal Seam Gas website

During the year, the division established the NSW Office of Coal Seam Gas website¹ to improve the transparency and effectiveness of the decision making process and to ensure that communities are kept fully informed of new coal seam gas exploration licence applications. The website highlights the consultation process, giving communities the opportunity to voice their concerns and make submissions on all new proposals.

Community confidence in our services is increased

Governance framework

In 2012–13 NSW Trade & Investment developed a departmental governance framework, together with a corporate compliance obligations schedule. These documents, in conjunction with the department's policy framework, outline sound governance practices to provide strategic direction, ensure objectives are achieved, manage risks and use resources responsibly and with accountability.

The department's policy framework was updated and a number of policies were developed and added to the suite of governance mechanisms outlining rules and providing guidance to staff on ethical behaviour and Government requirements. These policies include *Conflicts of interest policy*, *Media policy* and *Sponsorship policy*, and policies on hospitality, motor vehicle fleet management, and overseas travel. Many policies are published on the departmental

1 www.csg.nsw.gov.au

website² and all are available on the department's intranet, to advise the public and staff of what to expect in dealings with NSW Trade & Investment staff. Further review and update of internal policies will continue in the coming year.

Enterprise risk management framework

Enterprise risk management (ERM) creates and protects the value that the department generates for the people of New South Wales and manages risks related to the department's activities as it works to achieve its vision and organisational objectives. The department's ERM framework articulates how risk management will be integrated with the department's business and embedded within planning processes, decision making structures and operational procedures.

In 2012–13 the department continued to improve its ERM framework, developing specific guidance for work health and safety, program and project management, procurement, environmental management, emergency management, and financial/asset management.

The framework complies with NSW Treasury's *Internal Audit and Risk Management Policy for the NSW Public Sector* (TPP 09-5) and also the Australian/New Zealand Standard, *Risk management – principles and guidelines* (AS/NZS ISO 31000:2009).

Planning and reporting

The *NSW Trade & Investment Strategic Plan 2012–2015* articulates the department's overarching direction for that three year period. The development of a corporate reporting framework during 2012–13 enabled the NSW Trade & Investment Executive to monitor the performance of the department against the outcomes and strategies in the strategic plan.

Each division prepared 2012–13 divisional business plans which identified deliverables under the relevant corporate strategy. To monitor performance, divisions reported quarterly to the NSW Trade & Investment Executive on progress achieved in completing the deliverables.

At the end of June 2013, 72 of the department's 117 priority actions were completed, 20 were still achievable, 11 were no longer current and 14 on track.

The department also monitored performance and reported to the Department of Premier and Cabinet on progress towards achievement of NSW 2021 targets and implementation of the government's priority actions and Regional Action Plans. These processes enabled the department to further assess the effectiveness of its delivery of key Government services to the community.

Enhanced financial management

The department undertook considerable work in 2012–13 to ensure the effective implementation of the new enterprise resource planning system, SAP ByDesign. This work included: reviewing and implementing delegations for the department; reviewing and rationalising general ledger accounts; aligning project and program funding and costing to improve program reporting; and aligning budgets to support business unit and divisional plans to achieve corporate outcomes. These changes resulted in improved month end reporting and business projections, a standardised budget process, standard financial reporting templates and improved financial control across the department.

In 2013–14 the department will continue to work closely with its business units, and with NSW Treasury and the Fiscal Effectiveness Office to meet the requirements of the Expenditure Review Committee and Cabinet. NSW Trade & Investment will also continue to work closely with the NSW Audit Office to ensure positive audit results. Additional leadership and direction will be provided to the department by the development and roll out of an annual reporting framework and a four-year forward estimate planning process.

Programme management

In 2012–13 the department promoted a project management framework, standardised project management templates and project management guidelines across the department. A Project Management Business Committee was established with representation from business units across the department to ensure that the department's needs are addressed. To improve knowledge sharing, the department's Programme Management Office (PMO) provides a bi-monthly newsletter and has initiated the Project Management Network which is open to all project managers across the department.

Ministerial support

The development and implementation of a formal change management plan during the year created six Ministerial support teams covering all areas of the department. This enabled staff to work together to provide consistent, coordinated and timely advice encompassing the full range of departmental interests. Highlights included:

- » coordinating and advising on more than 360 Cabinet Minute responses, over 120 draft Cabinet Minutes, over 1500 briefing notes and almost 10 000 items of correspondence for four Ministers
- » establishing a senior officers group to facilitate the development of a new planning system that supports the sustainable growth of NSW industries whilst protecting natural resources
- » supporting informed Ministerial decision making through a network of ten departmental liaison officers across the four Ministers' offices

2 www.trade.nsw.gov.au/policies

- » coordinating whole of department information for the Director General of NSW Trade & Investment and advice to other Government agencies.

Service delivery to internal customers

In 2012–13 the department continued implementation of a software as a service IT system and an enterprise resource planning system that together deliver a technology platform to drive more efficient and effective service delivery to internal customers across the department through timely access to current and accurate information.

The department continued its migration to cloud-based Google Enterprise Apps for email, calendaring and collaboration technology, and improved video conferencing and wireless networking to enhance communications, productivity and service delivery so that employees can engage with the community more effectively.

Procurement

In 2012–13 year the department adopted a new, more accountable procurement model to align with the whole of government procurement reform program. Departmental agencies are being accredited under the NSW Procurement Board's Agency Accreditation Scheme. The department has established a community of practice for procurers across the department, offering a forum to facilitate the adoption of the new procurement model, to manage department-wide procurement needs, to manage and report against the department's key expenditure categories, and to grow the procurement capability of the department. The governance for this key group is the Strategic Liaison Group – Procurement, whose membership represents senior leaders across the department.

Legal services

During the year, legal services were provided in a diverse range of significant matters including:

Court cases and inquiries:

- » On 28 March 2013 the Land and Environment determined *Fullerton Cove Residents Action Group Incorporated v Dart Energy Ltd* (No 2) [2013] NSWLEC 38 by upholding the department's decision to grant approval to Dart Energy Ltd for the construction of a coal seam gas exploration program at Fullerton Cove
- » On 22 May 2013 the Industrial Court of New South Wales determined *Nash v Austerberry Directional Drilling Services Pty Ltd* [2013] NSWIRComm 37 by fining the defendant drilling company \$170 000 in relation to a charge under the *Occupational Health and Safety Act 2000* in respect of a fatal injury to a worker installing a pipeline under Bohena Creek
- » On 31 May 2013 the Land and Environment Court determined *Arnold v Minister Administering the Water Management Act 2000* (No 6) [2013] NSWLEC 73 by dismissing a challenge commenced by over 100 farmers against the validity of the *Water Sharing Plan for the Lower Murray Groundwater Source* which reduced water entitlements in the Lower Murray to sustainable levels

- » From November 2012 until June 2013 the department was represented before the Independent Commission Against Corruption (ICAC) with regard to investigations into the circumstances surrounding a decision made in 2008 by the then Minister for Primary Industries and Minister for Mineral Resources, the Hon. Ian Macdonald MLC, to open a mining area in the Bylong Valley for coal exploration, including whether the decision was influenced by the Hon. Edward Obeid MLC (Operation Jasper), and the circumstances surrounding the issuing of an invitation to Doyle's Creek Pty Ltd to apply for, and the allocation of, an exploration licence (Operation Acacia). The findings for Operations Jasper and Acacia are due to be handed down in July 2013 and August 2013 respectively.

Legislative reforms:

- » the *Local Land Services Act 2013*, which will commence on 1 January 2014 to establish Local Land Services as a statutory corporation, bringing together expertise and functions of parts of the NSW Department of Primary Industries, Catchment Management Authorities and Livestock Health and Pest Authorities
- » the National Energy Customer Framework, which consists of a package of Acts (*National Energy Retail Law (Adoption) Act 2012* and the *Energy Legislation Amendment (National Energy Retail Law) Act 2012*), Regulations and rules, all of which are due to commence on 1 July 2013 and which establish a uniform national scheme for the regulation of electricity and gas retail markets, to reduce compliance burdens on retail energy businesses and facilitate increased competition in the energy market
- » the *Biofuels Further Amendment Act 2012*, which commenced on 1 January 2013 to clarify the way in which exemptions from the minimum biofuel requirements can be granted, varied or revoked and to increase maximum penalties for key offences
- » the *Petroleum (Onshore) Amendment (Royalties and Penalties) Act 2012*, which included an amendment to end the 'royalty holiday' on petroleum for the first five years of production and increased penalties for certain offences in the *Petroleum (Onshore) Act 1991* and the *Mining Act 1992*
- » the *Forestry Act 2012*, which provided for the establishment of the Forestry Corporation of NSW as a statutory State-owned corporation
- » the *Prevention of Cruelty to Animals Amendment Act 2012*, which provided for the seizure and sale of livestock that are not being cared for adequately
- » the *Small Business Commissioner Act 2013*.

Agreements:

- » the \$180 million Nimmie–Caria Commonwealth and State agreement under the Water Management Partnership Agreement for purchase of land and water entitlements
- » agreements with the software company, SAP, for the enterprise resource planning SAP ByDesign project
- » funding deeds with irrigators for the NSW Sustaining the Basin: Irrigated Farm Modernisation Project.

Native title claims:

In responding to the revised timeframes imposed by the Federal Court of Australia on the preparation of native title claims, the Corporate Counsel worked on a number of significant projects during the year, including:

- » Goomallee Case – *Minister Administering the Crown Lands Act 1989 v NSW Aboriginal Land Council (Goomallee Claim)* [2012] NSWCA 358 – in which the NSW Court of Appeal found that a grazing licence granted over Crown land reserved for the purpose of public recreation was not lawful. The immediate effect of this decision was that the particular Crown land in question, which was subject to a land claim under the *Aboriginal Land Rights Act 1983*, was granted to the Aboriginal land council that lodged the claim.
- » Limbri Case – *New South Wales Aboriginal Land Council v Minister administering the Crown Lands Act (Limbri)* [2013] NSWLEC 67 – in which Justice Pain found that the disputed land was claimable Crown land not lawfully used or occupied under the respective licences; that the reservation for future public requirements was a current purpose under the Crown Lands Act 1989; and that this purpose constrained the Minister's exercise of his power for the use of the land.

External legal services

The External Legal Procurement Unit was created during the year to coordinate the outsourcing of some legal services to the private legal profession. The unit seeks value for money as an informed purchaser of these services and captures statistical information for reporting to the Attorney General who assesses whole of government legal costs. It provides a central point to capture legal advice for use across the department. It also monitors the cost and quality of the service being provided by outsourced legal providers to the department.

Future plans/directions

In 2013–14, the division intends to:

- » remove duplication and complexity of technology, consolidating common network and hosting services, engaging managed services for appropriate technology functions and services, and taking advantage of emerging technologies
- » continue to promote health and wellbeing, establishing a corporate safety curriculum to ensure that employees are provided with the necessary skills to be able to identify hazards in their workplace and implement suitable risk controls, and planning a number of employee wellbeing seminars for 2013–14, covering health and nutrition, mental health, and awareness of various common cancers
- » enhance reporting to departmental executives and Ministers' offices on Ministerial correspondence and advice, in accordance with agreed key performance indicators
- » ensure the department's electronic document management system remains compatible with the organisation's information and communications technology platform as further upgrades are made and integrated across the department
- » continue with the roll out of enterprise resource planning software, including to cultural institutions and the new Local Lands Services
- » improve knowledge capture, storage, access and reuse, including the development of communities of practice and networks across the department
- » roll out the divisional business planning process for 2013–14 ensuring clear linkages with the enterprise-wide risk management framework
- » develop and deliver a strategic communication strategy for the department and for priority initiatives that cut across the department, to enhance stakeholder engagement
- » implement a new intranet platform for the department
- » revise and implement the department's Customer Service Action Plan including development of divisional customer service charters
- » work with the NSW Treasury Fiscal Effectiveness Office to monitor sustainable savings initiatives that align with Government priorities.

OFFICE OF COAL SEAM GAS

Nature and scope of activities

The Office of Coal Seam Gas was established in NSW Trade & Investment in the second half of 2012–13 to regulate the coal seam gas industry under the *Petroleum (Onshore) Act 1991* and the *Work Health and Safety Act 2011*. The Office of Coal Seam Gas is responsible for the following activities in relation to coal seam gas:

- » the administration of petroleum titles
- » the granting of exploration activity approvals
- » the regulation of rehabilitation
- » workplace health and safety
- » enforcement and compliance
- » regulatory policy.

Key challenges

The Office of Coal Seam Gas was established on 25 March 2013 with the appointment of a director. The major challenge for the remainder of the year was set up the office to meet the immediate obligations.

Major outcomes achieved during 2012–13

Natural resources are sustainably managed, developed and shared to underpin current and future prosperity

Coal seam gas industry regulatory reforms

On 19 February 2013, the Government announced reforms to the regulation of coal seam gas operations in New South Wales. The reforms included the creation of the Office of Coal Seam Gas and the designation of the NSW Environment Protection Agency (EPA) as the lead regulator of environmental and health impacts of coal seam gas activities in New South Wales.

In 2012–13 the Office of Coal Seam Gas began working with the EPA to ensure that licences imposed by the agencies are complementary and consistent. The agencies developed a memorandum of understanding to ensure consistent and comprehensive enforcement and compliance coverage of the industry.

On 16 May 2013, a briefing session was hosted by the Minister for Resources & Energy to inform local council representatives of the regulatory framework and regulations applicable to the coal seam gas industry. The briefing was organised by the Office of Coal Seam Gas and included presenters from Government agencies responsible for regulating the industry.

Improved and streamlined titles administration

The office commenced a review of the titles administration framework for coal seam gas in the second part of 2012–13 to identify areas for improvement and opportunities to increase transparency and efficiency.

The office will continue to implement changes to the titles administration framework to achieve these objectives during 2013–14.

Comprehensive enforcement and compliance framework

During the year, the office supported the Minister for Resources & Energy in the development of the *Petroleum (Onshore) Amendment Bill 2013*.

The Bill was introduced into Parliament to bring the enforcement and compliance framework in the *Petroleum (Onshore) Act 1991* into line with the *Mining Act 1992* and other modern environmental legislation.

The office will work with the NSW Trade & Investment Resources & Energy Division during 2013–14 to enhance the department's enforcement and compliance function and capabilities under the *Petroleum (Onshore) Act 1991*. Work will include improving enforcement capability and resources by establishing specialist auditing, investigation and surveillance teams. Other activities will include increasing regulatory scrutiny by developing clear policies and procedures for monitoring, auditing and investigating alleged breaches.

Review of the *Petroleum (Onshore) Act 1991*

In 2012–13 the Government committed to review the *Petroleum (Onshore) Act 1991* in response to the *Coal Seam Gas* report of the Legislative Council General Purpose Standing Committee Number 5.

The office will lead the review of the Act. The review will focus on improving the titles, safety, compensation and competing mineral resource use frameworks in the Act to bring them into line with best practice regulatory standards.

As part of the review, consultation will also take place on a proposed framework for regional community benefit funds.

Prosecution under the *Petroleum (Onshore) Act 1991*

During the year, the office commenced its first prosecution under the *Petroleum (Onshore) Act 1991* in the NSW Land and Environment Court. The office is prosecuting Santos NSW Pty Ltd (formerly Eastern Star Gas) for alleged breaches of the *Petroleum (Onshore) Act 1991*. The proceedings allege the company, which is the holder of Petroleum Assessment Lease 2, failed to lodge accurate environmental management reports and failed to report a spill of untreated production water from the Bibblewindi Water Treatment Plant in June 2011, an incident which threatened to harm the environment.

Future plans/directions

In 2013–14 the Office of Coal Seam Gas intends to focus on:

- » continuing to improve and streamline the titles administration framework for coal seam gas
- » continuing to develop and implement a comprehensive enforcement and compliance framework
- » continuing to work with the Environmental Protection Authority to implement coal seam gas industry regulatory reforms
- » considering the recommendations of the Chief Scientist and Engineer's independent review of coal seam gas activities across the state
- » leading the review of the *Petroleum (Onshore) Act 1991*, focusing on improving the titles, safety, compensation and competing mineral resource use frameworks in the Act, and consulting on a proposed framework for regional community benefit funds.

AREAS INDEPENDENT OF DIVISIONAL STRUCTURE

NSW Small Business Commissioner Nature and scope of activities

The inaugural NSW Small Business Commissioner, Ms Yasmin King, was appointed by the NSW Government in mid 2011 to support small businesses throughout the State. The role of the Small Business Commissioner is to:

- » provide dispute resolution services
- » speak up for small business within government
- » deliver quality business advice through Small Biz Connect.

By adopting a holistic approach the office is able to work with small businesses on many levels to improve the economic outcomes and operating environment for the small business sector.

At a grassroots level the office works to resolve individual issues impacting on small businesses and to provide valuable tools and resources to those wanting to consolidate and/or grow their business. Where it has been identified that there are issues which impact on a large number of small businesses, the office has taken action to raise these with the appropriate government agency to affect a wider policy level impact.

Key challenges

The passing of the *Small Business Commissioner Act 2013* through both houses of the NSW Parliament presented significant challenges to the Office. A lengthy consultation process and significant negotiation with key stakeholders was required to ensure that a robust piece of legislation was drafted and passed by both houses of Parliament.

The Office was engaged in the critical implementation of Small Biz Connect, an innovative service delivery program and associated measurement tool. This required working in partnership with providers to ensure that they embraced the new program and measured outcomes.

Major outcomes achieved during 2012–13

NSW Small Business Commissioner legislation

The *Small Business Commissioner Act 2013* was passed by Parliament on 2 May 2013 and will give small businesses an independent statutory officer, the NSW Small Business Commissioner, who can investigate allegations of unfair treatment and unfair contract terms.

The new legislation will enable the commissioner to:

- » investigate complaints made by or on behalf of small businesses
- » provide low-cost alternative dispute resolution services for small business disputes involving other businesses, government agencies or local councils
- » make representations or take action on behalf of small businesses
- » investigate allegations of unfair treatment and/or contract terms
- » require any person or government agency to provide such information (or answers to questions) relating to the person's or agency's dealings with small businesses as the commissioner reasonably requires for the purposes of an investigation under the Act.

Dispute resolution

The Dispute Resolution Unit is a key part of the NSW Small Business Commissioner's service to NSW small businesses and is the first point of call for small businesses seeking assistance. The unit is a group of highly trained mediators who answer the phone to help any caller with any small business issue. The unit provides advice and low-cost dispute resolution services to small businesses that face problems dealing with other businesses, government agencies and/or local councils.

During 2012–13, the Dispute Resolution Unit worked with small businesses to provide information and strategic advice on a wide range of matters. Where issues had become more serious, the unit offered both informal mediation at no cost and formal mediation at a low cost for all types of commercial disputes involving business to business and business to government issues.

The unit provides these services to any small business or to others interacting with small businesses. The unit's most common client types are small business owners, including retailers, solicitors, real estate agents, landlords, accountants and industry advisors.

During 2012–13, the unit dealt with over 8000 call and emails from small businesses and managed a high volume of applications for the mediation of disputes. The issues dealt with were broad ranging and included such matters as contractual disputes, lease terminations, rental arrangements, payroll tax, and work health and safety matters. The unit successfully helped the parties resolve 89 per cent of matters. The total value of the claims dealt with by the unit during

2012–13 was \$42.8 million and saved small businesses hundreds of days of being locked in disputes.

The unit plays a significant role in identifying trends in issues raised by small businesses. It also provides evidence-based advice to the commissioner on those industry sectors in which the office needs to be working at a higher policy level to enact change and fairer treatment for small businesses, such as issues within the retail, construction and services sectors.

Advocacy

The Advocacy Unit works with small businesses referred from the Dispute Resolution Unit and Small Biz Connect business advisors. The unit helps businesses navigate through blockages and delays by providing them with a pathway into all levels of government and by making representations on their behalf to government agencies, local councils or big business when the small businesses experience unfair treatment and/or unfair contract terms.

In 2012–13 the unit worked with hundreds of small businesses who had emailed, phoned and/or written to the Commissioner outlining issues impacting on their business. The unit contacted relevant government agencies and/or local councils on behalf of the businesses and worked with them to identify how the issues could be resolved for the particular business.

On a broader level, the unit contributed to policy development across the Government by making submissions to reviews, and worked closely with other government agencies, both State and Commonwealth, to provide advice and assistance on how they can better engage with small business.

During the year, the Advocacy Unit provided expertise in identifying solutions to issues which were negatively impacting on small businesses and which could be addressed at a systemic level. For example, the commissioner provided advice to a construction industry insolvency inquiry by the NSW Department of Finance and Services regarding unfair market practices experienced by subcontractors in relation to payment and retention funds arrangements with larger contractors and/or companies. The commissioner proposed that a retention funds scheme be established and administered by the Office of the NSW Small Business Commissioner.

Small Biz Connect

The Small Biz Connect Program commenced in September 2012 and provides quality face-to-face support to small businesses across New South Wales, tailored to meet their particular local needs. Referrals to the program are made through various channels including the Small Biz Bus, and the program provides a valuable resource and support for those businesses using the services of the Dispute Resolution and/or Advocacy units.

During 2012–13, the Government delivered a \$2.5 million funding boost for small business programs, enabling the number of Small Biz Connect business advisors to be almost doubled, compared to previous programs.

There are almost 60 Small Biz Connect experts operating across 19 regions within New South Wales, with a wealth of industry experience and expertise, ranging from finance to the creative industries.

To provide consistent service and ensure that the business advisers have the right tools to assist small businesses, three high-tech world class tools were launched in May 2013. These were the Small Biz Connect Diagnostic System, Benchmarking.com.au and Bugseye Pinpoint. These will assist small business owners and operators in making informed business decisions. In particular, the Small Biz Diagnostic System includes a range of business health checks to enable small business owners to identify gaps in their business knowledge and processes and take steps to improve the performance of their business. The system will measure performance indicators for small businesses longitudinally, enabling the office to capture detailed outcomes for small business clients from July 2013.

The Small Biz Bus was launched in December 2012 and provides high-quality business assistance and mentoring to small businesses. The Small Biz Bus is sponsored by the National Australia Bank and Telstra. By 30 June 2013, the Small Biz Bus had visited almost 80 locations across New South Wales. The tour schedule included a strong regional focus, with two-thirds of mentoring sessions delivered in regional New South Wales. Small business owners sought advice on a range of matters, with marketing, start up, general advice and finance the top issues.

A three-year pilot project with the University of Western Sydney commenced during the year, focusing on the needs of small business owners from non-English speaking backgrounds. The first stage of the pilot included the delivery of the Small Biz Connect service in the Auburn, Baulkham Hills, Blacktown, Fairfield, Holroyd and Parramatta local government areas.

Administrative burden and red tape reduction

The Office of the NSW Small Business Commissioner, NSW Business Chamber and Government agencies worked during the year with small businesses at a grass roots level to identify unnecessary regulatory and administrative burdens to minimise the impact on small businesses.

Below are some examples of the work the office undertook during 2012–13 in reducing red tape:

- » An ecotourism business in regional New South Wales approached the office regarding a significant delay that the business had experienced in obtaining approval for a development proposal to expand the business. The delay was principally a result of the Government agency's lack of clarity around what constituted an 'ecotourism development' and its definition of 'occupancy'. As a result of discussions with the commissioner, the agency agreed

that its methodology needed to be reviewed to provide more clarity and flexibility through performance-based assessment. Through collaboration with the office and an associated department, the agency is now reviewing its ecotourism policy and definition in order to make the process more business friendly. The small business has now had its concerns resolved and has been able to move forward with the next phase of its development.

- » A subcontractor contacted the office about the onerous amount of documentation it had to supply to the head contractor on a NSW Roads and Maritime Services (RMS) project. Significant confusion existed within industry about what documentation was required. By working with RMS, the office was able to clarify and streamline what was actually required by RMS of head contractors and subcontractors. This information will be published on the websites of both the office and RMS, and communicated to relevant industry groups, enabling subcontractors to more clearly understand which requirements of head contractors are commercial arrangements and which stem from RMS. The office resolved this matter for the individual subcontractor by clarifying with the head contractor that, given the nature of the contract, all the documents the head contractor had requested were in fact not required by RMS.

Future plans/directions

In 2013–14 the Office of the NSW Small Business Commissioner intends to focus on:

- » investigating small business complaints, with the passing of the *Small Business Commissioner Act 2013* giving the commissioner greater authority to investigate allegations of unfair market practices and abuse of market power and providing an alternative dispute resolution pathway so that parties can reach a resolution and avoid lengthy legal processes
- » reviewing the *Retail Leases Act 1994*, to determine how improvements can be made to the leasing arrangements for certain types of shops and the rights and obligations of the lessors and lessees of these shops. A public discussion paper and consultation with small and large businesses and industry associations throughout New South Wales will be part of the process
- » managing the construction industry retention funds scheme that is to be established under the *Building and Construction Industry Security of Payments Act 1999*, following the Government's authorisation of the development of a retention trust model to be established under the Act
- » launching a second Small Biz Bus in early July 2013, meaning that there will be one bus dedicated to servicing regional New South Wales and another for the Sydney metropolitan region. This gives small businesses throughout New South Wales greater access to the services provided through this program

- » commencing the second stage of the three-year pilot program with the University of Western Sydney, focusing on researching how small businesses seek information to support their success.

NSW Chief Scientist and Engineer Nature and scope of activities

The NSW Chief Scientist and Engineer is supported by the Office of the NSW Chief Scientist and Engineer and the Office of Science and Research and is responsible for:

- » providing the NSW Government with the best quality advice on policy decisions requiring science and engineering input
- » seeing that the State's research system operates to maximise its productivity, economic value and social responsibilities
- » brokering partnerships and strengthening connections within and between the public and private sectors to expand the State's research capabilities and networks
- » promoting and encouraging high levels of research and development in NSW with global impact – including supporting the growth of vibrant and high impact research institutions and technology companies
- » encouraging research excellence, concentration and skills development in areas facing significant challenges including engineering, energy, environment, health
- » backing investment in knowledge creation and research in alignment with the needs of the State's future industries.

Key challenges

In 2012–13 the NSW Chief Scientist and Engineer was requested by the Government to undertake a number of reviews, including a request by the Premier for review of coal seam gas activities in New South Wales.

The NSW Chief Scientist and Engineer also provided advice to the Deputy Premier and Ministers across the Government on issues of significance to the State, including in relation to energy, environment, innovation, technology and education matters.

Major outcomes achieved during 2012–13

In addition to the independent review of coal seam gas activities in New South Wales, the NSW Chief Scientist and Engineer provided expert advice to the Minister for Resources & Energy in relation to the Coal Seam Gas Codes of Practice for Well Integrity and Fracturing Stimulation.

The NSW Chief Scientist and Engineer also chaired the Renewable Energy Taskforce which submitted the Renewable Energy Action Plan to the Minister for Resources & Energy. The Minister launched the draft Plan in September 2012 with the Parliamentary Secretary for Renewable Energy.

The NSW Chief Scientist and Engineer also provided major advice to Government on sea level rises, by providing an assessment of the Science behind the NSW Government's sea level rise planning benchmarks. This informed the Coastal Policy announcement made by the NSW Government in September 2012.

During 2012–13, the NSW Chief Scientist and Engineer chaired the Medical Devices Fund Expert Group which is responsible for assessing technological innovations to improve our health system.

The NSW Chief Scientist and Engineer was also chair of the Research Working Group for the International Education and Research Industry Action Plan Taskforce which made recommendations to Government to increase investment in, and profile of, NSW research capacity.

Research Attraction and Acceleration Program

The Research Attraction and Acceleration Program (RAAP) received \$13 million in funding for 2012–13. The program aims to strengthen the State's research and development capacity by increasing the competitiveness of bids made by NSW research consortia to a range of Commonwealth Government research funding programs. The Commonwealth programs included: the Cooperative Research Centres Program; the Collaborative Research Infrastructure Strategy and the Education Investment Fund, which provides research infrastructure for universities.

In 2012–13 the RAAP supported various scientific research and infrastructure projects, including:

- » \$2 million to continue the department's support for research facilities previously funded under the Collaborative Research Infrastructure Strategy
- » \$300 000 to continue the State's support for the Australian Synchrotron
- » \$100 000 to the Cooperative Research Centre for Alertness, Safety and Productivity to support research that will improve alertness for individuals and across organisations, resulting in higher productivity and enhanced safety.

The department's ongoing support for National ICT Australia (NICTA) includes \$8 million per year through the RAAP. This funding supports NICTA's information and communications technology research to strengthen the economy and boost productivity.

Conference Sponsorship Program

Following the success of the first round of the department's Conference Sponsorship Program in 2011–12, the department offered a second competitive grant round in 2012–13. The round was open to NSW public sector research organisations to provide sponsorship grants for scientific and research conferences to be held in New South Wales in 2013 or 2014. Grants are awarded on a competitive basis and are the main mechanism by which sponsorship will be awarded for research conferences by the department.

Conferences sponsored under this program include *Focus on Microscopy 2014*, *International Conference on Bioinformatics 2014*, and *CLAWAR 2013* (International Conference on Climbing and Walking Robots).

Science communications/outreach

The NSW Chief Scientist and Engineer continued to host the Science & Research Industry Breakfast Seminar series during 2012–13. The series aims to give business, law and finance executives a greater understanding of key scientific and research issues and the impact of these issues on business, the economy and the community. The guest lecturers are experts in their research disciplines and outstanding communicators. Speakers in 2012–13 included Professor Ben Eggleton in August 2012, Laureate Professor John Aitken in November 2012 and Professor Hugh Durrant-Whyte in May 2013.

The office seeks to improve competition and productivity in New South Wales by encouraging a skilled and educated workforce, with particular focus on encouraging students into mathematics, science and engineering. Key programs in 2012–13 included:

- » the NSW Science and Engineering Awards, administered and funded by the department. The awards recognise and reward the State's leading researchers for work that generates economic, health, environmental or technological benefits for New South Wales. The awards also recognise leadership in science and mathematics teaching. The 2012 NSW Scientist of the Year was Laureate Professor John Aitken, Laureate Professor of Biological Sciences and Co-Director of the Priority Research Centre in Reproductive Science at the University of Newcastle.
- » the NSW Young Science Ambassador Scholarship Initiative, administered by the National Youth Science Forum. The initiative provides talented high school students with the opportunity to attend international science and engineering study tours. In June 2012 the department sponsored 13 high school science students across New South Wales to take part in international conferences related to science.
- » the new Inspiring Australia NSW Regional Science Grants Program, announced in April 2013. This program provided funding to 9 regional community partnerships that seek to create enduring networks throughout New South Wales to promote science initiatives during National Science Week and beyond.

Projects undertaken by the NSW Chief Scientist & Engineer at the request of the NSW Government

Independent coal seam gas review

In February 2013 the NSW Chief Scientist and Engineer received a request from the Premier to conduct a comprehensive review of coal seam gas activities in New South Wales, focusing on human health and environmental impacts.

The department called for public submissions in April 2013, and received more than 230 contributions from the community. The NSW Chief Scientist and Engineer will provide an initial report to the Premier by July 2013 with work expected to continue on the review well into 2014.

The review is considering a comprehensive range of issues related to coal seam gas activities and will provide independent advice to the Government and the public, informed by a rigorous evidence-based platform of work.

Thirlmere Lakes report

In November 2012, the Minister for the Environment, the Hon. Robyn Parker, MP, requested that the NSW Chief Scientist and Engineer review the *Thirlmere Lakes Inquiry: Final Report of the Independent Committee*.

The NSW Chief Scientist and Engineer reviewed the inquiry report by assessing whether there was evidence in the report for the findings made and whether there was a clear link between those findings and the recommendations.

The NSW Chief Scientist and Engineer's report was submitted to the Minister in February 2013 and made seven recommendations. These recommendations related to editing and clarifying the inquiry report before final public release, bringing forward the review of the plan of management of the lakes, establishing a forum for ongoing community engagement, and implementing monitoring and research projects.

To date the Minister has announced that:

- » an initial \$200 000 will be provided to commence a monitoring program of surface water and rainfall at Thirlmere Lakes
- » a committee of Government scientists from the Office of Environment and Heritage, the NSW Office of Water, the Sydney Catchment Authority and the Office of the NSW Chief Scientist and Engineer will develop and cost a full research program into the causes of changes in water levels in the lakes, based on scientific data and recommendations in the inquiry report
- » a review of the Thirlmere Lakes National Park New Plan of Management will be brought forward.

Hendra virus research support

In 2012–13 the department oversaw the allocation of \$2.85 million of State funding to support Hendra virus research, as part of the National Hendra Virus Research Program. This program is supported by the States of Queensland and New South Wales, and the Commonwealth of Australia. The total value of the national program is \$12 million in cash funding from the three governments.

The department supported the following projects, in line with the national program:

- » \$1.2 million to Queensland Health and research partners to support safety trials of a monoclonal antibody treatment for people infected with Hendra virus
- » \$870 000 to the Elizabeth Macarthur Agricultural Institute and research partners to investigate the risks posed by Hendra virus antibodies in animals (\$150 000 of this grant was allocated in 2011–12)
- » \$700 500 to Biosecurity Queensland and research partners to support research to better understand Hendra virus in bats, including infection and transmission of the virus
- » \$225 000 to CSIRO's Australian Animal Health Laboratory and research partners to better understand the infection and transmission of Hendra virus in dogs.

Future plans/directions

The NSW Chief Scientist & Engineer will continue the independent review into coal seam gas activities along the lines of the directions indicated in the first report.

The NSW Chief Scientist & Engineer will also continue to chair the Medical Devices Fund Expert Group.

The NSW Chief Scientist will be responsible for the development of a whole-of-government policy ensuring rigour of scientific processes and policy. The development of a whole-of-government scientific integrity policy will provide a consistent approach across all NSW Government agencies and will ensure quality control, integrity and independence of scientific advice provided by and for the NSW Government. It is proposed that a report will be provided to Government by mid-2014.

At the request of the Minister for Roads and Ports, the NSW Chief Scientist and Engineer will engage expert advice to assist in reviewing the M5 East Air Quality Improvement Program and tunnel ventilation technology to inform future tunnel projects.

The NSW Chief Scientist & Engineer will also undertake work on a number of matters at the request of the Minister for the Environment.

The NSW Chief Scientist & Engineer will continue to promote innovation, research and entrepreneurialism through her strong links to universities, through delivering major speeches and convening specialist workshops on difficult topics.

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The process of integrating the statutory information of the divisions that form NSW Trade & Investment is on-going. In such cases the information is listed under individual NSW Trade & Investment divisions.

1. Executive performance



Mark I Paterson AO, BBus, FAICD, FAIM, FRMIA
Director General, NSW Department of Trade and Investment, Regional Infrastructure and Services
SES Level 8

Total remuneration package: \$521 375 plus allowances \$17 750

Period in position: 1 July 2012 to 30 June 2013

Mr Mark Paterson is a Fellow of the Australian Institute of Company Directors, the Australian Institute of Management and the Retail Management Institute of Australia. Mr Paterson was appointed as an Officer of the Order of Australia in 2007 for service to business and industry through policy development and economic research.

As Director General, Mr Paterson took a lead role in:

- consolidating the vision and strategic direction for the department as the State's economic development agency and driving continued implementation of the NSW Trade & Investment Strategic Plan 2012–15
- driving transformational change across the department with the implementation of 32 change management plans which focus on people, skills, culture and change
- delivering investment and export projects forecast to deliver \$1.7 billion of new investment and export sales over the next 3 years, as well as over 3700 jobs
- strengthening regional communities through approval of 10 new major coal and mineral development proposals, collectively involving more than \$1.7 billion in new capital expenditure and with the potential to create more than 1250 new jobs in regional New South Wales
- delivering against the actions identified in *A Platform for Growth: the NSW Economic Development Framework*, which was developed as part of the Government's response to the 10 year Industry Action Plans for the Digital Economy, Manufacturing, Education & Research, Professional Services, Creative Industries and Visitor Economy
- launching Innovate NSW as a program dedicated to facilitating collaboration between NSW research agencies, industry and small business
- developing the State's first whole-of-government approach to growing international trade and investment activities in New South Wales, with the release of the *NSW International Engagement Strategy*
- overseeing the department's successful transition to SAP ByDesign, an ambitious enterprise resource planning system consolidating payroll and finance systems onto one platform
- strengthening the arts and cultural sector through:
 - supporting projects which accounted for more than \$100 million in production expenditure and more than 4,960 jobs in New South Wales;
 - delivering on the NSW Arts and Disability Partnership program;
 - progressing development of a NSW arts and cultural policy;
 - reviewing the Government's Arts Funding Program; and
 - progressing planning and design work for the Walsh Bay Arts Precinct
- establishing the Office of Coal Seam Gas in the second half of 2012–13 to regulate the coal seam gas industry
- delivering the new Family Energy Rebate to assist eligible households to manage the impact of energy bills
- safeguarding the \$12 billion NSW primary industries sector and conserving the State's environment through development of the *NSW Biosecurity Strategy 2013–2021*, to guide management of animal and plant pests, diseases and weeds in NSW terrestrial and aquatic environments within a rigorous framework
- establishing Local Land Services as a new model for regional service delivery encompassing agricultural advice, plant and animal pest control and biosecurity, natural resource management and emergency management
- promoting the department's commitment to providing a safe work environment and building a strong safety culture through development and approval of the new three year Staff Safety and Wellbeing Strategy.

1. Executive performance (continued)



Dr Richard Sheldrake AM, BSc Agr, MSc Agr, PhD, FTSE, FASM, FAICD, FAIM
Director General, NSW Department of Primary Industries, Commissioner of Soil Conservation, and Commissioner of Forests (1 July 2012 to 31 December 2012)
SES Level 8

Total remuneration package: \$476 200

Period in position: 1 July 2012 to 30 June 2013

Dr Sheldrake was appointed a member of the Order of Australia in the 2013 Queen's Birthday Honours list for his contribution to public administration in New South Wales and to the community of New South Wales. Dr Sheldrake is a Fellow of the Australian Academy of Technological Sciences and Engineering, the Australian Society of Microbiology, the Australian Institute of Management and the Australian Institute of Company Directors.

During the year, Dr Sheldrake provided leadership across the department and implemented and delivered on all of the agreed NSW Government's key reform agenda items in keeping with the NSW 2021 Plan and the DPI Corporate Plan 2012–2015.

As Director General of NSW DPI, Commissioner of Soil Conservation and Commissioner for Forests (1 July 2012–31 December 2012), Dr Sheldrake was responsible for:

- setting the strategic direction of DPI with the development of the DPI Corporate Plan 2012–2015. The DPI Corporate Plan aligns and supports the Government's NSW 2021 plan and its priorities
- ensuring that DPI's expenditure during the year was within the appropriate budget, and that strategies have been implemented over the forward estimates period to enable DPI's expenditure to align with budget allocations
- implementing department-wide Change Management Programs to enable restructure of Department of Primary Industries to ensure the department's expenditure program is aligned with its revenue stream. The Change Management Programs were almost all finalised by 30 June 2013 and should be completed by August 2013
- finalising the closure of the former Fisheries Research Centre at Cronulla, relocating 70 positions to regional NSW, opening new fisheries offices in Nowra and Coffs Harbour and relocating a further 13 staff to the Sydney Institute for Marine Science at Mosman. The community-led Hungry Point Reserve Trust, under the *Crown Lands Act* was established to administer the Cronulla site into the future
- establishing the NSW Forestry Corporation on 1 January 2013 (following the passing in November of the *Forestry Act 2012*), as a State Owned Corporation, transferring all staff and assets from the former Government trading enterprise of Forestry NSW. This business transfer occurred seamlessly and without industrial disputation
- delivering the Local Land Services (LLS) initiative, the amalgamation of Livestock Health and Pest Authorities, Catchment Management Authorities, and the Department of Primary Industries' extension services, through the passing of the *Local Land Services Act* in June 2013 and overseeing the required machinery of government changes. LLS will commence operations in January 2014
- during 2012–13, the NSW Biosecurity Strategy 2013–2021 was launched. This new strategy is an important tool in safeguarding our \$12 billion primary industries sector and protecting and conserving our environment. The NSW Biosecurity Strategy sets the overall direction for the management of animal and plant pests, diseases and weeds in NSW terrestrial and aquatic environments. The strategy is based on the principle that biosecurity is a shared responsibility and outlines how government, industry and the community need to work together to identify, minimise, respond to and manage biosecurity risks
- overseeing completion of the \$57 million Centre for Biosecurity at the Elizabeth Macarthur Agricultural Institute at Menangle which was officially opened by Premier O'Farrell and Minister Hodgkinson in July 2012. This facility is the most sophisticated of all state-based biosecurity establishments in Australia, and will enhance Australia's capacity to minimise the impacts of both endemic and exotic disease incursions
- successfully completing two tender rounds for on-farm water use efficiency grants on behalf of the Australian Government through the NSW Sustaining the Basin: Irrigated Farm Modernisation Program, resulting in over 15 GL of water being recommended for transfer to the Commonwealth Environmental Water Holder, and a recommended investment of \$39.7 million into on-farm irrigation infrastructure
- finalising the definition mapping as part of the implementation of the Government's Strategic Regional Land Use Policy and Aquifer Interference Policy, and put in place procedures for Government to assess Agricultural Impact Statements

- obtaining Government commitment to the establishment of the Marine Estate Management Authority (MEMA), and its knowledge panel, and appointed Dr Wendy Craik AM and Dr Andrew Stoeckel respectively as Chairs. The Authority is developing its work program, a key aspect being the drafting of a new MEMA Bill to be tabled in Parliament in 2014
- facilitating Government approval of a \$16 million Commercial Fisheries Reform Program in response to an independent review of commercial fisheries policy
- finalising and submitting to Government for approval eleven Catchment Management Action Plans, the blue prints for delivering natural resource management across NSW
- securing both Commonwealth (\$166 m up to 2017/18) and State (\$112 m up to 2016–17) Program Funding to deliver on Catchment Action priorities across NSW. These funds will be administered by Catchment Management Authorities until 31 December 2013, and then by the new Local Land Services Boards
- responding successfully to a number of flood events on the North Coast and preparing numerous submissions to the Minister for Police & Emergency Services, resulting in joint Commonwealth and State funds being allocated to affected landholders and small businesses through the National Disaster Relief Assistance Program
- pursuing discussions nationally in drought reform resulting in the Primary Industries Ministerial Council signing a new national agreement, and the NSW Cabinet endorsing this policy with the establishment of the Regional Advisory Committee (RAC). The RAC will be responsible for providing monthly seasonal condition reports which will consider a range of measures, and will replace the former state 'drought declarations'
- chairing the Primary Industries Standing Committee Working Group on the nationally sensitive issue of defining and considering labelling requirements for free range egg production in Australia
- ensuring NSW interests, particularly in relation to rural and regional impacts, were protected in national and cross border water reforms and negotiations, with the Commonwealth's Basin Plan
- collaborating with the NSW Food Authority to deliver animal welfare improvements in the States' abattoirs with new requirements for abattoir managers to provide compulsory training, appointment of animal welfare officers on site and the increased coverage of CCTV to ensure greater compliance with relevant standards and codes
- providing for improved consumer information and allied regulatory requirements through the delivery of award winning 8700 education program, to better inform consumers of the kilojoule intake of fast foods
- implementing Government initiated reforms to the management of metropolitan Crown cemeteries, particularly in relation to Rookwood Cemetery where significant governance improvements have resulted in more sustainable access to burial space across multiple faiths.

1. Executive performance (continued)



Jeannine Biviano, FCA, MEc, BBus, GAICD
Deputy Director General, Finance, Strategy & Operations
SES Level 7

Total remuneration package: \$412 200

Period in position: 1 July 2012 to 30 June 2013

Ms Jeannine Biviano has held the position of Deputy Director General, Finance Strategy & Operations since 7 November 2011, having held the equivalent position of Executive Director Corporate Operations with NSW Trade & Investment from April 2011.

Ms Biviano has met all performance criteria for the positions held in 2012–13.

Key tasks have been undertaken to achieve operational requirements and leadership has been provided to deliver outcomes consistent with government policy.

As Deputy Director General Finance, Strategy and Operations, Ms Biviano was responsible for:

- implementing the first Software as a Service ERP system in the NSW public sector over an 8 month period and on budget
- leading the largest SAP ByDesign ERP implementation in the world
- developing and implementing strategies to assist the department realign departmental appropriations and expenditure, and developing a sustainable operating environment which enabled the department to manage within budget
- developing strategies to facilitate a financial management reporting framework for the new amalgamated agency which required the integration of six different systems all hosted by different external agencies
- implementing the program reporting framework to facilitate budgeting and program prioritisation in line with NSW 2021
- implementing the Metropolitan Accommodation Strategy with the aim of reducing the current 14 metropolitan tenancies to four over the next two years
- project management of over 32 different Change Management Plans across the organisation, with a focus on people, skills, culture and change
- developing and implementing programs and tools to facilitate effective internal communications and external communications with other government agencies and Ministers' Offices
- coordinating departmental-wide monitoring and reporting of progress against NSW Government priorities and NSW 2021 targets, and leading the strategic planning process within the department which resulted in a strategic plan for NSW Trade & Investment
- initiating and chairing the NSW Trade & Investment ICT Steering Committee and overseeing the development of the ICT Strategic Plan
- chairing the NSW Trade & Investment Workplace Health and Safety Steering Committee, overseeing the development and approval of the new three year Staff Safety and Wellbeing Strategy
- effectively managing the department's Industrial Relations with no lost time disputes impacting on departmental operations. Continued negotiations regarding an amalgamated flexible work hours agreement and the consolidation of industrial instruments within the department
- an amalgamated flexible work hours agreement and the consolidation of industrial instruments within the department.

1. Executive performance (continued)



**Emeritus Professor Mary O'Kane, BSc (Qld), PhD (ANU), Hon DUniv (CQU), Hon DSc (Macq), Hon DUniv (Canberra), FTSE, Hon FIE Aust
NSW Chief Scientist & Engineer
SES Level 7**

Total remuneration package: \$207 660 (3 days per week)

Period in position: 1 July 2012 to 30 June 2013

Professor Mary O'Kane is the NSW Chief Scientist and Engineer. She is a Fellow of the Academy of Technological Sciences and Engineering (and was Vice President to the end of 2012) and is an Honorary Fellow of Engineers Australia. Professor O'Kane has met all performance criteria for the position held in 2012–13.

Key tasks have been undertaken to achieve operational requirements and leadership has been provided to deliver outcomes consistent with government policy.

The NSW Chief Scientist & Engineer took a lead role in:

- undertaking the Independent Coal Seam Gas Review as requested by the NSW Premier in February 2013
- delivering the Chief Scientist & Engineer's report to the Minister for the Environment on the review of the Final Report of the Independent Committee, Thirlmere Lakes Inquiry – and making seven recommendations to the Minister
- providing major advice to Government on sea level rise: *Assessment of the Science behind the NSW Government's sea level rise planning benchmarks* which informed the Coastal Policy announcement made by the NSW Government in September 2012
- providing expert advice to the Minister for Resources & Energy in relation to Coal Seam Gas Codes of Practice for Well Integrity and Fracturing Stimulation
- developing preliminary advice for a range of matters requiring formal scientific advice including the NSW Government Scientific Rigour Policy, the Environment Trust Review and Research priorities for Coal Seam Gas
- supporting a number of initiatives under the Research Attraction and Acceleration Program including providing:
 - \$8 million to National ICT Australia (NICTA) for its breakthrough internationally recognised ICT research to boost the economy and improve productivity
 - \$2 million to continue support for research facilities previously funded under the National Collaborative Research Infrastructure Scheme (NCRIS)
 - \$300 000 to continue the State's support for the Australian Synchrotron
 - \$100 000 to the CRC for Productivity, Sleep and Alertness
- chairing the Medical Devices Fund Expert Group responsible for assessing technological innovations to improve our health system and reporting to the Minister for Health and Medical Research with a shortlist
- undertaking a large number of public speaking and thought leadership engagements to a wide cross-section of the community and leading discussions to promote NSW research strengths and highlight the State's productivity outcomes of research. In 2012–13 the Chief Scientist & Engineer delivered major speeches in the interests of the NSW Government priorities, specifically in the areas of productivity, open data and open government
- hosting the Science and Research Breakfast Seminar series which engages eminent scientists to present to the law, finance and business sectors on key science and research issues and their impact on the wider community. In 2012–13 presenters were Professor Ben Eggleton, Professor John Aitken and Professor Hugh Durrant-Whyte
- chairing the Renewable Energy Taskforce which submitted the Renewable Energy Action Plan to the Minister for Resources & Energy; the draft plan was launched in September 2013 with the Parliamentary Secretary for Renewable Energy
- chairing the Research Working Group for the International Education and Research Industry Action Plan Taskforce which made recommendations to Government to increase investment in, and profile of, NSW research capacity
- providing bid development support for major new research funding between the universities, State and Commonwealth governments and the business sector

1. Executive performance (continued)

- representing the best interests of the government and science and research sectors through membership of government committees:
 - NSW Innovation & Productivity Council
 - Medical Devices Fund Expert Group (Chair)
 - NSW Renewable Energy Taskforce (Chair)
 - Coal Innovation NSW
 - Intergovernmental Hendra Virus Taskforce
 - NSW Spatial Council
 - Forum of Australian Chief Scientists
- continuing to broker partnerships and strengthen connections within and between the public and private sectors to expand the State's research capabilities and networks
- promoting and encouraging high levels of research and development in NSW with global impact – including supporting the growth of vibrant and high impact research institutions and technology companies
- supporting research excellence, concentration and skills development in areas facing significant challenges including engineering, energy, environment, and health
- encouraging investment in knowledge creation and research in alignment with the needs of the State's future industries.



Ms Renata Brooks, BVSc (Hons), Grad Cert Bioethics, GAICD
Deputy Director General Catchments & Lands
SES Level 6

Total remuneration package: \$328 650

Period in position: 1 July 2012 to 30 June 2013

Ms Renata Brooks was appointed to the position of Deputy Director General Catchments & Lands on 1 September 2011 and has been in the current role since that date. Ms Brooks has met all performance criteria for the position held in 2012–13.

Key tasks have been undertaken to achieve operational requirements and leadership has been provided to deliver outcomes consistent with government policy.

As Deputy Director General Catchments & Lands, Ms Brooks was responsible for:

- supporting the Director General, NSW DPI in the leadership of NSW DPI as a member of its Board of Management and in the role of Deputy Director General
- providing oversight, as a member of the NSW DPI Budget Committee, of effective financial management of NSW DPI
- leading and managing the Division of Catchments and Lands within the Department of Primary Industries, comprising the Crown Lands Division, Catchments Branch and Catchment Management Authorities, and the Soil Conservation Service
- providing regional coordination across the Department of Primary Industries through regional directors
- providing leadership to the Local Land Services initiative, specifically through project coordination and incorporation of the Catchment Management Authorities and natural resource management functions
- implementing change programs within Crown Lands and Catchment Management Authorities
- implementing Government initiated reforms to the management of metropolitan cemeteries
- undertaking a fundamental and wide ranging whole of government review of the management of Crown Lands
- developing improvements to the management of Aboriginal land claims
- meeting financial targets set for the 2012–13 financial year
- implementing a Landcare Business Plan to increase participation in and performance of Landcare groups with an increase of 500 in the number of groups
- implementing governance improvements across the division.

1. Executive performance (continued)



Mr Michael Bullen, BSc(For), MBA, MAICD
Deputy Director General Agriculture NSW and
Chief Executive NSW Rural Assistance Authority
SES Level 6

Total remuneration package: \$328 650 plus allowances \$30 000

Period in position: 1 July 2012 to 30 June 2013

Mr Bullen was appointed to the position of Deputy Director General Agriculture NSW and Chief Executive NSW Rural Assistance Authority on 6 February 2012 and has been in this role since that date. Mr Bullen previously held the position of Chief Executive of the Sydney Catchment Authority and prior to this was a Senior Executive with Forests NSW.

Key tasks have been undertaken to achieve operational requirements and leadership has been provided to deliver outcomes consistent with government policy.

As Deputy Director General Agriculture NSW and Chief Executive of the Rural Assistance Authority Mr Bullen was responsible for:

- supporting the Director General, NSW DPI in the leadership of the NSW DPI as a member of its Board of Management in the role of Deputy Director General
- providing oversight, as a member of the NSW DPI Budget Committee of effective financial management
- providing oversight as a member of the Department of Trade and Investment Audit and Risk Committee
- providing oversight as a member of the Department of Trade and Investment Work Health and Safety Executive Committee
- undertaking a survey of farmer stakeholders to obtain feedback on DPI and information on the services sought from Agriculture NSW
- leading and implementing the change program for Agriculture NSW to meet budget targets
- overseeing and driving the formation of Local Land Services(LLS) as a member of the LLS steering committee
- establishing and enhancing key stakeholder relationships including with major Research and Development Corporations
- finalising a new five year strategic plan for Agriculture NSW which provides the strategic framework to guide the organisation's continued delivery of world class science and innovation
- providing leadership as the Chief Executive and Board member of the Rural Assistance Authority
- finalising a new Strategic Plan for the RAA which defines the future role for the RAA given the changes to disaster funding over the past year
- working to strengthen the alliances between major universities and Agriculture NSW.

1. Executive performance (continued)



Mr David Harriss, BApp Sc, Grad Dip (Res Mgt)
Commissioner NSW Office of Water
SES Level 6

Total remuneration package: \$320 671 plus allowances \$27 000

Period in position: 1 July 2012 to 30 June 2013

Mr David Harriss was appointed Commissioner for Water, NSW Office of Water on 1 July 2009 within the then Department of Environment, Climate Change and Water until 30 June 2011 and continued in this role for NSW Trade & Investment from that date. Mr Harriss has met all the performance criteria for the position held in 2012–13.

Key tasks have been undertaken to achieve operational requirements and leadership has been provided to deliver outcomes consistent with government policy.

As Commissioner, NSW Office of Water, Mr Harriss was responsible for:

- directing the management of the State's water resources and representing NSW interests in national and cross border water reforms and negotiations, with the Commonwealth's Basin Plan and the impacts on NSW rural communities a key focus of negotiations during the year
- ensuring timely information on water allocations, dam storage levels, river flow, water quality information, including algal blooms, through operational media releases, communiqués and the Office's website to manage the access to water supplies, provide flood warnings and algal alerts
- expanding the real time water information available, including improved access for information on groundwater levels and expanded bore monitoring in the State's coal basins, and providing information sheets to assist the public in understanding the potential impact on water resources and management of coal seam gas extraction
- managing the regulation of water extraction, use and water trading, including access to online applications and participation in the development of a Commonwealth funded Common Registry System
- developing and implementing significant water policies and guidelines on aquifer interference, floodplain harvesting, riparian corridors and release of water from undeveloped saline aquifers
- securing Commonwealth agreement to fund a significant land and water strategic purchase and infrastructure in the Murrumbidgee Valley in addition to implementing some \$500 million of other water infrastructure projects that will contribute to bridging the gap to diversions under the Basin Plan
- finalising all statutory water sharing plans for the inland region of NSW and commencing a review of existing plans
- providing, with the NSW Aboriginal Land Council, remote Aboriginal communities with access to clean and safe water and sewerage services
- overseeing the provision of \$42 million to local councils to upgrade country water supply and sewerage projects.

1. Executive performance (continued)



Mr Brad Mullard PSM, BSc (Geology)
Executive Director, Mineral Resources
SES Level 5

Total remuneration: \$292 450

Period in position: 1 July 2012 to 30 June 2013

Mr Brad Mullard has met all performance criteria for the position held in 2012–13. Key tasks have been undertaken to achieve operational requirements and leadership has been provided to deliver outcomes consistent with government policy.

As Executive Director, Mineral Resources Mr Mullard was responsible for:

- leadership of the Mineral Resources Branch
- chairing the Mine Subsidence Board. The Board is responsible for administering the *Mine Subsidence Compensation Act 1961*
- chairing the Woodsreef taskforce, facilitating the long term management of the derelict Woodsreef Mine site
- providing strategic direction to the directors of the branch to facilitate profitable and sustainable development, effective environmental management and safe and responsible mining
- leading the department's support to the NSW minerals industry resulting in the expected collection of royalties of \$1.318 billion in 2011–13
- providing strategic direction for the New Frontiers exploration initiative, attracting exploration investment in underexplored areas of the State
- providing strategic direction for the implementation of an environmental compliance and enforcement policy
- providing strategic direction for the completion of a resources audit of the entire State providing data on the location of mineral and extractive resources
- providing strategic direction and advice in developing and implementing the Government's Strategic Land Use Policy particularly in land use issues relating to mineral resources and future mineral resource developments
- advising on minerals development across NSW to Commonwealth, State and local governments, industry and community bodies
- developing and fostering alliances and cooperative ventures with industry and research bodies such as the University of Newcastle and peak industry bodies such as the Australian Coal Association and the NSW Minerals Council
- actively promoting mineral and exploration investment opportunities in NSW at industry and government events
- providing strategic direction for the promotion of investment opportunities in the NSW minerals and petroleum industries.

1. Executive performance (continued)



Ms Elizabeth Marcelle Tydd, LLM, B Laws, Dip Soc Welfare
Executive Director, Office of Liquor, Gaming and Racing
SES Level 5

Total remuneration package: \$262 205

Period in position: 1 July 2012 to 30 June 2013

Ms Elizabeth Tydd has met all performance criteria for the position held in 2012–13. Key tasks have been undertaken to achieve operation requirements and leadership has been provided to deliver outcomes consistent with government policy.

As Executive Director, Officer of Liquor, Gaming and Racing (OLGR), Ms Tydd was responsible for:

- completing the Cumulative Impact of Licensed Premises research and instituting a trial of the Environment and Venue Assessment Tool (EVAT) in the City of Sydney and Newcastle local government areas
- contributing to the reduction of alcohol related violence through policy and legislative development; a risk based approach to compliance programs and enforcement activity
- overseeing proactive regulatory intervention to address alcohol related harm, by targeting at risk precincts, particularly Kings Cross and Byron Bay and managing violence in and around venues through the Violent Venues and Three Strikes schemes
- chairing an intra-departmental Committee established to examine market options for the extension of exclusivity for off-course totalisator services resulting in the Government accepting an offer whereby Tabcorp would pay the Government \$75m for an extension of exclusivity for off-course totalisator services for a 20-year period
- following consultation with peak club industry bodies, the Registered Clubs Amendment (Training) Regulation 2013 was developed to prescribe mandatory training requirements for club directors and managers
- as the ex-officio member of the Responsible Gambling Fund facilitating the delivery of \$14.5 m to Responsible Gambling Service providers
- overseeing the development and implementation of a range of educational tools to proactively manage the risk of alcohol related harm including the liquor accords program and the Out Tonight? Party Right educational resource for Secondary schools
- facilitating disciplinary action to address non-compliance in the liquor, gaming, racing and charities sectors.

1. Executive performance (continued)



Polly Bennett, BEc
Chief Executive Officer
NSW Food Authority
SES Level 5

Total remuneration package: \$276 750
Period in position: 1 July 2012 to 30 June 2013

Ms Bennett has met all performance criteria for the position held in 2012–13.

Key tasks have been undertaken to achieve operational requirements and leadership has been provided to deliver outcomes consistent with government policy.

As Chief Executive Officer NSW Food Authority, Ms Bennett was responsible for:

- directing the management of the Authority's resources to:
 - ensure that food for sale is both safe and suitable for human consumption
 - prevent misleading conduct in connection with the sale of food
 - provide for the application in NSW of national food standards code
- supporting the continued delivery of excellence in science, policy, communication, compliance and enforcement services to industry, consumer and government stakeholders
- supporting the Director General, NSW DPI in the leadership of the NSW DPI cluster as a member of its Board of Management
- representing NSW interests in national and cross jurisdictional policy development
- delivering over \$4 million dollars in red tape reduction by taking a risk based approach to regulation
- renewing the Authority's consultation approach with egg, poultry, meat, seafood and shellfish industries as part of its statutory regulatory responsibilities and its charter, to inform and develop a food safety culture with industry
- supporting the State's oyster industry, through best practice food safety and sustainable practices; the Authority hosted the 2013 Molluscan Shellfish Conference with 200 international delegates from over 30 countries
- collaborating with the NSW Department of Primary Industries to achieve animal welfare improvements in the State's abattoirs with new requirements for abattoir managers to provide compulsory training, appointment of animal welfare officers on site and the increased coverage of CCTV to ensure greater compliance with relevant standards and codes
- attaining positive outcomes in food safety compliance in the retail sector through the Food Safety Supervisor, Name and Shame and Scores on Doors initiatives
- delivering steady improvement in reduced regulation overlap, increased efficiency and greater consistency of enforcement through the NSW Food Regulation Partnership between the Authority and local government
- keeping food safe through the Authority's ongoing incident and recall response with prompt removal of products from the market place that posed a food safety risk
- continuing the day to day audit and inspection program of our 15 000 licenced businesses each year which continues to drive improved food safety outcomes
- continuing targeted enforcement actions reinforcing to those who do the wrong thing that we will take action to ensure food safety and product integrity and are a priority for all businesses
- delivering the Authority's successful regulatory and award winning education program '8700 kJ Find your Ideal Figure' to inform consumers of the kilojoule intake of fast foods. Evaluation has shown high compliance with regulatory requirements, a shift towards consumers having a better understanding of 8700 kJ as the average daily energy intake, and a reduction in kilojoules purchased by some consumers
- contributing to the Australian Food Ministers' agreement to a voluntary interpretative front of pack labelling system for packaged foods, to support consumers to make healthier food choices and contribute to alleviating the burden of chronic disease and obesity issues.

1. Executive performance (continued)



Phil Anquetil PSM, FIPA
Executive Director, Business Services
SES Level 5

Total remuneration package: \$285 300
Period in position: 1 July 2012 to 30 June 2013

The Business Services division supports the delivery of DPI goals and divisional outputs through the strategic coordination and development of policy, media and communications, science and research support, planning, reporting and governance.

Mr Phil Anquetil was appointed to the position of Executive Director, Business Services in November 2011 and has been in this role since that time. Mr Anquetil has met all performance criteria for the position held in 2012–13.

Key tasks have been undertaken to achieve operational requirements and leadership has been provided to deliver outcomes consistent with government policy.

As Executive Director Business Services, Mr Anquetil was responsible for:

- supporting the Director General in the leadership of DPI as a member of its Board of Management and in the role of Executive Director, Business Services
- providing oversight, as a member of the DPI Budget Committee, of effective financial management of DPI and the provision of budget support services to achieve the required and agreed financial responsibilities, and to promote sustainable financial management
- providing a range of corporate strategies and support measures to add value and assure the delivery of corporate and divisional objectives and programs in line with the Government's NSW 2021 plan and priorities
- providing leadership and oversight to the Local Land Services (LLS) initiative as a member of the LLS Steering Committee and through leading the preparation of the *Local Land Services Act 2013*, including the management of related external and internal communications programs
- leading and implementing the change program for the Business Services division to meet budget targets
- developing and implementing strategies to improve internal operational efficiencies and returns to stakeholders, particularly with respect to internal operations and business and in relation to primary industries and natural resource based research and development
- managing DPI's network of 21 research and education properties across NSW, including the maintenance of land, buildings, infrastructure and assets, managing farming and livestock enterprises
- developing and implementing cost recovery strategies for relevant business services activities across DPI
- leading the development and implementation of the DPI's 2012–15 Corporate Plan. The Corporate Plan relates to the State Government's NSW 2021 plan and its priorities, and defines the DPI's key result areas, intended outcomes and strategies
- building a sound governance framework for DPI, including a system of internal policies, procedures and guidelines
- identifying and implementing portfolio legislation reforms including the reduction of red tape for industry
- providing management services for DPI's research portfolio of over 900 projects comprising at least \$90 m external funding and the establishment of improved governance arrangements including the Science Strategy Group and the Science Coordination Committee
- oversight and building DPI's significant alliance arrangements for the benefit of primary industries and the department's science capacity, including CRC's and Universities
- maintaining science quality across the organisation, specifically through the review and evaluation of science program areas, management of the Research Scientist Classification framework and internal research scientist progression criteria
- managing DPI's output of information to promote the work of the DPI and engaging its clients and stakeholders. This is facilitated through the use of new and traditional communications channels including media, social media, on-line, stakeholder engagement and events
- managing print and online publishing services for DPI and provision of communication advice and professional support across the Department.

1. Executive performance (continued)



Dr Geoff Allan, BSc (Hons), PhD
Executive Director, Fisheries NSW
SES Level 5

Total remuneration package: \$276 750
Period in position: 1 July 2012 to 30 June 2013

Dr Geoff Allan has been the Executive Director, Fisheries NSW, a Division of NSW Department of Primary Industries, for the 2012–13 year. Dr Allan has met all performance criteria for the position in 2012–13.

Key tasks have been undertaken to achieve operational requirements and leadership has been provided to deliver outcomes consistent with government policy.

As Executive Director Fisheries NSW, Dr Allan was responsible for:

- supporting the Director General NSW DPI in the leadership of NSW DPI as a member of its Board of Management and in the role of Executive Director, Fisheries NSW
- providing oversight, as a member of the NSW DPI Budget Committee, of effective financial management of NSW DPI
- implementing a new structure for Fisheries NSW and completing recruitment for Directors for all five Branches
- better integrating Marine Parks staff within Fisheries NSW
- setting the strategic direction for Fisheries NSW under the NSW DPI Corporate Plan. This has included completing the Fisheries NSW Strategic Plan and reporting on the DPI Corporate Plan and meeting commitments under the State Plan
- managing critical stakeholder relationships across all fisheries stakeholder groups of commercial, recreational and indigenous fisheries, conservation groups and the public
- delivering the commercial fisheries reform program, as outlined in the Government response to the Independent Review of Commercial Fisheries Policy, Management and Administration
- delivering the priorities for Fisheries NSW established by the new Marine Estate Management Authority, as outlined in the Government response to the Independent Scientific Audit of Marine Parks
- contributing to the Taskforce, as outlined in the Government response to the Review of Cross Jurisdiction On-Water Issues
- leading relocation of functions and staff from the Cronulla Fisheries Research Centre under the Government policy of 'Decade of Decentralisation'
- building a strong safety culture within Fisheries NSW, including by implementing improvements in safety systems throughout Fisheries NSW
- ensuring continued delivery of world class science and innovation and driving better alignment of research to management needs for sustainable and viable commercial fisheries and aquaculture, improved recreational fishing and healthy aquatic ecosystems.

1. Executive performance (continued)



Bruce Christie, BVSc, MANZCVS, GAICD
Executive Director, Biosecurity NSW
SES Level 5

Total remuneration package: \$292 450
Period in position: 1 July 2012 to 30 June 2013

Mr Bruce Christie has met all performance criteria for the position held in 2012–13. Key tasks have been undertaken to achieve operational requirements and leadership has been provided to deliver outcomes consistent with government policy.

As Executive Director Biosecurity NSW, Mr Christie was responsible for:

- supporting the Director General in the leadership of NSW as a member of its Board of Management and in the role of Executive Director, Biosecurity NSW
- providing oversight, as a member of the NSW DPI Budget Committee, of effective financial management of NSW DPI
- providing strategic and responsive advice on key issues relevant to biosecurity, animal welfare and product integrity to the Director General and Minister for Primary Industries
- building the new Biosecurity NSW Division into a cohesive unit that can work with other government agencies and authorities, non-government organisations, industries and communities to protect the NSW economy, environment and community from the negative impacts of pests, weeds and diseases
- finalising the new NSW Biosecurity Strategy ensuring that it communicates a clear vision and builds support for strong and integrated biosecurity system for NSW
- championing the development of a set of new contemporary biosecurity legislation that will underpin the NSW biosecurity system into the future
- providing national leadership in the areas of biosecurity, animal welfare and product integrity at national forums such as the National Biosecurity Committee, the Animal Welfare Committee, Animal Health Australia and Plant Health Australia
- driving the Elizabeth Macarthur Agricultural Institute (EMA) to ensure it remains the premier biosecurity facility in NSW providing frontline diagnostic, response and research capability for animal, plant and aquatic pests and diseases
- leading the development of improved prevention, preparedness, response and recovery processes that will ensure NSW is capable of managing biosecurity and disaster emergencies
- reducing the impact of noxious weeds through the delivery of weeds control grants and support for additional research and development
- driving the reform of animal and plant health, pest and weed management service delivery to regional NSW
- ensuring animal welfare policies, standards and legislation reflect community values and protect market access for livestock industry products by developing State and National animal welfare standards and administering animal welfare legislation within NSW
- supporting the Director General and the Minister for Primary Industries in the development of the new Local Land Services.

1. Executive performance (continued)



Ms Alison Stone, BEc, MEnvS, GAICD
Executive General Manager, Crown Lands
SES Level 5

Total remuneration package: \$280 000

Period in position: 19 December 2012 to 30 June 2013

Ms Alison Stone was appointed to the position of Executive General Manager, Crown Lands on 19 December 2012 and has been in this role since that date. Ms Stone has met all performance criteria for the position.

Key tasks have been undertaken to achieve operational requirements and leadership has been provided to deliver outcomes consistent with Government policy.

As Executive General Manager Crown Lands, Ms Stone was responsible for:

- supporting the Deputy Director General, Catchment & Lands in the leadership of Catchment & Lands as a member of its Board of Management
- leading and managing the Crown Lands Division, within Catchments and Lands
- implementing a new structure for Crown Lands, including five business units: Infrastructure and Land Management, Strategic Projects, Business Operations, East and West Regions
- building a strong team in Crown Lands to implement change programs across the State
- implementing the Crown Lands Business Reform, specifically through the centralisation of functions into 3 regional Business Centres at Dubbo, Grafton and Newcastle
- delivering improvements to customer service through the implementation of a central 1300 number for Crown Lands
- reducing the backlog of roads applications, with over 1500 applications worth \$14.4 m being processed
- contributing to a fundamental and wide ranging whole of government review of the management of Crown Lands
- developing improvements to the management of Aboriginal Land claims
- meeting financial targets set for the 2012–13 financial year
- finalising the review of the Lake Illawarra Authority (LIA) for the Parliamentary Secretary and gaining approval to proceed with repealing the legislation, winding up the LIA and establishing ongoing management through Estuary Management Committee with councils and agencies
- leading the delivery of significant works under the Coastal Infrastructure Program and Dredging Strategy
- contributing to the Independent Pricing & Regulatory Tribunal (IPART) Review of Telecommunications Site Rental Schedule
- improving management of the Public Reserves Management Fund program
- leading a reform program to transition 8 inland state park trusts and the north coast and south coast accommodation trusts to the NSW Crown Holiday Parks Trust.

1. Executive performance (continued)



Lucinda Warren, BEd
Director People Learning & Culture
SES Level 5

Total remuneration package: \$253 501
Period in position: 9 July 2012 to 30 June 2013

Ms Warren has met all performance criteria for the position held in 2012–13.

Key tasks have been undertaken to achieve operational requirements and leadership has been provided to deliver outcomes consistent with government policy.

As Director People Learning & Culture, Ms Warren was responsible for:

- completing 19 change plans involving over 2000 staff members. All operational and budgetary outcomes were delivered within projected timeframes. Processes were supported by over 135 programs such as job seeking skills, resilience, change management and merit selection
- implementing group wide initiatives to build a performance culture including the Performance Development Scheme and supporting programs such as Performance Conversations, Working Inside Government and Fundamentals of Management. As business units move forward from change plans these are being seen as valuable tools to communicate expectations and embed new ways of working
- rolling out the department's on-line learning portal, i-Learn@Trade, with more than 2000 staff completing all five core induction and compliance modules
- building a talent pipeline including a new partnership with University of Sydney to deliver an industry placement program, an updated graduate program and enhanced leadership programs
- developing policies in line with the new corporate policy framework for NSW Trade & Investment. Priority policies during 2012–2013 were Grievance Management, Equity & Diversity, Bullying and Harassment
- developing a Prevention of Bullying in the Workplace Strategy and Action Plan
- implementing a departmental Work Health & Safety framework
- developing Operational Safety Plans for all branches
- introducing a new online incident notification and investigation tool providing a capability to identify, track and learn from corrective actions as part of the investigation process
- delivering outstanding results through the department's early intervention strategy involving injured workers and their line business management immediately following a workplace injury. All indicators showed positive improvements through reduced premiums, refunds in excess of \$2 m as part of hindsight adjustments, reduction in average cost of claims and shortened duration rates for lost time
- introducing the HR delegation schedule as a comprehensive single document to facilitate consistency in levels of decision-making across the diverse range of agencies and branches in NSW Trade & Investment
- creating a single enterprise agreement to support the corporatisation of Forests NSW. This allowed Forests NSW staff to be employed under a common set of working conditions that greatly enhanced the efficiency and effectiveness of the organisation. While created in the NSW Industrial Commission the agreement was then registered in Fair Work Australia and became the first NSW Government instrument to be transferred in its entirety to the federal system
- supporting creation of the new Local Land Services (LLS) entity through organisational design, recruitment and industrial relations analysis and negotiation. LLS will be operational 1 January 2014
- driving a proposal to rationalise over 20 flexible work hour agreements across the department to one single agreement has been endorsed by the Wages Policy taskforce. Negotiations with unions are close to being finalised
- participating on a steering committee to implement a new consolidated Enterprise Resource Planning platform to enable better management of the cluster and improved operational efficiencies
- supporting the Public Service Commission in development of strategic sector wide HR initiatives including a new capability framework, Performance Development Framework, proposals for Human Capital Management (HCM) solutions and 360 degree feedback tools, activities to support Executive Development and introduction of reform legislation.

1. Executive performance (continued)



Kylie Hargreaves, B International Business (Hons)

SES Level 7

Total remuneration package: \$271 625

Acting Deputy Director General, Industry, Innovation, Hospitality & the Arts

Period in position: 11 February 2013 to 30 June 2013

Executive Director, Investment & Export Services

Period in position: 1 July 2012 to 30 June 2013

Ms Kylie Hargreaves held the position of Executive Director, Investment & Export Services (IES) for the duration of the reporting period. On 11 February 2013 Ms Hargreaves was also appointed Acting Deputy Director General, Industry, Innovation, Hospitality & the Arts (IIH&A). Ms Hargreaves has met all performance criteria for the positions held in 2012–13. Key tasks have been undertaken to achieve operational requirements and leadership has been provided to deliver outcomes consistent with government policy.

As Executive Director (IES), Ms Hargreaves was responsible for:

- co-delivering the NSW International Engagement Strategy, identifying NSW's top 10 trade and investment partners and actions to better promote NSW capabilities, attract investment, facilitate exports, strengthen international relationships and co-ordinate NSW Government efforts in these markets
- delivering international business advisory services to over 5800 NSW businesses, international corporations, Government agencies and allies to
 - attract and facilitate new or expanded investment in NSW
 - support NSW exporters seeking to expand internationally
- integrating the Office of Regional Development with Investment & Export Services (IES) to enable seamless delivery of services across NSW
- delivering investment and export projects forecast to deliver \$1.7 billion of new investment and export sales and over 3700 jobs over the next 3 years
- operating NSW Trade & Investment offices in China, India, UAE and USA and supporting five Premier and Deputy Premier led missions to these and other markets focusing on sectors as diverse as infrastructure, health care, resources, ICT, education and tourism
- launching Innovate NSW in April 2013, a new program aimed at facilitating collaboration between NSW research agencies, industry and small businesses. By June 2013 over 110 submissions have been received, covering areas as broad as e-health, advanced manufacturing, education and logistics. IES also managed NSW Trade & Investment agreements with NICTA, ACBI, CIFR and USSC.

As Acting Deputy Director General (IIH&A), Ms Hargreaves was responsible for:

- delivering against the NSW Economic Development Framework developed as part of the Government's response to the 10 year Industry Action Plans for the Digital Economy, Manufacturing, Education & Research, Professional Services, Creative Industries and Visitor Economy. Progress against the 40 priority actions will be reviewed annually at a Business Leadership Forum, the first to be held in September 2013.
- delivering against the NSW Migration Strategy, including working with the Commonwealth to introduce the Significant Investor Visa (SIV). The number of skilled migrants sponsored to enter NSW doubled to 2600 in 2012/13. NSW has also nominated 175 migrants for the SIV program. If all are approved this will represent a minimum of \$262 million in new investment into NSW.
- fostering growth in regional economies by
 - working with Infrastructure NSW to design and deliver the Resources for Regions program worth in excess of \$160 m to regional NSW over 4 years
 - simplifying the guidelines around the Regional Industries Investment Fund to ensure the Fund more closely aligns with NSW 2021 objectives for regional NSW
 - participating in the design and implementation of Regional Action Plans
- providing economic analysis and input into critical projects and programs across NSW Trade & Investment, including core programs like Resources for Regions, major infrastructure opportunities like the Walsh Bay Arts Precinct and unique projects like the Snowy Mountains Cloud Seeding trial.

1. Executive performance (continued)

- working closely with four NSW Government industry advisory bodies to provide advice to government on a range of issues impacting economic growth; Export Investment Advisory Board (EIAB), Innovation and Productivity Council, Multicultural Business Advisory Panel (MBAP) and the Regional Development Advisory Council.
- supporting the operations of the Office of Liquor, Gaming and Racing (OLGR) and the Independent Liquor and Gaming Authority (ILGA) to ensure effective service delivery to regulated industries and the community. This included:
 - collaborating with the Department of Premier & Cabinet on the assessment of unsolicited proposals for new (Crown Ltd) or expanded (Echo Entertainment) casino gaming facilities in Sydney
 - securing \$75 m for the 20 year extension of exclusivity for off-course totalisator services from TAB Limited
 - recruiting a new Chief Executive for ILGA
 - continuing to deliver innovative programs such as the Three Strikes disciplinary scheme and contribution to the King Cross Plan of Management to reduce alcohol-related violence in licensed premises
 - working with ClubsNSW to enhance the long-term viability of clubs, through the introduction of better governance and training frameworks under the Registered Clubs Act
- supporting a vibrant arts and cultural sector through
 - developing a NSW arts and cultural policy and a comprehensive review of the Government's Arts Funding Program, both to be completed in 2013–14
 - progressing the Walsh Bay Arts Precinct redevelopment, including confirmation of the Sydney Theatre Company as a long-term tenant
 - delivering 15 new projects and 12 new professional development programs through the NSW Arts and Disability Partnership program
 - supporting more than 28 projects under the Production Finance Fund and Regional Filming Fund. In 2012–13 these funds supported more than 28 projects, including the production of *The Sapphires*. These projects accounted for more than \$100 million in production expenditure in NSW and supported more than 4,960 jobs.



Christopher Martin, CPA, BBus, LLB
Chief Financial & Knowledge Officer
SES Level 5

Total remuneration package: \$270 000
Period in position: 1 July 2012 to 30 June 2013

Mr Christopher Martin was appointed to the position of Chief Financial & Knowledge Officer on 17 November 2011. Mr Martin has met all performance criteria for the position held in 2012–13.

Key tasks have been undertaken to achieve operational requirements and leadership has been provided to deliver outcomes consistent with government policy.

As Chief Financial & Knowledge Officer, Mr Martin was responsible for:

- taking a lead role in the implementation of a consolidated Software as a Service Enterprise Resource Planning platform to enable better management of the cluster and improved operational efficiencies and flexibility
- addressing significant audit issues, including long standing matters relating to recognition of Crown Reserves
- co-ordinating agency interactions with the NSW Treasury Fiscal Effectiveness Office and road-mapping of savings initiatives to deliver Expenditure Review Committee agreed savings and meet agency budget targets
- leading and developing the central Programme Management Office to provide oversight and co-ordination of major initiatives, including savings initiatives, and to implement consistent best practice project management methods and capability across the department.
- continuing to develop streamlined program budgeting and prioritisation in line with NSW Trade & Investment strategic directions and NSW 2021 responsibilities
- improved forecasting, financial planning and management of cost pressures supporting delivery of a favourable budget result.

2. Principal officers

Office of the Director General

Mark I Paterson AO, BBus, FAICD, FAIM, FRMIA

Director General, Trade and Investment, Regional Infrastructure and Services

Emeritus Professor Mary O’Kane, BSc (Qld), PhD (ANU), Hon DUniv (CQU), Hon DSc (Macq), Hon DUniv (Canberra), FTSE, Hon FIEAust

NSW Chief Scientist and Engineer

Yasmin King, BEc (Hons), MBA, CPA (Fellow), FAICD

NSW Small Business Commissioner

Sian Malyn, BBus, CPA

Chief Audit Executive

Department of Primary Industries

Richard Sheldrake AM, BSc Agr, MSc Agr, PhD, FTSE, FASM, FAICD, FAIM

Director General, Department of Primary Industries

Michael Bullen, BSc (For), MBA, MAICD

Deputy Director General, Agriculture NSW and Chief Executive, NSW Rural Assistance Authority

Renata Brooks, BVSc (Hons), Grad Cert Bioethics, GAICD

Deputy Director General, Catchments & Lands

Bruce Christie, BVSc, MANZCVS, GAICD

Executive Director, Biosecurity NSW

Regina Fogarty, BVSc, PhD

Director, Office of Agricultural Sustainability & Food Security

Geoff Allan, BSc (Hons), PhD

Executive Director, Fisheries NSW

Phil Anquetil PSM, FIPA

Executive Director, Business Services

David Harriss, BApp Sc, Grad Dip (Res Mgt)

Commissioner, NSW Office of Water

Polly Bennett, BEc

Chief Executive Officer, NSW Food Authority

Industry, Innovation, Hospitality & the Arts

Kylie Hargreaves, B International Business (Hons)

A/Deputy Director General, Industry, Innovation, Hospitality & the Arts

Amanda Chadwick, BEc, B Laws (Hons), MSc (Distinction)

Executive Director, Innovation & Industry Policy

Paul Hogan, PhD, BE (Hons), MBA

A/Executive Director, Investment & Export Services

Mary Darwell, LLM, LLB, BA (Hons)

Executive Director, Arts NSW

Elizabeth Tydd, LLM, B Laws, Dip Soc Welfare

Executive Director, Office of Liquor, Gaming and Racing

Scott Davenport, BAg Ec

Executive Director and Chief Economist, Strategy Policy and Economics

Steve Toms, BSc For

NSW Cross-Border Commissioner

David Greenhouse

A/Chief Executive, Independent Liquor & Gaming Authority

Resources & Energy

Vacant

Deputy Director General, Resources & Energy

Brad Mullard PSM, BSc (Geology)

Executive Director, Mineral Resources

Andrew Lewis, BA (Hons), MA

Executive Director, Energy

Katharine Hole, BEc, BA (Asian Studies), MEM, MCom

Executive Director, National Policy & Sustainability

Jenny Nash, BAg Ec

Director, Mine Safety Performance

Charlie Dowsett, MApp Fin, BAg Ec, MAusIMM, MAICD

Director, Industry Investment Attraction & Development

Kristina Resanceff, BA

Communications Manager

Finance, Strategy & Operations

Jeannine Biviano, FCA, MEc, BBus, GAICD
Deputy Director General, Finance, Strategy & Operations

Christopher Martin, CPA, BBus, LLB
Chief Financial & Knowledge Officer

Katherine Tollner, BApp Sc, Grad Dip Bus Admin, Grad Cert HR
Director, Corporate Operations

David Kennedy, MBA

Chief Information Officer

Tim Holden, BEc, LLB, LLM

Corporate Counsel & Practice Manager

Michelle Keygan, MApp Sc (Food Science & Technology), BApp Sc, Grad Cert Public Sector Management

A/Director, Corporate Strategy & Communications

David Anderton, BRur Sc (Hons), MNat Res, Grad Dip Public Admin

Director, Ministerial Liaison Office

Lucinda Warren, BEc

Director, People, Learning & Culture

Office of Coal Seam Gas

Rachel Connell, BA (Hons), LLB (UNSW) (Grad Dip LP)

Director, Office of Coal Seam Gas

Greg Summerhayes, BApp Sc, MSc Environmental Engineering

Manager, Licensing & Approvals

Bronwen O’Dwyer, BSc (Hons), Master of Public Policy & Management

Manager, Regulatory Policy & Reform

Glyn Macdonald, BEng (Mining), M Mining Management (Mining Engineering), First Class Mine Manager’s Certificate of Competency

Senior Safety Inspector, Petroleum Safety Operations

Patricia Madden, BBus

Manager, Operations

3. Legislation and legal change

Acts passed in spring session 2012

- » Biofuels Further Amendment Act 2012
- » Forestry Act 2012
- » Game and Feral Animal Control Further Amendment Act 2012
- » Liquor Amendment (Kings Cross Plan of Management) Act 2012
- » Petroleum (Onshore) Amendment (Royalties and Penalties) Act 2012
- » Prevention of Cruelty to Animals Amendment Act 2012
- » Primary Industries Legislation Amendment Act 2012
- » Snowy Mountains Cloud Seeding Trial Amendment Act 2012
- » Statute Law (Miscellaneous Provisions) Act (No 2) 2012

Acts passed in autumn session 2013

- » Casino Control Amendment (Supervisory Levy) Act 2013
- » Energy Services Corporations Amendment (Distributor Efficiency) Act 2013
- » Gaming Machines Amendment (Multi-terminal Gaming Machines in Clubs) Act 2013
- » Liquor Amendment (Small Bars) Act 2013
- » Local Land Services Act 2013
- » Racing Legislation Amendment Act 2013
- » Small Business Commissioner Act 2013
- » Statute Law (Miscellaneous Provisions) Act 2013 (Commences 5 July 2013)

Staged repeal regulations

- » Fisheries Management (Aquaculture) Regulation 2012
- » Game and Feral Animal Control Regulation 2012
- » Lake Illawarra Authority Regulation 2012
- » Mine Subsidence Compensation Regulation 2012
- » Museum of Applied Arts and Sciences Regulation 2012
- » Prevention of Cruelty to Animals Regulation 2012
- » Racing Administration Regulation 2012
- » Regional Development Regulation 2012
- » Totalizator Regulation 2012
- » Non-Indigenous Animals Regulation 2012

Miscellaneous amendments and other regulations

- » Agricultural Industry Services Amendment (Murray Valley Citrus Industry Development Order) Regulation 2012
- » Charitable Fundraising Amendment (Exempt Religious Body or Organisation) Regulation 2013
- » Electricity (Consumer Safety) Amendment (Fees) Regulation 2013
- » Electricity Supply (General) Amendment (National Energy Retail Law) Regulation 2013
- » Electricity Supply (Safety and Network Management) Amendment (National Energy Retail Law) Regulation 2013
- » Fisheries Management (General) Amendment (Diseased and Noxious Fish and Marine Vegetation) Regulation 2012
- » Fisheries Management (General) Amendment (Ministerial Fisheries Advisory Council) Regulation 2013
- » Fisheries Management Legislation Amendment (Fees, Charges and Contributions) Regulation 2013
- » Food Amendment (Egg Food Safety Scheme) Regulation 2012
- » Food Amendment (Food Standards Code) Regulation 2013
- » Food Amendment (Industry Consultative Committees) Regulation 2013
- » Food Amendment (Poultry Meat Safety Scheme) Regulation 2012

- » Forestry Regulation 2012
- » Gas Supply (Consumer Safety) Regulation 2012
- » Gas Supply (Natural Gas Retail Competition) Amendment (National Energy Retail Law) Regulation 2013
- » Liquor Amendment (Conditional Grants) Regulation 2012
- » Liquor Amendment (Kings Cross Late Trading Venues) Regulation 2012
- » Liquor Amendment (Kings Cross) Regulation 2012
- » Liquor Amendment (Special Events – Extended Trading Periods) Regulation 2013
- » Liquor Amendment (Special Events – Extended Trading Periods) Regulation (No 2) 2013
- » Liquor Amendment (Special Licence Conditions) Regulation 2013
- » Liquor Amendment (Special Licence Conditions) Regulation (No 2) 2012
- » Liquor Further Amendment (Extension of Freeze Period) Regulation 2012
- » Mine Subsidence Compensation Amendment Regulation 2012
- » Mining Amendment (Coal Royalty) Regulation 2012
- » Mining Amendment (Minimum Security Deposits) Regulation 2013
- » Mining Amendment (Transitional) Regulation 2012
- » National Energy Retail Law (Adoption) Amendment (Early Termination Charges and Site Specific Conditions) Regulation 2013
- » National Energy Retail Law (Adoption) Regulation 2013
- » Prevention of Cruelty to Animals Amendment (Animal Trades) Regulation 2013
- » Prevention of Cruelty to Animals Regulation 2012
- » Racing Administration Amendment (Fees) Regulation 2013
- » Registered Clubs Amendment (Training) Regulation 2013
- » Rural Lands Protection Amendment (Stock Transport and Camels) Regulation 2012
- » Water Management (General) Amendment (Anabranch Water) Regulation 2013
- » Water Management (General) Amendment (Extension of Transitional Period) Regulation 2013
- » Water Management (General) Amendment (Lower Gingham PID No 1 Board) Regulation 2012
- » Water Management (General) Amendment (Miscellaneous) Regulation 2012
- » Water Management (General) Amendment (Water Sharing Plans) Regulation 2012

Water Sharing Plans

The following Water Sharing Plans were made this year:

- » Water Sharing Plan for the Barwon–Darling Unregulated and Alluvial Water Sources 2012
- » Water Sharing Plan for the Belubula Regulated River Water Source 2012
- » Water Sharing Plan for the Gwydir Unregulated and Alluvial Water Sources 2012
- » Water Sharing Plan for the Lachlan Unregulated and Alluvial Water Sources 2012
- » Water Sharing Plan for the Macquarie Bogan Unregulated and Alluvial Water Sources 2012

3. Legislation and legal change (continued)

- » Water Sharing Plan for the Murrumbidgee Unregulated and Alluvial Water Sources 2012
- » Water Sharing Plan for the Namoi Unregulated and Alluvial Water Sources 2012

The following Water Sharing Plans were amended this year:

- » Water Sharing Plan for the Gwydir Unregulated and Alluvial Water Sources Amendment Order 2012 Water Sharing Plan for the Lachlan Regulated River Water Source Amendment Order 2012
- » Water Sharing Plan for the Adelong Creek Water Source Amendment Order 2012
- » Water Sharing Plan for the Bellinger River Area Unregulated and Alluvial Water Sources Amendment Order 2013
- » Water Sharing Plan for the Central Coast Unregulated Water Sources Amendment Order 2013
- » Water Sharing Plan for the Coffs Harbour Area Unregulated and Alluvial Water Sources Amendment Order 2013
- » Water Sharing Plan for the Hunter Unregulated and Alluvial Water Sources Amendment Order 2013
- » Water Sharing Plan for the Kulnura Mangrove Mountain Groundwater Sources Amendment Order 2013
- » Water Sharing Plan for the Lachlan Regulated River Water Source Amendment Order 2012
- » Water Sharing Plan for the Lachlan Regulated River Water Source Amendment Order 2013
- » Water Sharing Plan for the Lower Gwydir Groundwater Source Amendment Order 2013
- » Water Sharing Plan for the Lower North Coast Unregulated and Alluvial Water Sources Amendment Order 2013
- » Water Sharing Plan for the Murrumbidgee Regulated River Water Source Amendment Order 2012 Water Sharing Plan for the NSW Border Rivers Regulated River Water Source Amendment Order 2013
- » Water Sharing Plan for the NSW Great Artesian Basin Groundwater Sources Amendment Order 2013
- » Water Sharing Plan for the NSW Murray Darling Basin Fractured Rock Groundwater Sources Amendment Order 2013
- » Water Sharing Plan for the NSW Murray Darling Basin Porous Rock Groundwater Sources Amendment Order 2013
- » Water Sharing Plan for the Phillips Creek, Mooki River, Quirindi Creek and Warrah Creek Water Sources Amendment Order 2012
- » Water Sharing Plan for the Rocky Creek, Cobbadah, Upper Horton and Lower Horton Water Source Amendment Order 2012
- » Water Sharing Plan for the Tarcutta Creek Water Source Amendment Order 2012
- » Water Sharing Plan for the Upper and Lower Namoi Groundwater Sources Amendment Order 2013
- » Water Sharing Plan for the Upper Billabong Water Source Amendment Order 2012

Statute law and other amendments

Statute Law (Miscellaneous Provisions) Act (No 2) 2012 No 95

Commencing 25 June 2013, the Act made amendments to the *Australian Museum Trust Act 1975*, *Biofuels Act 2007*, *Library Act 1939*, *Museum of Applied Arts and Sciences Act 1945*, *Racing Administration Act 1998*, *Sydney Opera House Trust Act 1961*, *Water Management Act 2000*, *Water Management (General) Regulation 2011*, *Water Sharing Plan for the Lachlan Unregulated and Alluvial Water Sources 2012* and the *Water Sharing Plan for the NSW Border Rivers Unregulated and Alluvial Water Sources 2012*.

Statute Law (Miscellaneous Provisions) Act 2013 No 47 (Commences 5 July 2013)

Assented to on 25 June 2013, commencing 5 July 2013, the Act makes amendments to *Biofuels Act 2007*, *Electricity Supply Act 1995*, *Energy and Utilities Administration Act 1987*, *Sydney Water Catchment Management Act 1998*, *Dams Safety Act 1978*, *Water Sharing Plan for the Barwon–Darling Unregulated and Alluvial Water Sources 2012*, *Water Sharing Plan for the Bellinger River Area Unregulated and Alluvial Water Sources 2008*, *Water Sharing Plan for the Central Coast Unregulated Water Sources 2009*, *Water Sharing Plan for the Gwydir Unregulated and Alluvial Water Sources 2012*, *Water Sharing Plan for the Hunter Unregulated and Alluvial Water Sources 2009*, *Water Sharing Plan for the Lachlan Unregulated and Alluvial Water Sources 2012*, *Water Sharing Plan for the Murrumbidgee Unregulated and Alluvial Water Sources 2012* and the *Water Sharing Plan for the NSW Murray–Darling Basin Fractured Rock Groundwater Sources 2011*.

Acts administered

Minister for Trade and Investment

Innovation and Productivity Council Act 1996 No 77.

Minister for Regional Infrastructure and Services

The Minister for Regional Infrastructure and Services has joint administration of all Acts listed for the Minister for Primary Industries (which are not listed again below), and the following Acts:

Regional Development Act 2004 No 58

State Development and Industries Assistance Act 1966 No 10

Very Fast Train (Route Investigation) Act 1989 No 44

Minister for Primary Industries

The Minister for Primary Industries has joint administration of the following Acts with the Minister for Regional Infrastructure and Services:

Agricultural and Veterinary Chemicals (New South Wales) Act 1994 No 53

Agricultural Industry Services Act 1998 No 45

Agricultural Livestock (Disease Control Funding) Act 1998 No 139

Agricultural Scientific Collections Trust Act 1983 No 148

Animal Diseases and Animal Pests (Emergency Outbreaks) Act 1991 No 73

Animal Research Act 1985 No 123

Apiaries Act 1985 No 16

Australian Oil Refining Limited Agreement Ratification Act 1954 No 34

Biological Control Act 1985 No 199

Botany Bay National Park (Helicopter Base Relocation) Act 2004 No 27

Botany Cemetery and Crematorium Act 1972 No 6

C.B. Alexander Foundation Incorporation Act 1969 No 61

Catchment Management Authorities Act 2003 No 104

3. Legislation and legal change (continued)

- Central Coast Water Corporation Act 2006* No 105
Chipping Norton Lake Authority Act 1977 No 38
Christ Church Cathedral, Newcastle, Cemetery Act 1966 No 20
Commons Management Act 1989 No 13
Conversion of Cemeteries Act 1974 No 17
Crown Lands Act 1989 No 6 (except parts, the Minister for the Environment, parts, the Minister for Planning and Infrastructure, and parts, the Minister for Sport and Recreation)
Crown Lands (Continued Tenures) Act 1989 No 7
Dairy Industry Act 2000 No 54
Dams Safety Act 1978 No 96
Deer Act 2006 No 113
Dividing Fences Act 1991 No 72
Exhibited Animals Protection Act 1986 No 123
Farm Debt Mediation Act 1994 No 91
Farm Water Supplies Act 1946 No 22
Farrer Memorial Research Scholarship Fund Act 1930 No 38
Fertilisers Act 1985 No 5
Fisheries Act 1935 No 58
Fisheries Management Act 1994 No 38
Food Act 2003 No 43
Forestry Act 1916 No 55
Forestry Act 2012 No 96 (except parts, the Minister for the Environment)
Forestry (Darling Mills State Forest Revocation) Act 2005 No 2
Game and Feral Animal Control Act 2002 No 64
Gene Technology (GM Crop Moratorium) Act 2003 No 12
Gene Technology (New South Wales) Act 2003 No 11
Googong Dam Catchment Area Act 1975 No 4
Gore Hill Memorial Cemetery Act 1986 No 116
Hay Irrigation Act 1902 No 57
Hemp Industry Act 2008 No 58
Irrigation Areas (Reduction of Rents) Act 1974 No 83
Lake Illawarra Authority Act 1987 No 285
Marine Parks Act 1997 No 64, jointly with the Minister for the Environment
Meat Industry Act 1978 No 54
Murrumbidgee Irrigation Areas Occupiers Relief Act 1934 No 52
New South Wales–Queensland Border Rivers Act 1947 No 10
Non-Indigenous Animals Act 1987 No 166
Noxious Weeds Act 1993 No 11
Pipelines Act 1967 No 90 (jointly with the Minister for Resources and Energy)
Plant Diseases Act 1924 No 38
Plantations and Reafforestation Act 1999 No 97
Poultry Meat Industry Act 1986 No 101
Prevention of Cruelty to Animals Act 1979 No 200
Public Reserves Management Fund Act 1987 No 179
Public Works Act 1912 No 45, section 34 (3) and (4) (remainder, the Minister for Finance and Services)
Rice Marketing Act 1983 No 176
Roads Act 1993 No 33, Parts 2, 4 and 12 (section 178 (2) excepted) and section 148; and the remaining provisions of the Act so far as they relate to Crown roads (remainder, parts, the Minister for Roads and Ports, parts, the Minister for the Environment, and parts, the Minister for Local Government)
Rural Adjustment Scheme Agreement Act 1993 No 107
Rural Assistance Act 1989 No 97
Rural Lands Protection Act 1998 No 143
Snowy Hydro Corporatisation Act 1997 No 99, section 57 remainder, the Minister for Resources & Energy)
Snowy Mountains Cloud Seeding Trial Act 2004 No 19
Soil Conservation Act 1938 No 10 (except Parts 2A, 3 and 4, and sections 15 and 30A in so far as they relate to Parts 2A, 3 or 4, jointly with the Minister for the Environment)
State Water Corporation Act 2004 No 40
States and Northern Territory Grants (Rural Adjustment) Agreement Ratification Act 1985 No 113
States Grants (Rural Adjustment) Agreement Ratification Act 1977 No 104
Stock (Chemical Residues) Act 1975 No 26
Stock Diseases Act 1923 No 34
Stock Foods Act 1940 No 19
Stock Medicines Act 1989 No 182
Sydney Water Catchment Management Act 1998 No 171
Sydney Market Authority (Dissolution) Act 1997 No 62
Timber Marketing Act 1977 No 72
Trustees of Schools of Arts Enabling Act 1902 No 68
Tweed River Entrance Sand Bypassing Act 1995 No 55
Veterinary Practice Act 2003 No 87
Wagga Wagga Racecourse Act 1993 No 109, sections 4 and 5 (remainder, the Minister for Tourism, Major Events, Hospitality and Racing)
Water Act 1912 No 44
Water (Commonwealth Powers) Act 2008 No 69
Water Management Act 2000 No 92 (except parts, the Minister for Finance and Services)
Wentworth Irrigation Act 1890 54 Vic No 7
Western Lands Act 1901 No 70
Wild Dog Destruction Act 1921 No 17
- Minister for Resources & Energy**
- AGL Corporate Conversion Act 2002* No 16
Biofuels Act 2007 No 23
Coal Innovation Administration Act 2008 No 50
Coal Acquisition Act 1981 No 109
Coal Industry Act 2001 No 107
Coal Mine Health and Safety Act 2002 No 129
Coal Ownership (Restitution) Act 1990 No 19
Electricity Supply Act 1995 No 94
Energy and Utilities Administration Act 1987 No 103 (except parts, the Minister for the Environment)
Energy Services Corporations Act 1995 No 95
Eraring Power Station Act 1981 No 107
Gas Industry Restructuring Act 1986 No 213
Gas Supply Act 1996 No 38 (except part, jointly the Minister for Finance and Services and the Minister for Fair Trading)
Mine Health and Safety Act 2004 No 74
Mine Safety (Cost Recovery) Act 2005 No 116
Mine Subsidence Compensation Act 1961 No 22
Mining Act 1992 No 29 (except part, the Attorney General)
National Electricity (New South Wales) Act 1997 No 20
National Energy Retail Law (Adoption) Act 2012 No 37
National Gas (New South Wales) Act 2008 No 31
Northern Rivers County Council (Undertaking Acquisition) Act 1981 No 95
Offshore Minerals Act 1999 No 42
Petroleum (Offshore) Act 1982 No 23
Petroleum (Onshore) Act 1991 No 84
Pipelines Act 1967 No 90 (jointly with the Minister for Primary Industries)
Snowy Hydro Corporatisation Act 1997 No 99 (except section 57, the Minister for Primary Industries)

3. Legislation and legal change (continued)

Uranium Mining and Nuclear Facilities (Prohibitions) Act 1986
No 194

Minister for Tourism, Major Events, Hospitality and Racing

Australian Jockey and Sydney Turf Clubs Merger Act 2010 No 93
Casino Control Act 1992 No 15
Gaming and Liquor Administration Act 2007 No 91
Charitable Fundraising Act 1991 No 69
Destination NSW Act 2011 No 21
Gambling (Two-up) Act 1998 No 115
Gaming Machine Tax Act 2001 No 72, Part 4 and Schedule 1
(remainder, jointly with the Minister for Finance and Services,
except Part 3, the Minister for Finance and Services)
Gaming Machines Act 2001 No 127
Greyhound Racing Act 2009 No 19
Harness Racing Act 2009 No 20
Hawkesbury Racecourse Act 1996 No 74
Homebush Motor Racing (Sydney 400) Act 2008 No 106
Innkeepers Act 1968 No 24
Liquor Act 2007 No 90
Lotteries and Art Unions Act 1901 No 34
Motor Sports (World Rally Championship) Act 2009 No 55

Public Lotteries Act 1996 No 86
Racing Administration Act 1998 No 114
Racing Appeals Tribunal Act 1983 No 199
Registered Clubs Act 1976 No 31
Thoroughbred Racing Act 1996 No 37
Totalizator Act 1997 No 45 (except section 76, the Treasurer)
Unlawful Gambling Act 1998 No 113
Wagga Wagga Racecourse Act 1993 No 109 (except sections 4
and 5, the Minister for Primary Industries)

Minister for the Arts

Art Gallery of New South Wales Act 1980 No 65
Australian Museum Trust Act 1975 No 95
Copyright Act 1879 42 Vic No 20
Film and Television Office Act 1988 No 18
Library Act 1939 No 40
Museum of Applied Arts and Sciences Act 1945 No 31
Sydney Opera House Trust Act 1961 No 9

Minister for Small Business

Retail Leases Act 1994 No 46
Small Business Development Corporation Act 1984 No 119

4. Significant judicial decisions

Arnold v Minister administering the Water Management Act 2000 (No 6) [2013] NSWLEC 73

On 4 June 2013 the Land and Environment Court dismissed a challenge to the validity of the Water Sharing Plan for the Lower Murray Groundwater Source. The case, which was brought against the State of NSW by over 100 farmers from the Lower Murray area of NSW, previously involved unsuccessful appeals by the same licence holders to the Court of Appeal and the High Court.

The licence holders argued that the water sharing plan was invalid because the NSW Government's water modelling was flawed and that socio economic considerations were not adequately considered. The applicants also argued that the Plan failed to deal with certain matters required by the *Water Management Act 2000*, and that the replacement of bore licences under the *Water Act 1912* with aquifer access licences under the 2000 Act involved an acquisition of property other than on unjust terms within the meaning of s51(xxxi) of the Commonwealth Constitution.

The Court found that on the basis of the scientific material available when the Minister made the Plan, the recharge figure adopted could not be regarded as irrational and it was not manifestly unreasonable for the Minister to make the Plan with that recharge figure as the main component of the long term water extraction limit.

Justice Biscoe held that the statutory obligation on the Minister to have due regard to the socioeconomic impacts of a proposed plan did not include a mandatory requirement to conduct a formal socio-economic study nor to consider individual impacts on a farm-by-farm basis. The Court found that although no formal or farm-by-farm socio-economic impacts study had been conducted, the Minister and others involved in developing the Plan had considered a wide range of socioeconomic factors.

The Court also rejected the applicants' argument that the Plan was defective in form. Biscoe J found that the argument was

based on a misconstruction of certain provisions of the 2000 Act. Finally, Justice Biscoe held that the applicants' challenge based on s51 (xxxii) of the Commonwealth Constitution must also fail because the High Court had previously rejected the same argument.

Fullerton Cove Residents Action Group Incorporated v Dart Energy Ltd (No 2) [2013] NSWLEC 38

On 28 March 2013 the Land and Environment determined *Fullerton Cove Residents Action Group Incorporated v Dart Energy Ltd* (No 2) [2013] NSWLEC 38 by upholding the Department's decision to grant approval to Dart Energy Ltd for the construction of a coal seam gas exploration program at Fullerton Cove NSW.

The Applicants commenced judicial review proceedings against Dart Energy and the Department in respect of the Department's assessment of the Pilot Project under Part 5 of the *Environmental Planning and Assessment Act 1979*. They sought orders restraining Dart Energy from carrying out the Pilot Project alleging that the Department had breached ss111 and 112 of that Act in assessing, and ultimately granting approval for, the Pilot Project. Prior to the hearing of the substantive proceedings in October 2012, there were interlocutory proceedings in September 2012 where an injunction was successfully sought by the FCRA requiring Dart to cease the commencement of the Pilot Project until the substantive proceedings were determined.

In an extensive judgement, Pepper J found in favour of Dart and the Department and held that no breach of ss111 or 112 of the EPA Act had been established by the Applicants.

The reasoning adopted by Pepper J in her decision appears to enable any person who opposes a project assessed under Part 5 of the EPA Act to commence judicial review proceedings in relation to assessments carried out under Part 5 of the *Environmental Planning and Assessment Act 1979* and

4. Significant judicial decisions (continued)

to adduce new expert evidence (which proponents and Government agencies will be required to refute) as to the likely impacts of a project and the significance of these impacts.

Nash v Austerberry Directional Drilling Services Pty Ltd [2013] NSWIRComm 37

On 22 May 2013, the Industrial Court fined Austerberry Directional Drilling Services Pty Ltd (ADDS) \$170,000 and awarded a moiety as well as costs to the Department for ADDS's breach of s8(2) of the *Occupational Health and Safety Act 2000*.

ADDS held a contract to install a pipeline under Bohena Creek at a mine site. A contractor to ADDS was fatally injured when struck by a recoiling polyethylene pipe being pulled from underground.

The Court held that ADDS had failed to ensure that persons not in its employment were not exposed to risks to their health or safety arising from the conduct of its undertaking while at their place of work. The Court also held that the incident had been "foreseeable and easily preventable, and highlighted the serious risk of injury associated with any attempted retrieval of this type of pipeline, should they become stuck underground".

Minister Administering the Crown Lands Act v New South Wales Aboriginal Land Council [2012] NSW CA 358 (The "Goomallee" Appeal)

On 9 November 2012, the above decision was brought down with all five judges of the NSW Court of Appeal rejecting the Minister's appeal against the decision of Biscoe J of the Land & Environment Court. The Land & Environment Court hearing concerned the refusal by the Minister of an Aboriginal land claim which was lodged by the New South Wales Aboriginal Land Council (NSW ALC) pursuant to section 36 of the *Aboriginal Land Rights Act 1983* (NSW) (the ALRA).

The Minister had refused the Aboriginal land claim on the grounds that the land was lawfully used and occupied by a licence for grazing over the land. It was therefore not claimable pursuant to section 36(1)(b) of the ALRA.

The NSWALC was successful in its appeal to the Land & Environment Court. The Minister then appealed to the New South Wales Court of Appeal.

Relevantly, the claimed land was reserved from sale for public recreation under the *Crown Lands Act 1989*. A licence for grazing the land was subsequently granted by the Minister. The issue considered by the Land & Environment Court was whether a licence for grazing over land that was reserved from sale for public recreation was lawful for the purposes of section 36(1) of the ALRA. Justice Biscoe concluded that the test of whether a use permitted by a licence of reserved Crown Land is lawful within the meaning of section 36(1)(b) is whether the purpose for which the land is used is the authorised purpose for which it was reserved or a purpose that furthers or is ancillary to the reserved purpose. On that test, grazing does not further nor was it not ancillary to the reserve purpose of public recreation.

The Minister appealed on this point.

The Court of Appeal concluded that the Minister had no power to issue a grazing licence under the *Crown Lands Act 1989* (the Act) that was inconsistent with a reserve purpose. The Court agreed with the judgment of the Land & Environment Court that the issue of a grazing licence over the claimed land was not a valid exercise of the Minister's power. The Court held that the lawfulness of any licence issued over reserved Crown land will depend on the terms of the restraint imposed on the use of the land by the reservation. On the facts the Court concluded that a grazing licence was incompatible with public recreation. Basten JA concluded "where the use of land is restricted to a particular purpose, the use for some other unrelated purpose is not authorised."

The Court of Appeal concluded that the land was claimable Crown land under section 36 of the *Aboriginal Land Rights Act 1983* (ALRA). Without a valid licence there was no lawful use and occupation of the land.

5. Evaluation and improvement

Internal audit and risk management systems are a critical part of NSW Trade & Investment's, corporate governance and internal control systems and a requirement of Treasury Policy Paper TPP 09-05 Internal Audit and Risk Management for the NSW Public Sector.

These processes and systems provide a level of assurance that enables senior management of the department to understand, manage and satisfactorily control risk exposures. NSW Trade & Investment is committed to continuous improvement of programs and services to both internal and external stakeholders.

The department operated a co-sourced internal audit function in 2012–13. Internal audits were conducted by its own staff and contractors Deloitte Touche Tohmatsu, KPMG and O'Connor Marsden and Associates. Reports containing findings and recommendations were provided to the Audit and Risk Committee (ARC). The implementation of all recommendations is monitored and particular emphasis given to those rated as high to very high risk.

The ARC has five members including an independent chair and two independent members.

The ARC met on five occasions and the following internal reviews were undertaken during 2012–13:

- » Arts NSW Funding Program
- » Biosecurity Strategy Follow-up Audit
- » Crown Lands Conversion, Valuation and Asset Data Management Project
- » Energy Rebate
- » Governance Framework of Crown Cemetery Trusts
- » Management of Scientific Information
- » Mine Safety
- » Mineral Resources Royalties and Licence Revenue
- » Mineral Resources Environmental Impact Monitoring
- » Ministerial Liaison Processes
- » NSW Office of Water Local Water Utilities Performance Reporting
- » NSW Office of Water Pipeline NSW
- » NSW Office of Water, Water Access Licence Dealings
- » NSW Office of Water, Water Data Monitoring
- » Office of Liquor Gaming and Racing Wagering and Taxation Compliance
- » Office of Water Drillers Licensing
- » Payroll Tax Incentive Scheme
- » Selection and Appointment of Reserve Trust Boards and Administrators
- » Total College CB Alexander Campus

6. Risk management and insurance

Risk management

The department's enterprise risk management (ERM) framework has been developed in accordance with the NSW Treasury Internal Audit and Risk Management Policy for the NSW Public Sector (TTP 09-5). It provides a systematic approach for implementing, monitoring, reviewing and continually improving our risk management processes.

Implementation of the framework has involved the department's divisions completing Divisional Risk Registers. Each division has identified and evaluated its risks. In addition, they documented current controls and proposed mitigation strategies, which are either already implemented or will be implemented, to minimise negative risks or enhance positive opportunities. Under the framework, each division has appointed a Divisional Risk Coordinator who is responsible for guiding the implementation of risk management within their respective division.

Continual improvement is a key part of the ERM framework. This involves:

- » bi-annual review of the divisional risk registers to update mitigation strategies, emerging risks and changes to levels of risk
- » bi-annual meetings of Divisional Risk Coordinators to review monitoring and reporting
- » annual review of high level corporate risks considering their relevance and ranking

The corporate and divisional risk registers are also used to inform the department's internal audit and evaluation program, overseen by the Audit and Risk Committee.

In addition, risk management principles are overtly embedded in a number of specific functions across the department, including work health & safety, program and project management, emergency management planning, environmental management systems and catchment management processes.

Risk management attestation

The following Attestation Statement outlining compliance with the Treasury Circular TC 09/08 Internal Audit and Risk Management Policy has been submitted to Treasury on behalf of the Treasurer.

Internal Audit and Risk Management Attestation for the 2012–2013 Financial Year for the Department of Trade and Investment, Regional Infrastructure and Services

I, Mark I Paterson AO, Director General of the NSW Department of Trade and Investment, Regional Infrastructure and Services (NSW Trade & Investment), am of the opinion that NSW Trade & Investment has internal audit and risk management processes in operation that are, in all material respects, compliant with the core requirements set out in Treasury Circular TC 09/08 *Internal Audit and Risk Management Policy*. These processes provide a level of assurance that enables the senior management of NSW Trade & Investment to understand, manage and satisfactorily control risk exposures.

I, Mark I Paterson AO, am of the opinion that the Audit and Risk Committee is constituted and operates in accordance with the independence and governance requirements of Treasury Circular NSW TC 09/08. The Chair and Members of the Audit and Risk Committee are:

- Independent Chair Mr Ian Neale, (appointed from 8 April 2013 to 7 April 2016)
- Independent Member Ms Victoria Weekes, (appointed from 8 April 2013 to 7 April 2016)
- Independent Member Mr Ken Barker, (appointed 7 October 2011 to 6 October 2014)
- Non-independent Member Ms Renata Brooks, (appointed from 18 February to 17 February 2016)
- Non-independent Member Mr Michael Bullen, (appointed from 18 February 2013 to 17 February 2016)

This Audit and Risk Committee has been established under a shared arrangement with the following statutory bodies.

- NSW Food Authority
- Screen NSW

I, Mark I Paterson AO, declare that this Internal Audit and Risk Management Attestation is made on behalf of the controlled entity Milk Marketing (NSW) Pty Limited.

During 2012–2013 NSW Trade & Investment's internal audit services were provided by three external contractors and departmental staff. This model was chosen after a review of the internal audit function which included consultation with stakeholders, management and the Committee.

Should you wish to discuss this statement further, please contact Sian Malyn, Chief Audit Executive on (02) 9842 8034.

Yours sincerely



Mark I Paterson AO
Director General

27/8/13

6. Risk management and insurance (continued)

Insurance

The department is insured through the Treasury Managed Fund, a self insurance scheme administered by the GIO (general insurance) and Allianz (workers compensation insurance). The coverage provided by the scheme is all inclusive, and policies

are held for Workers Compensation, Motor Vehicles, Property, Miscellaneous and Public Liability.

A summary of claims paid by the Managed Fund during the 2012–13 financial year:

Policy	No Claims	Amount Paid \$	Reserve Balance \$	Recovered to Date \$	Net Incurred \$
Motor Vehicles	269	1 409 426	38 056	123 404	1 324 078
Property	110	2 187 876	1 600 887	15 076	3 773 688
Public Liability	30	604 918	2 351 898	55	1 874 008
Miscellaneous	3	83 687	3 912	0	87 599

7. Occupational health & safety

The 2012–13 year has been a very successful and productive environment in the area of workplace safety within the department. Over this period the department has delivered on a number of key health and safety initiatives as well as steady progress on the implementation of the Safety and Wellbeing Strategic Plan 2012–2015.

There has been strong performance across all key performance areas highlighted by a significant reduction in lost time injuries (LTI) and subsequent lost time injury frequency rate (LTIFR). There has also been a marked improvement in the injury duration rates due to the effectiveness of the early intervention strategies that result in reduced total LTI days. Other positive results have included an increase in total incidents reported and incident investigations completed which assists in improving the preventative safety culture. Importantly once again this year the department has not incurred any workplace fatalities during the 2012–2013 year.

The completion of specified programs within the Safety and Wellbeing Strategy 2012–2013 are on track and in accordance with the project plan. Additionally there has been development of a number of new and innovative tools designed to enhance positive safety behaviour across the department. Two such tools have been the development of a safety@trade application for smart devices that enhance incident notification responsiveness. These new tools have provided workers with remote access real time to the safety management system resources both on and off line.

During 2012–13 the Health & Safety unit has engaged all business areas with consultation occurring at all levels within the business. This consultation has positively influenced the success of the safety management system implementation.

All open workers compensation matters have now been transitioned into management under the department's workers compensation unit which has resulted in premium reductions for future years and refunds of approximately \$2.1 million dollars from revised hindsight calculations from the Treasury Managed Funds (TMF).

Workplace Incident Statistics – Performance Indicators

	2012–13
Frequency Rate (*)	7.20
Incident Rate (†)	1.28
Average Lost Time Rate (‡)	11.67
No. Lost Time Incidents (LTIs)	72.00
Lost Time Severity Rate (Δ)	84.05

Explanation of performance indicators

* The number of Lost Time Incidents (LTIs) 1 000 000 hours worked

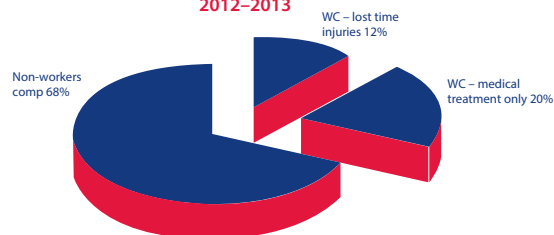
† The number of LTIs per 100 employees

‡ Average lost time rate is time lost in days divided by the number of injuries

Δ The number of days lost per 1 000 000 hours worked

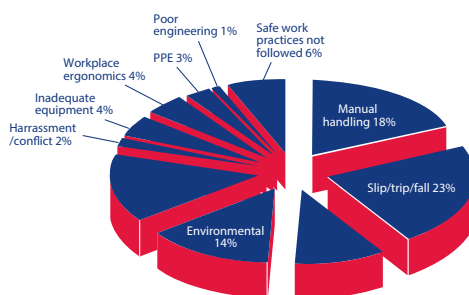
Injuries Sustained

NSW Trade & Investment Workers compensation – distribution of injuries 2012–2013



Mechanism of Recordable Injuries

NSW Trade & Investment Mechanism of injury 2012–2013



8. Staff statistics

All statistics shown in the following tables are expressed in equivalent full time (EFT) unless otherwise stated.

Staff numbers

	2010–11	2011–12	2012–13
Permanent	3 369	4 036	3 385
Other	942	742	1 120
Totals	4 311	4 778	4 505

Number of female and male staff within salary levels

Salary level	\$0– \$41 679	\$41 679– \$54 742	\$54 742– \$61 198	\$61 198– \$77 441	\$77 441– \$100 145	\$100 145– \$125 181	\$125 181 > (Non SES)	\$125 181 > (SES)	Total
Female	108	222	215	479	586	335	33	45	2 023
Male	113	257	110	346	806	613	177	60	2 482
Totals	221	479	325	825	1 392	948	210	105	4 505

Number and level of executive staff

Level	1	2	3	4	5	6	7	8	Total
Male	17	14	12	8	5	2	0	2	60
Female	16	3	9	8	5	1	3	0	45
Totals	33	17	21	16	10	3	3	2	105

Note: All NSW Trade & Investment staff is subject to the policies and practices within the NSW Government Personnel Handbook Version 13.2a, including Industrial Relations policies and practices.

9. Equal Employment Opportunity

Women's employment and development

NSW Trade & Investment continues to work to develop an organisational environment where women can maximise their opportunities and talents and achieve their career goals. The department's wider workforce management programs provided the context within which the department sought to position itself as an attractive and supportive workplace for women, and to retain and better manage talented female employees for senior management and leadership roles.

Fourteen high potential women at Clerk Grade 5/6–7/8 levels participated in the Public Service Commission's 'Drive your Career Program' during the year. The program provides a structured learning and development pathway run over twelve weeks, allowing more women to be given the opportunity to develop core personal and professional skills.

Twelve women participated in the Department's Leadership Program this year. The program is designed to develop leadership capabilities and skills in emerging leaders within the organisation. It consists of a blend of residential workshops, experiential learning activities, peer coaching and support, and team project work.

Twenty women participated in the Fundamentals of Management Program which is a four day residential workshop for managers who directly manage staff and are either new to management roles, have little or no formal training, or have identified management skills as a training need through the Performance and Development Scheme.

Aboriginal Employment Strategy (AES)

The department continued to progress work that supports our AES by identifying areas aimed at retaining and developing Aboriginal employees. It is anticipated that this will include

targeted professional programs, career development opportunities and secondment programs. These activities will complement the continued promotion of the department's activities to Aboriginal communities through arts and cultural events and major business initiatives.

Aboriginal Water Initiative

The department employed additional Aboriginal staff in identified positions as part of the Aboriginal Water Initiative. The initiative is focused on ensuring there is ongoing effective state-wide and regional engagement with Aboriginal communities in the preparation and review of water sharing plans and that measurable outcomes for cultural, environmental and commercial uses are achieved and reported upon.

The program has already improved engagement with regional Aboriginal communities in water management, developed further skills and capability of Aboriginal water facilitators and coordinators, developed further skills and capability of staff to improve service delivery to Aboriginal communities, and assisted in identifying key water-related environmental, social, cultural and economic opportunities and priorities for Aboriginal communities.

Under this initiative, numerous Aboriginal community consultations and workshops have already taken place throughout NSW, with many more planned over 2013–14.

Aboriginal Community Engagement

This year the department conducted ten fishing and Aboriginal cultural workshops for over 300 children and their families. The fishing and cultural workshops offer Aboriginal children fishing skills, teaches social interaction skills and provide a great opportunity for the elders, parents, grandparents, aunties and

9. Equal employment opportunity (continued)

uncles to share their knowledge. The workshops were carried out in partnership with the Aboriginal Fishing Advisory Council and various organisations including:

- » Port Stephens Family Support Service
- » Deadly Dads Program
- » Eden Local Aboriginal Land Council
- » St Patrick's Parish School
- » Murray Darling Basin Commission
- » Shoalhaven Local Area Command
- » Police Citizens Youth Club
- » Koori Men's Support Group
- » Volunteers in Policing
- » Fishcare Volunteers
- » Shellharbour Communities for Children
- » Liverpool Youth Accommodation Assistance Company
- » Community Health Services in Sydney
- » South Western Sydney Local Health District
- » Sydney Local Health District
- » NSW Aboriginal Lands Council
- » NSW Aboriginal Affairs
- » Smiths Family
- » NSW Recreational Fishing Trust
- » KARI Aboriginal Resources Inc

Disability Action Plan

The department developed a Disability Action Plan for internal consultation across the department this year. It is an overarching plan which will cater for a number of specific Disability Action Plans for agencies and for cultural institutions within the department which interface directly with the broader community. New guidelines for Disability Action Plans are being prepared by the Department of Family and Community Services based on the National Disability Strategy and these will be incorporated into the department's broader Disability Action Plan once developed.

National Disability Strategy

The department continued its participation in the development of a whole-of-government National Disability Strategy NSW Implementation Plan driven by the Department of Family and Community Services. It is part of the Council of Australian Governments (COAG) strategy to improve the lives of people with disability, promote participation and create a more inclusive society. It focuses on six policy areas, with strategies under each area which affect whole-of-government and which have designated lead agencies. The department, through Arts NSW, is the lead agency in an initiative to improve participation by people with a disability in the arts in NSW as part of the broader strategy 'Inclusive and Accessible Communities'.

Disability workshops

Thirty one fishing workshops were conducted throughout NSW for over 800 people with physical and/or intellectual disabilities or with special needs and included children, adults, senior citizens, Aboriginal youth and communities from different cultural backgrounds. The workshops are part of a state-wide program run by the department with the assistance of funds from the NSW Recreational Fishing Trust.

These workshops were carried out with support from:

- » Recreational Fishing Trust
- » Department of Family & Community Services Ageing, Disability and Home Care
- » Recreational Fishing Alliance NSW
- » Lane Cove & North Side Community Services

- » Lower North Shore Community Transport
- » Port Stephens Family Support Service
- » Wyong Shire Council
- » Central Coast Disability Network
- » Baptist Community Services
- » Haven Education Centre
- » Police Community Youth Club
- » East Gosford Lions Club
- » Central Coast Family Support
- » Lane Cove Council
- » East Gosford Lioness
- » Basin View Masonic Village
- » Shoalhaven Interchange
- » Interchange Disability Support Services
- » Mosman Council
- » Illawarra Retirement Trust
- » Gosford City Council
- » Shellharbour Communities for Children
- » NSW Police – Shoalhaven Local Area Command
- » Shoalhaven Police Citizens Youth Club
- » Lake Illawarra Police Citizens Youth Club
- » Volunteers in Policing
- » Fishcare Volunteer
- » Aboriginal Affairs NSW
- » KARI Aboriginal Resources Inc
- » Liverpool Youth Assistance Accommodation Assistance Company
- » Community Health Services Sydney
- » South Western Sydney Local Health District

The workshops also involved helping people who have had injuries reconnect with recreational activities, move forward in their recovery by learning new skills, address social isolation and improve their social and emotional wellbeing.

Disability cultural programs

The NSW Government has committed \$1.5 million over two years to increase access to arts and cultural activities for people with a disability, with 2012–13 being the second year of this funding. The *NSW Arts and Disability Partnership* is funded by Ageing, Disability and Home Care (ADHC) within NSW Department of Family and Community Services, and is administered by Arts NSW.

In June 2013, the Partnership funded a further fifteen projects involving people with disabilities which was delivered by professional arts organisations and disability organisations. These projects will take place during 2013–14. The partnership also provided funding for a second round of *Amplify your art* grants and a two-year research project into the impacts of the Partnership on the participants with disability and the participating organisations. This research project is being administered by the University of Technology Sydney.

Outcomes this year include:

- » Twelve workshops and programs involving people with disabilities run by professional arts organisations in metropolitan and regional NSW.
- » Regional Arts NSW delivered eleven *Access all areas* workshops in regional NSW to help build networks and partnerships.
- » Professional development grants and mentoring programs were delivered for twelve NSW artists with disabilities. Accessible Arts managed this grant program under the partnership that also held a professional development day for the grant recipients.

9. Equal employment opportunity (continued)

- » The Australian Network on Disability developed information and resources to assist State cultural institutions and State-significant arts organisations in NSW to develop employment and work experience opportunities for people with disability.

Community events

The department participated and exhibited at the International Day of People with Disability Community Festival 2012. Staff assisted over 300 children and adults with physical and/or intellectual disabilities to explore and touch live intertidal marine animals and plants.

Participants came from various communities and organisations including:

- » Central Coast Disability Network
- » Peninsula Community Centre Ageing and Disability Services
- » Life Without Barriers
- » Just Better Care Central Coast
- » Vision Australia
- » Centacare
- » Job Centre Australia
- » Coastwide Therapy Services
- » Northcott Disability Services
- » Samaritans
- » Commonwealth Respite & Carelink Centre
- » Special Olympics Central Coast
- » ADSSI Home Living Australia
- » Guide Dog NSW
- » Response Art and Design
- » Response Services Incorporated
- » Fairhaven Services
- » House With No Steps
- » Northern Lakes Disability Tourism

Arts Funding Program

Organisations funded under Arts NSW's competitively-assessed Arts Funding Program are expected to consider the needs of people with disability as creators, participants and audiences. In 2012–13 the Arts Funding Program funded 31 programs and projects to increase participation in the arts and cultural sectors by people with disability.

Equal Employment Opportunity Survey

The department encouraged staff to populate the Equal Employment Opportunity Survey in its new SAP ByDesign system by the end of the reporting year. The survey will be used to help give an accurate picture of our workforce diversity and inform our diversity initiatives.

i-Learn@Trade

The department's on-line learning portal, i-Learn@Trade, was rolled out across a number of business areas following its launch last year with over 2000 staff completing all five core induction and compliance module. These include modules on the NSW Trade & Investment Code of Conduct, Equal Employment Opportunity, and Workplace Bullying. The modules are interactive and self-paced and allow for centralised and accessible learning that can be accessed from the workplace or the home.

Workshops on Carer's Legislation

Thirty four staff and managers across the department attended workshops in Sydney, Orange, Newcastle, Wollongong, Gosford and Armidale concerning the *NSW Carers (Recognition) Act 2010*. The workshops were presented by the Department of Family and Community Services between May and July 2013, and gave an understanding of the Act's application to the department's practices and an awareness of the resources available, such as flexible work practices and access to support services for carers, to ensure human resource policies consider the needs of carers across the department.

Trends in the Representation of EEO Groups

EEO Group	Benchmark/Target	2010	2011	2012	2013
Women	50%	39.10%	56.50%	59.90%	44.80%
Aboriginal People and Torres Strait Islanders	2.60%	2.30%	1.50%	0.70%	0.40%
People whose First Language Spoken as a Child was not English	19.00%	12.70%	15.20%	17.40%	7.60%
People with a Disability	N/A	5.70%	1.50%	1.80%	1.80%
People with a Disability Requiring Work-Related Adjustment	1.50%	2.20%	0.00%	0.50%	0.10%

Trends in the Distribution of EEO Groups

EEO Group	Benchmark/Target	2010	2011	2012	2013
Women	100	89	92	89	91
Aboriginal People and Torres Strait Islanders	100	89	81	74	75
People whose First Language Spoken as a Child was not English	100	101	104	103	106
People with a Disability	100	96	95	96	103
People with a Disability Requiring Work-Related Adjustment	100	89	90	84	86

Note: These figures are yet to be substantiated by the Public Service Commission.

10. Overseas travel

Office of the Director General

Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
Mark Paterson	Director General	China and Japan	Business and government meetings with the Deputy Premier	2/12/2012	8/12/2012
Mark Paterson	Director General	China, Hong Kong	Speak at the opening plenary of the Bo'ao Forum and meeting with a number of Chinese businesses.	15/01/2013	19/01/2013
Mark Paterson	Director General	UAE and India	Business and government meetings with the Deputy Premier	13/04/2013	19/04/2013
Mark Paterson	Director General	China	Business and government meetings with the Deputy Premier	27/06/2013	4/07/2013

Finance, Strategy & Operations Division

Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
Jeannine Biviano	Deputy Director General	United States	Speaker at a global conference	13/05/2013	18/05/2013

Industry, Innovation, Hospitality & the Arts Division

Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
Gary Offner	Director	China – UAE – India	Management visit to TIRIS overseas offices to brief staff on operations and strategy under the new structure	9/12/2012	21/12/2012
Fiona Scott	Economist	Cambodia	Attend 4th International Conference on Environmental and Rural Development Conference in Siem Reap	17/01/2013	10/02/2013
Rajinder Pal Singh	Senior Economist	Cambodia	Attend project review and planning meeting with the Cambodian & international collaborators in the Aciar CSE 2009 037 project	20/03/2013	29/03/2013
Kylie Hargreaves	Executive Director, Investment & Export Services	USA – LA and San Francisco	Attend events and business meetings associated with G'Day USA	09/01/2013	18/01/2013
Kylie Hargreaves	Acting Deputy Director General, IHH&A	Japan – Tokyo	Represent the NSW Government at the Japan–Australia Business Cooperation Council / Australia–Japan Business Cooperation Council (AJBCC) annual infrastructure promotion visit to Japan	23/02/13	01/03/2013
Kylie Hargreaves	Acting Deputy Director General, IHH&A	USA – Chicago	Attend Commonwealth (Austrade) North American Annual Management Meeting in Chicago	20/05/13	26/05/13

NSW Department of Primary Industries and Resources & Energy Division

Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
Paul Milham	Environment Chemist	Vietnam	Research project for ACIAR funding to focus on the microbial safety of leafy vegetables in NSW. There will be consultation with partners in Vietnam on the NSW component, and to scope the overseas component	6/01/2012	13/01/2013
David Hopkins	Senior Principal Research Scientist	New Zealand	To attend 2nd joint conference of the NZ & Australian Societies of Animal Production and present 5 papers to the conference	1/07/2012	5/07/2012
David Hopkins	Senior Principal Research Scientist	New Zealand	To attend 2nd joint conference of the NZ & Australian Societies of Animal Production and present 5 papers to the conference.	1/07/2012	5/07/2012
Hutton Oddy	Principal Research Scientist	New Zealand	Attend Australian Society of Animal Production/ New Zealand Society of Animal Production Meeting to receive Fellowship Award	3/07/2012	5/07/2012
Shoba Venkatanagappaf	Research Agronomist	USA	Attend North American Alfalfa Improvement Conference Australia and present a paper on Lucerne Breeding and Improvements in Australia	7/07/2012	20/07/2012
Jason Crean	S/Director, Strategic Research	India	Attend the official launch of the major International ACIAR project to allow key linkages with project team and provide opportunity to develop and finalise collaborative work programs around key project milestones	7/07/2012	17/07/2012

10. Overseas travel (continued)

Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
Scott Davenport	Executive Director, Strategic Policy	India	Attend the official launch of the major International ACIAR project to allow key linkages with project team and provide opportunity to develop and finalise collaborative work programs around key project milestones	7/07/2012	17/07/2012
Graeme Schwenke	Soil Scientist	Germany/Czech Rep	To present results of scientific field research to the symposium on Managing Soils for Food Security and climate Change Adaption and Mitigation	13/07/2012	30/07/2012
Paul Greenwood	Principal Research Scientist	USA	Attend and present findings from DPI Beef CRC research on "Consequences of Maternal Nutrition and Early-life Growth"	13/07/2012	22/07/2012
Hubert Brouwers	Research Officer	The Netherlands	To attend the 13th conference of the Society for veterinary Epidemiology and Economics.	10/08/2012	9/09/2012
Peter Snell	Rice Breeder	Cambodia	Present and attend the 2nd Annual review and planning meeting for ACIAR project.	12/08/2012	17/08/2012
David Jordon	Principal Research Scientist	The Netherlands	Attend 13th meeting of the International Society of Veterinary Epidemiology and Economics presenting a scientific paper on original research performed in the course of duties	17/08/2012	29/08/2012
Ian Wooden	Senior Fisheries Technician	USA	Present talks at the American Fisheries Society Annual Conference on optimising environmental water delivery for fish communities	17/08/2012	31/08/2012
Robert Mensah	Principal Research Scientist	South Korea	To attend the Organising Committee of the International Congress of Entomology to attend and organise insect biological control symposium at the Conference	17/08/2012	26/08/2012
Fabiano Ximenes	Research Officer	Japan	Attend International IPCC meeting representing Australia	23/08/2012	30/09/2012
Steve Benthams	Inspector Mechanical Engineering	Canada	To attend IECEX ExTAG technical committees meetings and chair working group meetings for technical committee working group.	29/08/2012	16/09/2012
Mohamed Abdelkrimi	Senior Electrical Engineer	Canada	To attend IECEX ExTAG technical committees meetings as a delegate and meeting observer.	30/08/2012	12/09/2012
Sandra Hardy	Industry Leader	Bhutan	First trip for new ACIAR project	31/08/2012	16/09/2012
Graeme Sanderson	Research Horticulturist	Bhutan	First trip for new ACIAR project	31/08/2012	16/09/2012
Geoff Allen	Executive Director, Fisheries	Prague	Invited as keynote speaker at AQUA 2012 and to accept World Aquacultural Society Fellowship Award for services to aquaculture	31/08/2012	7/09/2012
Graeme Sanderson	Research Horticulturist	Bhutan	First trip for new ACIAR project.	31/08/2012	16/09/2012
Gavin Tinning	Project Officer	Indonesia	Finalise preparations for ACIAR projects final draft report and final review	4/09/2012	15/09/2012
Donald Irving	Research Horticulturist	Papua New Guinea	Start a research program for ACIAR project	5/09/2012	22/09/2012
David Michalk	Senior Principal Research Scientist	China	Accompany NSW senior leadership to attend 60th celebration of the founding of the Inner Mongolian Agriculture University	6/09/2012	28/09/2012
Michael Bullen	Deputy Director General	China	Accompany NSW senior leadership to attend 60th celebration of the founding of the Inner Mongolian Agriculture University.	6/09/2012	28/09/2012
Warwick Badgery	Research Agronomist	China	ACIAR project examining sustainable livestock grazing systems	8/09/2012	28/09/2012
Jeremy Giddings	Irrigation Officer	Pakistan	Undertake irrigation related components of ACIAR project	8/09/2012	14/09/2012
Melinda Gabor	Veterinary Pathologist	USA	Sit examination, certification by American College of Veterinary Diagnostic Laboratory	12/09/2012	26/09/2012
Gerard Kelly	District Horticulturist	Cambodia	Annual review of ACIAR project	12/09/2012	21/09/2012
Geoff Miller	Technical Officer	China	Accompany NSW senior leadership to attend 60th celebration of the founding of the Inner Mongolian Agriculture University	13/09/2012	29/09/2012
Bhupinderpal Singh	Senior Agronomist	China	Attend conference 4th International Biochar Initiative Conference to present research findings	15/09/2012	21/09/2012

10. Overseas travel (continued)

Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
Stewart Fielder	Research Officer	Thailand	To complete contracted obligations with US Soybean Export Council	16/09/2012	26/09/2012
Mark Norton	Research Scientist	Turkey	Attend and present keynote address at 14th Meeting of FAO-CHIHAM	1/10/2012	9/10/2012
Suzie Newman	Senior Research Horticulturist	Vietnam	ACIAR project continuation	1/10/2012	31/01/2013
Pip Brock	Leader, Life Cycle Assessment	France	Attend 8th Conference on Life Cycle Assessment in Agri-food sector	2/10/2012	4/10/2012
Simon Eldridge	Soil Scientist	Philippines	Participate in a series of farmer forums and interviews at 5 sites across the Southern Philippines as part of an ACIAR funded SRA (small research and development activity) entitled 'Improving profitability and sustainability of vegetable value chains in the Southern Philippines'	6/10/2012	16/10/2012
Sandra McDougall	Industry Leader	Philippines	ACIAR project to develop full proposal Phase 2 with Philippine collaborators/	8/10/2012	14/10/2012
Greg Mills	Livestock Officer	USA	To attend the 2012 Food Integrity Summit	19/10/2012	6/11/2012
Craig Boys	Research Scientist	Lao	Perform fieldwork associated with ACIAR project seeking to improve downstream fishing passage	20/10/2012	29/10/2012
Jarrod McPherson	Fisheries Technician	Lao	Perform fieldwork associated with ACIAR project seeking to improve downstream fishing passage	23/10/2012	5/11/2012
Dianna Watkins	Director, Industry, Policy & Legislation	New Zealand	To provide support to the Minister and Director Industry Policy and Legislation at the Standing Council on Primary Industries (SCOPI) meeting	25/10/2012	27/10/2012
Dr Richard Sheldrake	Director General, DPI	New Zealand	To provide support to the Minister and Director Industry Policy and Legislation at the Standing Council on Primary Industries (SCOPI) meeting	25/10/2012	27/10/2012
Andrew Jessup	Research Horticulturist	China	To provide technical advice on cold disinfestation schedules for access of Australian cherries to China	28/10/2012	2/11/2012
Peter Slavich	Project Leader ACIAR	Indonesia	This is the final visit scheduled in 2012 for project 2007/040 in Aceh	4/11/2012	24/11/2012
Malem McLeod	Hydrologist	Indonesia	This is the final visit scheduled in 2012 for project 2007/040 in Aceh	4/11/2012	12/11/2012
Brad Keen	Technical Officer	Indonesia	This is the final visit scheduled in 2012 or project 2007/040 in Aceh.	4/11/2012	24/11/2012
Rebecca Lines-Kelly	Extension Specialist	Indonesia	This is the final visit scheduled in 2012 for project 2007/040 in Aceh	4/11/2012	12/11/2012
Tahir Khurshid	Research Horticulturist	Spain	To visit citrus research facilities and participate in the 12th International Citrus Congress	12/11/2012	25/11/2012
Steven Falivene	Citrus Extension Officer	Spain	To visit citrus research facilities and participate in the 12th International Citrus Congress	16/11/2012	30/11/2012
Grant Chambers	Technical Officer	New Zealand	To attend the 10th Australasian Plant Virology Workshop (APVW) in Hanmer Springs, New Zealand	19/11/2012	23/11/2012
Jennifer Ekman	Research Horticulturist	Philippines	To develop a postharvest research program for the Philippines. The trip will include meetings with project collaborators at the University of the Philippines, Mindanao, University of the South Eastern Philippines, Visayas State University	19/11/2012	30/11/2012
Paul Arthur	Research Leader/SPRS	Bangkok	Attend 15th animal science congress of the Asian-Australasian Ass of animal production	24/11/2012	1/12/2012
John Tracey	Manager Invasive Species Programs	UK – York	Final oral exam (Viva)	4/12/2012	16/12/2012
Mark Hickey	Industry Leader	Cambodia	Meet with ACIAR HORT/2012/018 Cambodia Mango Project and government officials to discuss the new large ACIAR project which is due to commence in early 2013 and update partners on progress of the current small research activity	8/12/2012	16/12/2012
Katrina Sinclair	Research Officer	New Zealand	To attend the Conference of the Australian and New Zealand Agri-Food Research Network and present a paper	9/12/2012	14/12/2012

10. Overseas travel (continued)

Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
Jeremy Bright	Extension Horticulturist Tropical	Cambodia	Meet with ACIAR HORT/2012/018 Cambodia Mango Project and government officials to discuss the new large ACIAR project which is due to commence in early 2013 and update partners on progress of the current small research activity	9/12/2012	15/12/2012
Jianhua Mo	Research Entomologist	New Mexico	Attend the 2012 National Allium research Conference to present oral presentation on management of onion thrips & yellow spot virus	10/12/2012	16/12/2012
Sue Hatcher	Research Officer	New Zealand	Visiting Lincoln University in Christchurch to attend and present results of research at the 2nd Combined Conference of Australia and New Zealand Societies of Animal Production	30/12/2012	6/07/2012
Robin Dobos	Research Officer	New Zealand	Visiting Lincoln University in Christchurch to attend and present results of research at the 2nd Combined Conference of Australia and New Zealand Societies of Animal Production	30/12/2012	7/07/2012
Harsh Raman	Principal Research Scientist	USA	To represent Australia at the Canola Molecular Marker Program at the Plant and Animal Genome Conference.	6/01/2013	19/01/2013
Dr Sophie Parks	Research Horticulturist	Vietnam	To consult with partners in Vietnam on the NSW component and to scope the overseas component for the project Increasing the safe production, promotion and utilisation of indigenous vegetables by women in Vietnam & Australia	6/01/2013	13/01/2013
Robert Hoogers	Irrigation Officer	Cambodia	To conduct research and extension in vegetable production in NSW	21/01/2013	3/02/2012
Dr Suzie Newman	Senior Research Horticulturist	Vietnam, Cambodia, Laos, South East Asia & Australia	Extend original placement requested by ACIAR to take on the leadership of NSW DPI & ACIAR project	1/02/2013	30/06/2013
Herbert Hemakumara	Senior Catchment Modeller	USA	Training on EVNI & IDL	3/02/2013	10/03/2013
Geoffrey Beecher	Research Agronomist	Cambodia	Interact with Cambodian project collaborators & other CSE project teams	10/02/2013	16/02/2013
Dr Tahir Khurshid	Research Physiologist	Pakistan & Thailand	Participation and pre-review meetings, conduct field days, carry out data logger training, review progress of the project officers and discuss and harvest the trials data with project collaborators in Pakistan	12/02/2013	3/03/2013
Shaun Gleeson	Supervising Hydrometric Officer	New Zealand	Two day technical workshop focused around operational hydrology and how it has been shaped over the time both in NZ and globally	15/02/2013	23/02/2013
Leonard Tesoriero	Industry Leader	Philippines	Inception meeting for HORT 2012/020 Integrated Crop Management (ICM) to enhance vegetable profitability In Southern Philippines and Australia	16/02/2013	2/03/2013
Sam Allen	Regional Veterinary Officer	Nepal	To participate in foot & mouth disease preparedness & response training sponsored by DAFF & the United Nations Food & Agricultural Organisation	22/02/2013	7/03/2013
Samantha Allan	Regional Veterinary Officer	Kathmandu, Nepal & Surrounds	Training in emergency response to foot and mouth disease	22/02/2013	5/03/2013
Peter Smith	Irrigation Officer	China	Establish DPI's credibility with international irrigation centres of excellence	25/02/2013	9/03/2013
Bruno Holzapfel	Research Scientist	France & Germany	Present lectures in grapevine nutrition and carbohydrate physiology at the Montpellier Subagro University	28/02/2013	27/03/2013
Phil Blevin	Team Leader Minerals	Canada	Participation in Australia geoscience prospectors and developers conference in Canada	28/02/2013	9/03/2013
Guy Fleming	Team Leader Geospatial Information	Canada	Participation in Australia geoscience prospectors and developers conference in Canada	28/02/2013	9/03/2013
Graham Bailey	Cattle Health Co-Ordinator	Kathmandu, Nepal & Surrounds	Training in emergency response to foot and mouth disease	2/03/2013	10/03/2013

10. Overseas travel (continued)

Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
Fabiano de Aquino Ximenes	Professional Officer	Norway	Attend 3rd series of IPCC meetings as an Australian representative to review the Good Practice Guidance for Land Use, Land Use Change and Forestry to review comments on the current version of the guidelines	3/03/2013	9/03/2013
Dr Jennifer Wood	Chemist (Pulse Quality)	India	Strengthen relationships and view facilities of Indian collaborators	3/03/2013	13/03/2013
Ben Mulhearn	Supervising Instrumentation Officer	Lord Howe Island	Share experience with ground water monitoring in with instrumentation and auxiliary equipment with LHI staff	4/03/2013	7/03/2013
Mark Booth	Research Scientist	Papua New Guinea	Formulate a range of low cost diets using local food resources that can be produced by mini mills which meet the nutritional requirements of the most popular farmed fish in PNG	11/03/2013	15/03/2013
Andrew Watson	Research Officer	Papua New Guinea	Provide plant pathology support to other members of the project team in Papua New Guinea part of the project	16/03/2013	30/03/2013
Geoffrey Beecher	Research Agronomist	Cambodia	Interact with Cambodian project collaborators & other CSE project teams	20/03/2013	29/03/2013
Paul Wells	Manager Private Forestry Programs	Canada	Tour with Australian Forest Products Ass with participants from Forest Industries, Government, forest agencies and forest research organisations	2/04/2013	13/04/2013
Ian Roth	Director Animal Biosecurity	New Zealand	Attend Animal Health Committee with Chief Vet Officers from all states and commonwealth agencies to review relevant animal and aquatic health matters and discuss animal health issues that are causing problems in NZ	2/04/2013	5/04/2013
Jonathan Holland	Professional Officer	New Zealand	Deliver oral presentation at soil and plant analysis symposium	7/04/2013	12/04/2013
Suzy Rogiers	Senior Research Scientist	Chile	To attend the IX Grapevine Physiology and Biotechnology symposium in Chile	20/04/2013	28/04/2013
Jeremy Giddings	Irrigation Officer		Conference	10/05/2013	19/05/2013
Paul Drain	Inspector of Mechanical Engineering	Poland	Conference	21/05/2013	31/05/2013
Amanda Lee	Pig health Coordinator	Kathmandu Nepal	Participation in foot and mouth disease preparedness and response training sponsored by DAFF and the United Nations Food and Agriculture Organisation	8/06/2013	16/06/2013
William Cuddy	Plant Pathologist	China (Shenzhen)	Beijing Genomics Institute	15/06/2013	22/06/2013
Jarrold McPherson	Fisheries Technician	Lao Peoples Democratic Republic	Visit Pak Peung to perform field experiments associated with ACIAR project	17/06/2013	29/06/2013
Victor Hutton Oddy	Principal Research Scientist	Ireland	Attend greenhouse gases in animal agriculture meeting	19/06/2013	1/07/2013
Dr Geoff Allan	Executive Director Fisheries	China	Participate as a department nominee ANZSOG China Reciprocal Advanced Leadership Program	22/06/2013	6/07/2013

Office of Chief Scientist & Engineer

Name of Officer	Position	Country Visited	Purpose of Visit	Date From	Date To
Mary O'Kane	Chief Scientist & Engineer	New Zealand	New Zealand Science Challenges Peak Panel	17/02/2013	19/02/2013
Mary O'Kane	Chief Scientist & Engineer	New Zealand	New Zealand Science Challenges Peak Panel	24/02/2013	27/02/2013

Note: A large number of the overseas trips listed were funded through external sources.

11. Credit card certification

Credit card use in NSW Trade & Investment has been in accordance with the Premier's Memoranda and Treasurer's Directions.



Mark I Paterson AO
Director General

12. Consultants

The following tables contain consolidated information across NSW Trade & Investment.

Consultants equal to or more than \$50 000

Consultant	Cost (\$)	Title/Nature
NSW Public Works	273 722	Advice regarding Aboriginal Land Claims
Independent Pricing and Regulatory Tribunal	140 000	Advice on Communication Towers located on Crown Lands
The Marsden Jacob Unit Trust	67 666	Response to Murray–Darling Basin Plan
NSW Public Works	92 620	Advice regarding Coffs Harbour Breakwater
The Allen Consulting Group	86 880	Crown Lands management review
ARTIS Group	82 560	Business Information System development
DTD Engineering P/L	132 250	Advice on Burrinjuck Dam walkways and pipework
Kaliber Research	80 865	Provide various reports concerning agricultural 'Perceptions and Usage' studies
NSW Public Works	78 300	Engineering review of Darling Anabranch structure
Australian Farm Institute Ltd	74 800	Community consultation review for Local Land Services implementation
GHD P/L	123 500	Report on Euston Lakes restoration
VISCA Foundation for Agricultural and Rural Development	72 229	Provide integrated crop management report to enhance profit on vegetable crops
Independent Pricing and Regulatory Tribunal	140 000	Advice on Local Land Services implementation
Critchlow Ltd	63 750	IT consultancy – WEB enhancement for Emergency Response Plan
University of Qld	62 000	Consultancy report on "Shark Futures"
David A Harly and Associates	51 562	Report of future use of Cronulla laboratory site
Feltar Pty Ltd	58 200	2013 Survey of Irrigators
KPMG International	129 790	Independent review of the Dams Safety Act 1978 and the Dams Safety Committee
Center for International Economics	77 000	Economic benefits of migration
Ernst & Young	51 712	Review of the Industry Capability Network NSW Limited
Nous Group	61 333	NSW International Engagement Strategy
Deloitte Touche Tohmatsu Ltd	75 662	Review the economic benefits that NSW derives from the Defence Sector
Composite Information Pty Ltd	141 000	Business requirements scoping, planning and IT solution analysis for changes to the Government Licensing Service.
PriceWaterhouseCoopers	1 009 622	Advisory and legal services associated with the extension of exclusivity for on-course and off-course totalizator licences
The Allen Consulting Group	298 681	Research into the social and economic impacts of venue liquor density.
Fellows Medlock and Associates	60 000	Review into Conduct & Management – Mine Safety Performance
Mine Advice Pty Ltd	70 000	Advice on Mine Safety Performance
Schlumberger Water Services Australia Pty Ltd	138 557	Namoi Water Study
Unwelt Environmental Consultants	225 203	Mineral Resources Environmental Compliance Framework
Deloitte Touche Tomatsu	217 945	Fee for specialist financial services
Foundation Technology Services P/L T/as Cubic Consulting	135 025	Training
Price Waterhouse Coopers	86 025	Program Reporting Consulting Work
Total	4 458 459	

Consultants less than \$50 000

During the year other consultancies were engaged in the following categories.

Category	Cost (\$)	Number of engagements
Information Technology	848 881	67
Management Services	1 383 477	146
Environmental	2 052 321	192
Legal	36 230	3
Organisational Review	405 992	30
Training	487 858	81
Engineering	1 091 121	103
Finance	128 879	10
Other (Please specify)		
Economics	79 950	2
Investigative Services	56 741	4
Building Services Design Consultancy	58 268	15
Administration	7 696	5
Social Media Monitoring	10 240	3
Recruitment	38 154	6
Total	6 685 808	667

13. Payment of accounts

The provision of shared services to a number of additional agencies during 2012–13 has presented various challenges in relation to the timely payment of accounts. This was particularly evident during the integration period. It has also been challenging setting up communication channels to allow payment to be made for the integrating agencies whilst maintaining acceptable service standards for payment to existing suppliers.

The department continues to actively peruse a campaign whereby supplier's bank account details are requested to enable as many payments as possible to be made via electronic funds transfer (EFT). This method of payment expedites the transfer of funds to the supplier and reduces the work involved in reconciling the department's bank accounts.

EFT remittance advices are automatically faxed or emailed to each supplier where their facilities allow receipt of remittance advices by such means. This reduces the number of remittance advices that require printing, enveloping and posting. Savings are being achieved through this process with an estimated average cost of seven cents per email. It is estimated that in excess of 90 per cent of all remittance advices are either faxed or emailed to creditors.

New reporting requirements to include small business

A government initiative to ensure that small businesses were paid in a timely manner was introduced during 2011–12. As part of the initiative the department has been reporting to Department of Finance and Services (DFS) on a quarterly basis. This reporting includes the number of payments made to small business as well as the total amount paid to small business.

Penalty interest payments

There has been two interest penalty payments made during 2012–13.

Initiatives to improve payment performance include:

- » The tightening of controls to ensure improved accuracy of data entry
- » Prioritising invoices as they are received so that the invoices due for payment are processed first
- » Use of additional resources during peak periods

Aged analysis at the end of each quarter

Below is a schedule of the dollar amount of payments made during 2012–13 by the NSW Trade and Investment. Also included is the time these documents were paid, in relation to the due date.

13. Payment of accounts (continued)

All suppliers

Quarter	Current within due date \$	Less than 30 days overdue \$	Between 30 and 60 days overdue \$	Between 60 and 90 days overdue \$
September 2012	160 895 373	104 566 489	27 939 149	11 733 314
December 2012	183 399 728	125 549 448	18 312 856	11 325 701
March 2013	214 238 773	59 746 855	37 437 040	20 547 101
June 2013	313 247 821	67 269 596	23 515 555	35 838 557

Small business

Quarter	Current within due date \$	Less than 30 days overdue \$	Between 30 and 60 days overdue \$	Between 60 and 90 days overdue \$
September 2012	21 652	4 458	–	–
December 2012	28 246	7 742	4 626	1 685
March 2013	–	–	–	–
June 2013	168 236	10 781	301	–

Due to the manner in which the financial management system reports payment analysis, it is considered that payments in the 'less than 30 days overdue' are also paid on time.

The payments that appear to be overdue are inflated due to the invoice date on all invoices being used as the base date. In some instances such as payment of Major and Small Business Grants

which involve large dollar amounts, other agencies are used as an invoice collection point due to milestones needing to be signed off by project boards. Following approval, these invoices are then forwarded on to NSW Trade and Investment for payment. The invoice date may be months prior to NSW Trade and Investment actually receiving the invoice.

Accounts paid on time each quarter

Below is a schedule indicating the percentage of payments paid "on time" as compared to the Department's target.

All suppliers

	September 2012	December 2012	March 2013	June 2013
Total number of accounts due for payment	15 519	10 088	14 130	24 033
Number of accounts paid on time	10 872	8 210	9 412	19 215
Percentage of account paid on time (based on number of accounts)	70%	75%	67%	80%
Dollar amount of accounts due for payment	305 134 325	338 587 732	331 969 768	439 871 529
Dollar amount of accounts paid on time	265 461 862	308 949 176	273 985 628	380 517 417
Percentage of accounts paid on time (based on dollar amounts of accounts)	87%	91%	83%	87%
Number of payment for interest on overdue accounts	Nil	Nil	Nil	Nil
Interest paid on overdue accounts	Nil	Nil	Nil	Nil

Small business

	September 2012	December 2012	March 2013	June 2013
Total number of accounts due for payment	117	103	–	35
Number of accounts paid on time	117	46	–	34
Percentage of account paid on time (based on number of accounts)	100%	45%	–	97%
Dollar amount of accounts due for payment	26 110	42 300	–	179 318
Dollar amount of accounts paid on time	26 110	35 989	–	179 017
Percentage of accounts paid on time (based on dollar amounts of accounts)	100%	85%	Nil	100%
Number of payment for interest on overdue accounts	Nil	Nil	Nil	Nil
Interest paid on overdue accounts	Nil	Nil	Nil	Nil

Business Grants take some time to be received into the Department and therefore distort the Total Accounts Paid on Time values. This also has impacted on the Target percentage.

14. Land disposal

NSW Trade & Investment Crown Lands Division sold 71 surplus or development properties returning \$6.948 m. Prominent Crown land property sales include 25 Tamworth Residential Subdivision parcels totalling \$2.417 m and 10 Tuncurry/Laurieton Residential Subdivision parcels totalling \$1.576 m.

A further 98 properties were acquired from Crown Lands by other agencies for government purposes, returning \$12.417 m to Treasury. The most prominent acquisition undertaken by Transport for NSW relates to Crown land at Castle Hill which was acquired for an amount of \$10.335 m. The land was acquired for the North West Rail Link and is being developed as the Castle Hill Railway Station.

Other NSW Trade & Investment agency disposals include five surplus properties totalling \$6.162 m. The most prominent property sale was the Gosford Horticultural Institute site at Narara for an amount of \$5.500 m.

The Water Administration Ministerial Corporation (WAMC) disposed of one minor property which was surplus to requirements totalling \$0.005m in value.

Note: All documents relating to the land disposals are available under the *Government Information (Public Access) Act 2009*.

15. Capital works

The following table contains details of major capital projects undertaken by NSW Trade & Investment in 2012–13.

Completed Capital Works	Amount (\$000)
EMAI biosecurity upgrade	295 000
Corporate services reform project	9 860 000
Capital Works in Progress	Amount (\$000)
Biosecurity information management system	2 336 000
Sydney metro accommodation strategy	5 047 000
Wharf 4/5 – substructure and other works	780 000
Commercial fisheries management system	500 000
W B Clarke Geoscience Centre fire services upgrade	443 000
Acquisition of Pier 2/3 lease	1 250 000
Pier 2/3 compliance work	744 000
Maintenance backlog – Arts NSW portfolio	1 043 000
Coastal infrastructure repairs on maritime assets on Crown Land	5 209 000

16. Disclosure of controlled entities

NSW Trade & Investment controls Milk Marketing (NSW) Pty Limited.

Milk Marketing (NSW) Pty Limited was incorporated in June 1989 as a proprietary company to promote and encourage the production, supply, use, sale and consumption of milk and dairy products. Milk Marketing (NSW) successfully promoted milk and was responsible for creating and developing brands such as Shape, Moove and Light White. At the same time it provided information and education on healthy eating and the role milk plays in a balanced diet.

Milk Marketing (NSW) has been a member of the Conference of Australian Milk Authorities (CAMA) and contributed to the development and NSW implementation of a number of highly successful national generic advertising campaigns for milk. Several of these campaigns received national and international acclaim for marketing excellence winning awards including a Gold Lion at the Cannes Advertising Festival, two awards at the New York Advertising Festival, and best of category at the Australian Television Awards.

Milk Marketing (NSW) was funded by a margin in the regulated price structure of milk. Its operating loss for 2013 was \$34 000.

17. Funds granted to non-government community organisations

Department of Primary Industries and Resources & Energy Divisions

Animal Welfare

Organisation	Project	Amount (\$)
Animal Welfare League	Animal Welfare Grant	75 000
Cat Protection Society	Animal Welfare Grant	15 500
Domestic Animal Birth Control	Animal Welfare Grant	3 000
RSPCA	Rebuild Yagoona Shelter	3 750 000
RSPCA	Animal Welfare Grant	424 000
WIRES	Animal Welfare Grant	15 500

Financial Counselling Services

Organisation	Project	Program	Amount (\$)
Rural Financial Counselling Service	Southern Region	Education & Regional Relations, AgNSW	264 000
Rural Financial Counselling Service	Bourke Region	Education & Regional Relations, AgNSW	55 000
Rural Financial Counselling Service	Northern Region	Education & Regional Relations, AgNSW	255 200
Rural Financial Counselling Service	Central Region	Education & Regional Relations, AgNSW	349 800

Small Communities Awareness

Organisation	Amount (\$)
Cowra Regional Vignerons	5 000
Enngonia and District Progress Association	5 000
Peak Hill Business and Tourism	5 500
Weilmoringle Land Council	5 500

Habitat Grant Program

Organisation	Project	Program	Amount (\$)
Friends of Lane Cove National Park	Lane Cove River Australian Bass habitat project	Habitat Action Grants (2011/12 funding round)	5 000
Friends of Mongarlowe River	The Bank Job	Habitat Action Grants (2010/11 funding round)	2 540
Gunnedah Urban Landcare Group	Cushans Reserve rehabilitation project	Habitat Action Grants (2011/12 funding round)	5 440
Gunnedah Urban Landcare Group	Cushans Reserve and Gunnedah Racecourse Rehabilitation	Habitat Action Grants (2012/13 funding round)	14 850
Hat Head Bowling and Recreation Club	Korogoro Creek Foreshore Rehabilitation Stage 2A	Habitat Action Grants (2012/13 funding round)	1 000
Manning Entrance State Park Trust	Restoring Key Fish Habitat at Luthrie Inlet	Habitat Action Grants (2012/13 funding round)	14 250
Platypus Pals Inc + Delegate Fishing Club	Improving Delegate River recreational facilities and opportunities	Habitat Action Grants (2009/10 funding round)	5 440
Riverina Highlands Landcare Network Inc	Adelong Creek Fish Habitat Enhancement	Habitat Action Grants (2012/13 funding round)	21 440
Sea Life Conservation Fund	Shannon Brook Weir Removal	Habitat Action Grants (2012/13 funding round)	18 056.50
Yeoval Fishing Club	Keeping big fish moving in the Little River II	Habitat Action Grants (2012/13 funding round)	16 000

17. Funds granted to non-government community organisations (continued)

State Parks – Operations & Plant/Equipment Grants

Organisation	Amount (\$)
Burrinjuck Waters State Park	84 000
Copeton Waters State Park	147 000
Grabine Lakeside State Park	180 000
Killalea State Park	242 000
Lake Burrendong State Park	133 000
Lake Glenbawn State Park	182 000
Lake Keepit State Park	145 000
Wyangala Waters State Park	187 000

Natural Disaster Relief Funding

Organisation	Amount (\$)
Adelong Falls Gold Mill Ruins Reserve Trust	134 890
Binya Hall Reserve Trust	1 305
Carabost Recreation Reserve Trust	4 750
Coolamon Showground Trust	114 100
Edgell Park Reserve Trust	1 740
Forbes Golfcourse Reserve Trust	4 185
Gundagai Showground & Racecourse Trust	95 710
Hume & Hovell Walking Track	101 500
Jingellic Showground Reserve Trust	8 790
Lockhart Common Trust	3 770
Murwillumbah Showground Trust	3 580
Murwillumbah Showground Trust	2 638
North Gundagai Common Trust	3 630
Taylor Oval Reserve Trust	144 900
Wiradjuri Walking Track	9 590

Public Reserves Management Fund

Organisation	Project	Amount (\$)
Ashford Showground	Showground repairs and improvements	6 215
Australian Bush Heritage Reserve	Remediate fire damage	16 272
Bain Park	Building repairs and improvements	7 500
Bakers Shaft Reserve	Survey of flora and fauna, fencing and tree planting	22 500
Baradine Show & Racecourse	Disabled toilet	11 405
Barooga Community Centre Reserve	Upgrade kitchen	4 000
Barraba Showground	Sewerage works	21 620
Bathurst Showground	Replace hot water system	3 045
Belar Creek School of Arts Hall	Building repairs and improvements	41 500
Bendemeer Preschool	Paint the premises	7 018
Bentley Public Hall Reserve	Building repairs and improvements	1 443
Bexhill Public Hall	Replace fire escape landing stairs	4 345
Bidjigal Reserve	Survey, design and construction of creek crossings.	80 000
Binya Public Hall	Construct disabled access ramp	2 100

17. Funds granted to non-government community organisations (continued)

Organisation	Project	Amount (\$)
Bonalbo Showground	Replace ageing cattle yard infrastructure	17 467
Booyong Recreation Reserve	Paint cricket and tennis sheds	6 350
Broadwater Koala Park	Maintain reserve and machinery	500
Bulahdelah Showground	Upgrade and repairs to pavilion	15 000
Bulahdelah War Memorial	Construct disability access and building improvements	10 000
Burrondong Botanic Garden and Arboretum	Maintenance and conservation work	112 332
Candelo Common	Reconstruct boundary fence	9 000
Cawongla Community Centre Reserve	Building repairs and improvements	25 415
Central Coast Wetlands – Pioneer Dairy	Reserve and building improvements	55 340
Cobargo Showground	Upgrade kitchen	3 920
Cockburn River Camping Area	Reserve improvements	\$4 800
Coffs Harbour Port	Develop plan to reconfigure the Coffs Harbour slipway	30 000
Collombatti Public Hall Reserve	Landscape improvements	5 337
Copmanhurst Recreational Reserve	Upgrade/replace canteen facilities	3 500
Corindi Beach recreation Reserve	Install disabled access ramp and associated access paths	5 000
Cronulla Girl Guides	Replace perimeter fence	10 790
Cudal Showground	New pavilion and amenities block	58 727
Cumbebin Swamp Nature Reserve	Bush regeneration and weed eradication	15 310
Dirnaseer Public Hall	Safety improvements	32 436
Duffy's Forest Reserve (Waratah Park)	Reserve maintenance and assessment	66 000
Dungarubba Memorial Hall	Construct disabled access ramp	4 000
Dyraaba Hall	Building repairs and improvements	20 600
East Maitland Scouts	Install boundary fence and gates	11 000
Edith Recreation Reserve	Reserve improvements	6 200
Eugowra Showground	Refurbish Pavilion kitchen	16 000
Findon Public Recreation Reserve Trust	Improve fencing	4 105
Former Greta Quarry	Develop and implement an Environmental Waste Management	427 625
Former Gerogery Common	Remediate fire damage	31 653
Frogmore Hall and Recreation Reserve	Purchase water tank and shed	9 583
Garema Public Hall and Recreation Reserve Trust	Replace doors	4 686
Garema Public Hall	Maintenance and repairs of historic hall	7 000
George Suttor Reserve – Baulkham Hills Girl Guides	Replacement fence and gate	17 000
Gerogery Recreation Reserve	Remediate fire damage	9 050
Geurie Recreational Grounds	Upgrade electricity supply	30 000
Glenreagh Public Recreation Reserve	New Waste Water Treatment Plant	41 500
Grassy Head Reserve – Middle Beach	Upgrade car park and beach access	5 000
Greenham Park	Building repairs and improvements	5 000
Gresford Park	Grounds signage	5 300
Hamilton Green	Reserve improvements	20 000
Hill 60 Reserve	Develop Master Plan	40 000
Hillston Showground	Fix power supply in pavilion	4 400
Huskisson Scouts Hall	Building repairs and improvements	2 000

17. Funds granted to non-government community organisations (continued)

Organisation	Project	Amount (\$)
Illabo Showground	Pavilion roof and floor repairs	60 000
Inverell Showground	Install sewer and water connections	40 000
iQ Arts and Eco Park	Install security fencing	36 850
Joy Cummings Centre Reserve	Seal and paint the exterior of buildings	25 900
Kamballa	Management of reserve	82 200
Kangaroo Valley Pioneer Settlement Reserve	Construct a conservation shed	30 000
Kangaroo Valley Showground	Show cages	2 700
Kelso Reserve	Reserve improvements	7 496
Kempsey Showground	Showground repairs and improvements	51 192
Killabakh Hall and Reserve	Construct a disabled access ramp and veranda	14 325
Kingstown Hall	Building repairs and improvements	13 350
Lambton Mechanics Institute	Building repairs and improvements	50 000
Land of the Beardies Reserve	Remove asbestos covered pipes.	3 000
Lawson Memorial Hall	Building repairs and improvements	5 360
Lightning Ridge Historical Society	Install benches	800
Little Plain Recreation and Public Hall Reserve	Building repairs and improvements	4 100
Long Plain Public Hall and Recreation Reserve	Building repairs and improvements	8 300
Lorne Recreation Reserve	Building repairs and improvements	4 000
Luddenham Showground	Replace main arena fence	5 000
Lynch's Creek Reserve	Fence eroded creek bank	1 000
Maclean Showground	Road sealing and drainage works	10 000
Mallanganee Memorial Hall	Building repairs and improvements	42 837
Mangrove Creek Recreation Reserve	Install sign	1 252
Merriwa Showground	New fence	40 000
Moonan Flat Soldiers Memorial Hall	Repairs and painting	29 500
Morriset Showground	Purchase of new tractor and slasher	38 000
Moruya Girl Guides Hall	Install a disabled access ramp	5 000
Mount Arthur Reserve	Repair rock embankment and replace safety fencing	106 000
Mount York Reserve	Visitor facilities renewal	12 750
Murwillumbah Showground	Showground repairs and improvements	8 000
Nullamanna Public Hall and Recreation Reserve	Building repairs and improvements	4 600
Old Bega Hospital	New fence	8 375
Pambula Wetlands and Heritage Reserve	Track maintenance	2 250
Parish of Benandarah Reserve (Part of)	Remove asbestos	9 900
Parkes Showground	Upgrade electricity supply poles and hardware	8 000
Parsley Bay reserve	Replace boardwalk and two bridges	37 000
Prince Henry at Little Bay Reserve	Management of reserve	200 000
Rawsonville Recreation Reserve and Hall	Building repairs and improvements	19 000
Red Rock Recreation Reserve	Reserve repairs and improvements	5 000
Richmond Girl Guides	Replace roof	11 100
Riley's Hill Dry Dock Reserve	Emergency construction works	2 530
Rileys Hill Drydock	Install toilet and security system	17 810
Rugby Public Hall and Recreation Reserve	Upgrade kitchen	35 000

17. Funds granted to non-government community organisations (continued)

Organisation	Project	Amount (\$)
Running Stream Recreation Reserve	Building repairs and improvements	24 992
Rylstone Showground	Kitchen fit out and building maintenance	30 000
Several reserves in the Bega area	Management of reserve	300 000
Several reserves in the Goulburn area	Repair and replace tools and personal protective equipment	12 000
South Head Signal Station Reserve	Remediation assessment	25 000
Stanley Park Mechanics' Institute Site Reserve	Refurbish hall and toilet block	20 000
Sulphide Street Railway and Historical Museum	Building repairs and improvements	3 165
Tabulam Baby Clinic	Install fencing for security, privacy and aesthetics	1 500
Tabulam Racecourse	Multi-purpose building for education and catering purposes.	18 000
Tarcutta Soldiers Memorial Hall	Install disabled access toilets	39 380
Tenterfield Showground	Replacement of prime cattle yards	15 000
Thomas Boyd Track head at Graham's Reserve	Management of the reserve	15 000
Tilligerry Habitat Reserve	Install signs and rebuild steps/ramp	5 059
Terrigal Community Reserve	Repair timber access ramp	5 000
Travelling Stock/Broken Hill Stockyards Reserve	Erect a set of stock spelling yards	90 000
Tuncurry Museum Reserve	Building repairs and improvements	3 795
Tunglebung Recreation Reserve	Construct paved area	6 600
Tyalgum Community Hall	Building repairs and improvements	14 000
Ulladulla Girl Guides	Install new driveway	5 000
Ulladulla Wildflower Reserve	Management of reserve	2 020
Upper Orara Recreation Reserve	Reserve improvements	\$7 060
Various in the Nowra area, including Bangalee Reserve and Crookhaven Headland	Tools and personal protective equipment	3 000
Wadeville Reserve	Build an access track	56 000
Warners Bay Girls Guides Association	Relocate water meter	5 423
Wee Waa Showground	Establish a new sand arena	31 166
Wentworth Showground	Construct portable stock yards	5 000
Willans Hill Park	Restrict vehicle access	10 000
Wiangaree	Remove and replace septic system	14 340
Wingham Showground	Install solar / gas hot water	13 208
Yarranabbe Park	Reconstruct foreshore promenade.	10 000
Yarrie Lake Flora and Fauna Reserve	Construct toilet block	22 500
Yasmar Reserve	Complete plan of management	142 000
Walla Walla Golf Course	Remediate fire damage	3 104
Waratah Community Reserve	Electrical inspection and maintenance	10 000
Wee Jasper Reserves	Prepare a Concept Plan	30 000
Wee Jasper Reserves (several)	Management of reserve	55 000
West Wyalong Showground	Upgrade sewerage and shower and toilet facilities	98 127
Wolumla Park	Management of reserve	5 000
Young Showground	Disabled toilet and bird proofing	10 300

17. Funds granted to non-government community organisations (continued)

Industry, Innovation, Hospitality & Arts Division

Capacity Building Programs

Organisation	Project	Program	Amount \$
Arts Upper Hunter Inc	Professional Development Series for Artists	Community Economic Development Program	4 000
Australian Poultry Cooperative Research Centre	Reducing the Environmental Footprint for NSW Poultry production – odour and waste stream reduction	Developing Regional Resources	30 000
Bellingen Chamber of Commerce	Bellingen Economic Development Plan 2010	Small Chambers of Commerce Fund	1 250
Bermagui Chamber of Commerce & Tourism Inc	Bermagui Buy Local Campaign – ‘Shop Bermi’	Enterprising Regions Program	1 250
Berridale Chamber of Commerce Incorporated	Berridale “Bring It On!” & “Just Love” Community Brochure	Small Chamber of Commerce Fund	1 250
Boggabri Business Promotion Association	2nd Edition of Boggabri Community Guide	Small Chambers of Commerce Fund	1 005
Bombala & District Development Association	What’s Where in Bombala’s Maybe Street & Beyond	Small Chambers of Commerce Fund	1 250
Byron Region Community College	The Mullumbimby Music Festival 2010	Enterprising Regions Program	8 000
Canowindra Challenge Inc.	Canowindra Challenge Incorporating the 17th Australian Nationals 2011	Enterprising Regions Program	500
Canowindra Challenge Inc.	Canowindra Challenge Incorporating the 17th Australian Nationals 2011	Enterprising Regions Program	5 000
Cessnock Wine Country Chamber of Commerce	Cessnock Let’s Buy Local	Enterprising Regions Program	3 700
Cessnock Wine Country Chamber of Commerce	Sustainable Cessnock Project – 2010	Community Economic Development Program	14 225
Community Technology Centres Association Incorporated	Stage 4 of the National Partnership Agreement for Closing the Gap	Aboriginal Business Development General	210 658
Cowra Regional Vigneron Association	Website Development 2012	Small Communities Awareness Fund	5 000
Deniliquin Chamber of Commerce	Deniliquin Events Co-ordinator 2010–2011	Community Economic Development Program	15 000
Dorrigo Chamber of Commerce	Dorrigo Economic Development Plan 2	Small Chambers of Commerce Fund	1 250
Dungog Information & Neighbourhood Service Inc	Adult & Further Education Project 2011	Dungog Business Improvement Program	7 500
Enngonia & District Progress Association	Website Development 2012	Small Communities Awareness Fund	5 000
Foundation for Regional Development Limited	Country & Regional Living Expo 2012	Enterprising Regions Program	50 000
Foundation for Regional Development Limited	Country & Regional living Expo 2012	Enterprising Regions Program	10 000
Foundation for Regional Development Limited	Country & Regional Living Expo 2013	Regional Industries Investment Fund	40 000
Foundation for Regional Development Limited	Country & Regional Living Expo 2013	Regional Industries Investment Fund	40 000
Foundation for Regional Development Limited	Country & Regional Living Expo 2013	Regional Industries Investment Fund	30 000
Foundation for Regional Development Limited	Marketing Regional NSW	Enterprising Regions Program	15 500
Gundagai Giddyup Inc	Gundagai Giddup 2011 & 2012	Enterprising Regions Program	7 500

17. Funds granted to non-government community organisations (continued)

Organisation	Project	Program	Amount \$
Gundagai Regional Enhancement Group	Gundagai main street banner project	Small Chamber of Commerce Fund	1 850
Gundagai Regional Enhancement Group	Gundagai Business and Community Directory	Small Chambers of Commerce Fund	1 125
Hillston Development Group	Shop Local Campaign	Small Chambers of Commerce Fund	800
Hunter Regional Tourism Organisation	Training and Education Needs of the Hunter Tourism Industry	Enterprising Regions Program	1 000
HunterNet Co-operative Ltd	Developing Defence Opportunities for SMEs – Stage 2	Enterprising Regions Program	22 785
Hunter Valley Wine Industry Association (HVVIA)	Participation by HVVIA to Australia's Regional Visitors Program 2012/13	State Investment Attraction Scheme (SIAS)	7 500
Hunter Valley Wine Industry Association (HVVIA)	Participation by HVVIA to Australia's Regional Visitors Program 2012/13	State Investment Attraction Scheme (SIAS)	2 500
Innov8Central	2013 Central Coast Innovation Summit	Operational Funds	1 500
Islington Business Group	Islington 2011	Enterprising Regions Program	2 000
Karuah Chamber of Commerce Incorporated	Karuah Sustainable Events and Tourism Strategy	Enterprising Regions Program	15 000
Morpeth Business Association	Marketing Morpeth	Small Chambers of Commerce Fund	1 200
Morundah Bush Entertainment Committee Inc	Morundah Bush Opera 2009 and 2010	Community Economic Development Program	3 750
Myall Coast Chamber of Commerce and Tourism	Myall Coast Arts Network Galleries in the Gardens	Small Chambers of Commerce Fund	1 250
Nelson Bay Town Management Inc	Nelson Bay Sculptures by The Bay Festival	Enterprising Regions Program	10 000
Newcastle Airport Limited	Newcastle Airport Limited	Enterprising Regions Program	10 233
Nundle Community Development Committee	Nundle District Community Economic Transition Project	Enterprising Regions Program	5 000
Orange Region Vignerons Association (ORVA)	Participation by ORVA to Australia's Regional Visitors Program 2012/13	State Investment Attraction Scheme (SIAS)	7 500
Peak Hill Business & Tourism Association	Website Development 2012	Small Communities Awareness Fund	5 000
Raymond Terrace Business Association	Marketing Raymond Terrace	Community Economic Development Program	7 500
Regional Development Australia – Central Coast	Central Coast Bears sustainable business case for NRL licence	Regional Development Board Innovation Program	10 500
Regional Development Australia – Central Coast	Central Coast Marine Discovery Centre Ex-HMAS Adelaide Displays	Enterprising Regions Program	1 500
Regional Development Australia – Central Coast	Regional Business/Tourism Events Manager Central Coast	Enterprising Regions Program	6 750
Regional Development Australia – Central West	Central Western Investment Prospectus	Regional Development Board Innovation Program	16 698
Regional Development Australia – Hunter	Hunter Advantage	Regional Development Board Innovation Program	25 000
Regional Development Australia – Hunter	Williamstown Aerospace Centre Marketing – Stage 2	Regional Development Board Innovation Program	16 500
Regional Development Australia – Hunter	Hunter Innovation Festival 2013	Operational Funds	5 500
Regional Development Australia – Hunter	Pacific 2012 International Marine Expo	Enterprising Regions Program	5 000
Regional Development Australia – Illawarra	Green Jobs Illawarra – Project Officer	Developing Regional Resources	120 000
Regional Development Australia – Northern Inland	Skilled Migration & Retention Support	Enterprising Regions Program	7 000

17. Funds granted to non-government community organisations (continued)

Organisation	Project	Program	Amount \$
Regional Development Australia – Northern Inland	Armidale Broadband Smart Home	Enterprising Regions Program	2 500
Regional Development Australia – Northern Inland	NBN Project Co-ordinator	Enterprising Regions Program	5 000
Regional Development Australia – Northern Rivers	Bushfood Sensations – Future development	Aboriginal Business Development General	7 800
Regional Development Australia – Northern Rivers	Northern Rivers Food – Cluster Development	Cluster Projects	3 100
Regional Development Australia – Northern Rivers	Northern Rivers Food – Cluster Development	Cluster Projects	8 500
Regional Development Australia – Northern Rivers	Northern Rives Food Virtual Marketplace Smartphone and iPad app	Enterprising Regions Program	8 000
Regional Development Australia – Southern Inland Incorporated	Overcoming Skills Shortages in the South East – Stage 1	Enterprising Regions Program	4 750
Scone Chamber of Commerce	Scone Township Marketing Plan	Small Chambers of Commerce Fund	1 250
South West Rocks Chamber of Commerce	South West Rocks Destination Marketing	Community Economic Development Program	11 215
Southlake Business Chamber and Community Alliance Incorporated	Southlake Buy Zone	Enterprising Regions Program	13 129
SustainableNorfolk.com	Norfolk Island Community Economic Transition Project	Enterprising Regions Program	4 500
SustainableNorfolk.com	Norfolk Island Community Economic Transition Project	Enterprising Regions Program	758
SustainableNorfolk.com	Norfolk Island Community Economic Transition Project	Enterprising Regions Program	5 424
SustainableNorfolk.com	Norfolk Island Community Economic Transition Project	Enterprising Regions Program	4 352
Swansea Chamber of Commerce	Swansea Wow Factor	Enterprising Regions Program	5 774
Tamworth Transport and Supply Chain Cluster Inc	Tamworth Region supply chain cluster	Cluster Projects	5 000
The Aured Charitable Trust	Grant for the purchase and support of Cochlear Implants		110 000
The Illawarra Itec Ltd.	Bega Valley Small Business Club	Community Economic Development Program	5 000
The Milparinka Heritage & Tourism Association Inc	Corner Country Tourism Marketing 2010–2011	Enterprising Regions Program	3 000
The Milparinka Heritage & Tourism Association Inc	Corner Country Tourism Marketing 2010–2011	Enterprising Regions Program	2 325
The Rotary Club of Armidale North Incorporated	New England Outdoor Recreation Expo	Community Economic Development Program	10 000
Tilligerry Peninsula Chamber of Commerce	Reinvigorating business in the Tilligerry Peninsula	Small Chamber of Commerce Fund	1 250
Tourism Shellharbour	Tourism Shellharbour Strategic Marketing & Action Plan	Enterprising Regions Program	1 700
Tweed Tourism Inc	DRR – Australia's Green Cauldron Masterplan	Developing Regional Resources	5 000
Urunga–Mylestom Chamber of Commerce Inc	Developing Urunga.com	Small Chamber of Commerce Fund	3 169
Urunga–Mylestom Chamber of Commerce Inc	Developing Urunga.com	Small Chamber of Commerce Fund	1 056

17. Funds granted to non-government community organisations (continued)

Organisation	Project	Program	Amount \$
Urunga–Mylestom Chamber of Commerce Inc	Economic Development Plan 2010	Small Chambers of Commerce Fund	1 250
Warners Bay Chamber Of Commerce	Warners Bay – Opportunity, Growth and Prosperity	Enterprising Regions Program	15 000
Warners Bay Chamber Of Commerce	Warners Bay – Opportunity, Growth and Prosperity	Enterprising Regions Program	500
Weilmoringle Local Aboriginal Land Council	Website Development 2012	Small Communities Awareness Fund	5 000
Wollongong City of Innovation Ltd	Wollongong Gondola Tourist Ride	Enterprising Regions Program	1 000
Yarrawarra Aboriginal Corporation	Gugumbul Interactive Museum Planning Project	Enterprising Regions Program	500
Yarrawarra Aboriginal Corporation	Gugumbul Interactive Museum Planning Project	Enterprising Regions Program	10 000

Cooperative Research Centre (CRC) Research Attraction and Acceleration Program Support

Organisation	Project	Amount (\$)
CRC for Alertness, Safety and Productivity	CRC for Alertness, Safety and Productivity	100 000

Collaborative Research Infrastructure Scheme (CRIS) Research Attraction and Acceleration Program Support

Organisation	Project	Amount (\$)
Sydney Institute of Marine Sciences	Integrated Marine Observation System (IMOS) NSW Node	260 000

Hendra Virus Research – Research Attraction and Acceleration Program Support

Organisation	Project	Amount (\$)
Biosecurity Queensland	Hendra Virus Infection and Transmission Dynamics	700 500
Commonwealth Scientific Industrial Research Organisation	Transmission and Impact of Hendra Virus to Dogs	225 000
Elizabeth Macarthur Agricultural Institute (NSW Department of Primary Industries)	Assessing the risks posed by Hendra virus antibody positive animals	870 000
Queensland Health	Hendra Virus Monoclonal Antibody Project – Safety assessment of an anti-Hendra virus antibody in humans	1 200 000

17. Funds granted to non-government community organisations (continued)

TechVouchers Research Attraction and Acceleration Program Support Grants

Organisation	Project	Amount (\$)
Achacha Fruit Holdings P/L	Achacha fruit pulping methods	4 000
Bonza Botanicals P/L	Explore potential plant hybridisation	14 923
Calclear Investments P/L	Independent scientific testing of water conditioning device	15 000
Foxlights International P/L	Independent testing of animal deterrent device	15 000
Futureglow P/L	Highway Guidepost Testing	7 700
Pharmaxis Ltd	Improved drug test model	15 000
ProForm Foods P/L	Food product flavour profiling	7 410
Quantum Generation P/L	Electric motor test	15 000
Resinject Pty Ltd	Rigid foam testing	4 774
Resinject Pty Ltd	Rigid foam testing	1 738
RG & KW Hazelton P/L	Independent performance test agricultural equipment	15 000
Silanna Semiconductors P/L	The analysis of semiconductor material utilising the Secondary Ion Mass Spectrometry (SIMS) facility at the University of Western Sydney	15 000
Simavita Pty Ltd	Incontinence management program testing	13 500
Southern Oil Refining P/L	Examination of technology for the removal of sulphur from petrochemical feedstock	15 000
STAR Water Solutions P/L	Filtration media testing	15 000
Trimec Industries P/L	Testing and calibration of fluid control equipment	7 378.5
Voztec P/L	Mechanical Design Analysis	1 347.5

Conference Support Program Grants

Organisation	Project	Amount (\$)
Garvan Institute of Medical Research	8th International Congress of Neuroendocrinology	9 500

Other Research Attraction and Acceleration Program Support Grants and Awards

Organisation	Project	Amount (\$)
Institute of Optical and Photonics Science	2012 Symposium, Low Frequency Photonics: Bridging the Gap	10 000
National Youth Science Forum	NSW Young Science Ambassador Scholarship Initiative	19 500
The Warren Centre for Advanced Engineering	2012 Innovation Lecture Series	2 500

17. Funds granted to non-government community organisations (continued)

Arts and Disability Partnership – Arts NSW and ADHC

Recipient	Purpose/Program Name	Amount \$
Accessible Arts	Year 2 of the 'Amplify Your Art' professional development grant program	150 000
Australian Theatre for Young People	The creative development of 'Dark Tales'	33 246
DirtyFeet Ltd	The 'Right Foot Project'	30 785
Eastern Riverina Arts Inc	'8 Artists'	20 220
Illawarra Disability Trust	'My Story My Place'	32 000
Illawarra Performing Arts Centre Ltd	'The Star Project'	35 995
Milk Crate Theatre	'Stage Door' workshops	40 000
Newtown Neighbourhood Centre Inc for Roomies Artspace	The 'Encore' project	37 062
RED (Realising Every Dream) Inc. for Sprung!! Integrated Dance Theatre Inc	'Triple Bill'	37 400
Rozelle Neighbourhood Centre for Ever After Theatre	The creative development of 'Facebook Stories'	36 000
Shopfront Theatre for Young People Co-op Ltd	'Continuous Lines' – young adults as artistic leaders	35 000
Studio ARTES Northside Inc	The Studio ARTISTS professional development program	40 000
Tantrum Theatre Co-operative Ltd	'Creating the Self'	35 502
Tulgeen Group	'Stepping Out of the Garage'	40 000

Fellowships and Awards

Recipient	Purpose/Program Name	Amount (\$)
Company B Ltd	The 2012 Philip Parsons Award	5 000
Library Council of NSW	The award money for the NSW Premier's Literary and History Awards	355 000
Soda Jerk	The 2011 Helen Lempriere Travelling Art Scholarship	30 000

Indigenous Strategic Projects

Recipient	Purpose/Program Name	Amount (\$)
3rd Space Mob Aboriginal and Torres Strait Islander Corp for Casino Women's Wake Up Group	'Weaving a Way Forward'	15 000
Arts OutWest Inc	The Central West Creative Lab	15 000
Australian Theatre for Young People	The Djurali Aboriginal Middle years Transition Program	35 000
Bangarra Dance Theatre Australia Ltd	Year 3 of multiyear funding towards the Indigenous Employment Program (2011–13)	100 000
Beyond Empathy Ltd	Year 3 of multiyear funding for the Better Factory Enterprise Strategy Bowraville (2011–13)	100 000
Carriageworks Ltd	Live and Deadly: 20 years of the Gadigal Information Service	30 000
Sean Choolburra	'50 Shades of Blackness'	3 000
Critical Path	A mentorship program for two emerging NSW-based Aboriginal dance artists	47 795
First Nations Australia Writers' Network	Support for ten NSW Aboriginal writers to attend the First Nations Australia Writers' Workshop at the State Library of Queensland	10 000
Flying Fruit Fly Foundation Ltd	'Burranha Bila Buraay' (Bouncing River Kids)	15 000
Gondwana Choirs Ltd	Gondwana National Indigenous Children's Choir South West Sydney	30 000
HotHouse Theatre Ltd	Black Border Theatre	13 900
Moogahlin Performing Arts Inc	The 2013 Yellamundie Aboriginal Playwrights Festival and Aboriginal Playwriting Forum (35 000); the development and presentation of a new contemporary Aboriginal play, 'This Fella, My Memory' (50 000)	85 000

17. Funds granted to non-government community organisations (continued)

Recipient	Purpose/Program Name	Amount (\$)
NAISDA Ltd	The 2013 talent identification dance camp (46 160); travel and accommodation for 9 young Indigenous dancers to participate in 'Hit the Floor Together' in Canberra (5 820)	51 980
Naretha Willia	The presentation of 'Shifter' at the 19th International Symposium of Electronic Art (ISEA) in Sydney	2 180
New South Wales Writers' Centre Inc	The Emerging Aboriginal Writers' Mentorship Program	30 000
Northern Rivers Performing Arts Inc	The creative development of 'The Gathering', a new work inspired by Bundjalung culture	49 959
Michael Philp	'Caldera Country'	3 000
Saltwater Freshwater Arts Alliance Aboriginal Corporation	An Aboriginal storytelling and design project leading to performances (50 000); the Birpai Women's Community Choir (15 000)	65 000
South East Arts (NSW) Inc	'My Story: Kin and Country'	13 000
The British Council	Year 3 of multiyear funding for the ACCELERATE Indigenous Australian Leadership Program (2011–13)	30 000
The Sydney Festival Ltd	The 'Black Diggers' Project	100 000
The Trustee for Australian Museum Trust	The Australian Museum Indigenous Leadership Program (NACIS funding)	67 500
Yarkuwa Indigenous Knowledge Centre Aboriginal Co	'Kolety: Weaving the River's Story'	8 000

Projects

Recipient	Purpose/Program Name	Amount (\$)
Arts Northern Rivers Inc	'Connect', an industry and market development project for musicians from the Northern Rivers	30 000
Arts On Tour – NSW Ltd	The annual regional performing arts touring program	204 935
Arts OutWest Inc	The 'Silos Project', a large-scale community performance outside Cowra	50 000
Australasian Performing Right Association Ltd	Year 3 of the Sounds Australia initiative (2011–13)	25 000
Australian Chamber Orchestra	The NSW leg of an ACO2 regional tour	40 744
Australian Dance Council – Ausdance (NSW) Inc for Dance Makers Collective	The creative development and public presentation of ten dance works	42 000
Australian Network for Art and Technology for ISEA2013	The public presentation of the ISEA 2013 exhibitions and performance program	30 000
Australian Performance Exchange	The creative development and public presentation of interactive theatre work, 'Caylee's Ukulele'	60 000
Bangarra Dance Theatre Australia Ltd	Delivery of the Rekindling program in Wellington	20 000
Beyond Empathy Ltd	The 'Illuminate' project for Euraba Artists and Papermakers, focussed on Aboriginal arts practice	50 000
Bundanon Trust	'Life Raft': a multimedia performance and installation made with young people from Nowra (50 000); travel and ticket subsidies for 2013 Regional and Remote Arts Enrichment programs (9 980)	59 980
Byron Bay Community Association Inc	The capital redevelopment of the Byron Theatre	20 460
Carriageworks Ltd for Branch Nebula	The creative development of a new performance work	30 000
CDP Theatre Producers Pty Ltd	A tour of 'Noel and Gertie' to nine venues in NSW (46 054); a tour of the children's production 'Room on the Broom' (34 930)	80 984
Central Coast Conservatorium Inc	The 'Music for All' concert series	47 260
Clarence Valley Conservatorium Inc	A chamber music concert series (30 000); Celebration Concerts by Clarence Valley Conservatorium teaching staff (14 000)	44 000
Coffs Harbour Regional Conservatorium Inc	The 'Sunday Soundscapes' series of afternoon concerts	37 611
Company B Ltd	The Regional Workshop Program (20 000); Belvoir's Arts Access Program (10 000)	30 000

17. Funds granted to non-government community organisations (continued)

Recipient	Purpose/Program Name	Amount (\$)
Curious Works	The creative development of the digital media project, 'You Are Here in Liverpool'	30 000
Curious Works for Shakthi Sivanathan	The creative development of theatre work, 'A Counting and Cracking of Heads'	30 000
d/Lux Media Arts Inc for Helen Pynor	The public presentation of collaborative media installation, 'Aftermath', at ISEA 2013	27 500
Destination NSW for Tropfest Festival Productions Pty Ltd	Year 3 of multiyear funding for Tropfest (2011–13)	40 000
DirtyFeet Ltd	The public presentation of three new contemporary dance and music works	22 020
Eastern Riverina Arts Inc for Patrick and Shannon Ronald	The creative development of a site-specific photo-media installation	29 340
Erth Visual & Physical Inc	Year 3 of the strategic industry development: the General Manager's position (2011–13)	30 000
fLiNG Physical Theatre Inc	'Cross the Floor'; a contemporary dance project targeting male students at Bega Valley high schools (20 000); the creative development and public presentation of 'Socialsize Me' (10 000)	30 000
Form Dance Projects Inc	Student participation in the 'Choreographic Workshop' and 'Puncture' project	20 000
Four Winds Concerts Inc	The capital redevelopment of the Four Winds Pavilion	249 500
Free Broadcast Inc	The creative development of a monthly podcast focused on music from NSW artists	29 366
Gondwana Choirs Ltd	The creative development of a children's opera with Indigenous communities in South-Western Sydney	30 000
Goulburn Regional Conservatorium Inc	The 'Goulburn Oratorio' project (50 740); 'Opera at the Races!' (12 910)	63 650
Gunnedah Conservatorium Inc	The 'Music That Sustains' residencies project (23 150); 'Come, Meet the Music' concerts (15 150)	38 300
Heaps Decent Ltd	'Made Here and Now': a program of music and dance activities	21 500
Illawarra Performing Arts Centre Ltd	The public presentation of Alana Valentine's play, 'Dead Man Brake' (30 000); the capital redevelopment of the Illawarra Performing Arts Centre (29 478); year 3 of the strategic industry development: the Artistic Community Projects Coordinator's position (2011–13) (27 000); ticket and travel subsidies to the 'Passport to the Performance' program (10 000)	96 478
International Performing Writers' Association Inc	'Speak-up', a three-day performing writers' festival at Sydney Theatre and various locations in The Rocks	55 648
Kaldor Public Art Projects Ltd	The creative development and public presentation of the '13 Rooms' exhibition	60 000
Kokoda Track Memorial Walkway Ltd	Commissioning Elena Kats-Chernin to create a major work, five shorter arrangements and soundscape for the 'ANZAC Notes' project	30 000
Kulchajam Inc	A digital arts symposium and showcase in the Northern Rivers region	29 400
Kultour	The 'African Caravan' tour: a journey through the music and dance of West Africa (15 645); the attendance of two NSW-based artists at the Kultour National Arts Gathering in Brisbane (3 000)	18 645
Liquid Architecture Sound Inc	The public presentation of the 14th Festival of Sound Arts, 'The Sonic City'	20 500
Macquarie Conservatorium of Music Inc	The visiting artists and performance program	38 250
Manning Clark House	The creative development of the Parramatta Female Factory Precinct cross-artform memory project	30 000
Marguerite Pepper Productions Pty Ltd for Favourite Handbag Productions	The creative development and public presentation of theatre work, 'Tangled Traces'	56 037

17. Funds granted to non-government community organisations (continued)

Recipient	Purpose/Program Name	Amount (\$)
Mitchell Conservatorium Inc	Seven concert performances by visiting Australian artists/ensembles (24 450); a collaborative composition and performance project for young composers and musicians (15 800)	40 250
Monkey Baa Theatre for Young People Ltd	The 2013 'Goodbye Jamie Boyd' Program	38 000
Moogahlin Performing Arts Inc	The creative development of the 'Yellamundie' National Aboriginal & Torres Strait Islander Playwriting Festival at CarriageWorks	30 000
Murray Conservatorium Inc	The Botanic Gardens Music Series	21 300
Murwillumbah Festival of Performing Arts Inc	The 2013 Murwillumbah Festival of Performing Arts	4 000
Music NSW Inc for Life and Limb and Hoodlum Shouts	A tour by rock/punk bands Hoodlum Shouts and Life and Limb to Central and Western NSW	8 204
Musica Viva Australia	The 2013 'Anatomy of Music' workshop and program	38 000
NAISDA Ltd	The capital redevelopment of NAISDA's performance space and storage facility	74 500
National Association for the Visual Arts Ltd for Brad Miller	The public presentation of the 'starry_night' installation for ISEA2013 and VIVID	30 000
National Trust of Australia (NSW)	The public presentation of a Peter Rushforth retrospective exhibition, 'All Fired Up'	30 000
National Young Writers' Festival Inc	A professional development program for young writers and editors	24 112
New England Conservatorium of Music Ltd	A series of Chamber Music concerts for small communities in New England and North West NSW	20 369
New England Regional Art Museum Ltd	'Creating Memories', an intergenerational visual art project using artworks from New England Regional Art Museum's collections	27 200
New England Writers' Centre Inc	'Youth Online': creative writing workshops for isolated young people	8 650
Northern Rivers Conservatorium Arts Centre Inc	A weekend Choral Festival in Bangalow (14 550); a director/composer for the creative development of 'The Return' (11 408)	25 958
Northern Rivers Performing Arts Inc	The capital redevelopment of Lismore City Hall (100 000); the development and presentation of the 'My Radio Heart' project for people living with a disability (50 000)	150 000
Northern Rivers Writers' Centre Inc	The development of 'Project Cross Over', a joint initiative of the Byron Bay Writers' Festival and Southern Cross University	20 000
Opera North West Ltd	The creative development and public presentation of an original work for orchestra and didgeridoo for the Opera North West concert series	8 500
Orana Arts Inc for Kandos Projects	The establishment of a biennial contemporary arts festival, 'Cementa', in Kandos	59 532
Orange Regional Conservatorium Inc	A chamber music series showcasing local professional musicians	18 570
Outback Theatre for Young People	'Reverberation', a music and arts festival event showcasing youth music culture in Deniliquin (20 000); the 'Illuminate' toolkit for young theatre makers (20 000)	40 000
PACT Centre for Emerging Artists	The public presentation of the Tiny Stadiums Festival 2013	25 000
Peloton Inc	Transitional business funding	5 000
Penrith Performing and Visual Arts Ltd	The 'Drum to Paradise' music project in the Lachlan Shire (39 600); the creation and performance of 'Mondo INTEL', a concept album using stories and sound from disengaged youth from Penrith (36 500); Year 3 of multiyear funding for the 'Mondo Project' Producer/Curator's position (2011-13) (50 000)	126 100
Performing Lines Ltd for Martin del Amo	The final creative development and public presentation of dance work, 'Slow Dances For Fast Times'	45 000
Performing Lines Ltd for version 1.0 inc	The 2013 National Road Work tour of version 1.0's 'Table of Knowledge'	49 128
Powerhouse Youth Theatre Inc	The creative development of 'In This Fair Field - Romeo and Juliet in the West', through workshops exploring cultural divisions among young people (21 365); 'School Shorts 2013' (9 000)	30 365

17. Funds granted to non-government community organisations (continued)

Recipient	Purpose/Program Name	Amount (\$)
Regional Development Australia – Central Coast NSW Inc	'Art Central': a three-year Central Coast arts industry support program	90 000
Regional Youth Support Services Inc	The 'Impressability' multimedia project for young people with a disability	40 000
Rinse Out Inc	The Underbelly Arts Artist Project Fund	50 000
Riverina Conservatorium of Music Inc	A program of classical and contemporary music concerts (42 780); performances by the Riverina Chamber Orchestra (41 792)	84 572
Rookwood General Cemeteries Reserve Trust	The creative development and public presentation of the 'Hidden Uncovered' film project and workshops	26 000
Shaun Parker & Company Ltd	The final creative development and public presentation of dance work 'Am I' for the Sydney Festival (59 813); 'INTERCHANGE': a dance and physical theatre education initiative (28 429)	88 242
Shopfront Theatre for Young People Co-op Ltd	'Travel Songs of Sea and Land', a multi-artform program (30 000); year 2 of the strategic industry development: the Artistic Associate's position, Accessibility (2012–14) (25 000)	55 000
South East Arts (NSW) Inc	An Aboriginal Creative and Cultural Engagement Officer for the South East region	49 800
South West Music Inc	The Deniliquin Concert Series and Bush Concert Project	49 285
Southern Tablelands Arts (STARTS) Inc	The development and staging of 'Oratorio', a cross arts performance in Goulburn	20 000
Studio ARTES Northside Inc	The creative development and public presentation of the cross-artform project, 'From Page to Puppetry'	26 500
Sydney Improvised Music Association Inc	Touring three jazz ensembles to regional NSW	38 413
Sydney Theatre Company Ltd	'Project Brandon', associated workshops and ticket subsidies for students	40 000
Tamarama Rock Surfers Theatre Company Ltd for Tin Shed Theatre Company	The creative development of theatre work, 'Pelvis'	13 879
Tamworth Community College Inc	The capital redevelopment of the art classroom at Munro's Mill	4 875
Tamworth Regional Conservatorium of Music Inc	The 2013 subscription series	53 758
The Arts Platform for Augusta Supple	The creative development and public presentation of the inter-generational multi-playwright project, 'Singled Out'	55 000
The Song Company Pty Ltd	The 2013 regional touring program	14 658
Theatre Network Victoria	Travel and accommodation for 10 NSW based independent theatre delegates to attend the Australian Theatre Forum	6 000
Theatre of Image Ltd	The development of a business plan	10 000
Tyalgum Festival Committee Inc	The 2013 Tyalgum Festival of Classical Music	10 000
Upper Hunter Conservatorium of Music Inc	The 2013 visiting artists series	17 000
version 1.0 Inc	Year 2 of the strategic industry development: the Development Manager's position (2012–13) (25 000); free tickets for students to see 'The Table of Knowledge' (10 000)	35 000
Watermark Literary Society Inc	Bringing six writers to Camden Haven to undertake author visits in local primary and secondary schools	4 600
Wollongong Conservatorium of Music Ltd	The 2013 Illawarra Music Festival (33 500); the 2013 chamber music series (29 500); the 2013 jazz series (23 500)	86 500
Young Regional School of Music Inc	The 2013 concert program – 'A Touch of Class'	31 643

17. Funds granted to non-government community organisations (continued)

Programs

Recipient	Purpose/Program Name	Amount (\$)
Accessible Arts	Year 1 of multiyear program funding (2013–15)	245 211
Armidale & Region Aboriginal Cultural Centre & Keeping Place	Year 3 of multiyear program funding (2011–13)	55 990
Arts Law Centre of Australia	Year 1 of multiyear program funding (2013–15)	125 214
Arts Mid North Coast	Year 1 of multiyear program funding (2013–15)	140 000
Arts North West Inc	Year 1 of multiyear program funding (2013–15)	140 000
Arts Northern Rivers Inc	Year 1 of multiyear program funding (2013–15)	140 000
Arts On Tour – NSW Ltd	Year 1 of multiyear program funding (2013–15)	318 380
Arts OutWest Inc	Year 1 of multiyear program funding (2013–15)	140 000
Arts Upper Hunter	Year 1 of multiyear program funding (2013–15)	140 000
Artspace Visual Arts Centre Ltd	Year 2 of quadrennial program funding (2012–15)	551 459
Asian Australian Artists Association Inc	Year 1 of multiyear program funding (2013–15)	165 000
At The Vanishing Point – Contemporary Art Inc	2013 annual program funding	30 000
Australian Centre for Photography Ltd	Year 2 of quadrennial program funding (2012–15)	463 736
Australian Chamber Orchestra	Year 2 of multiyear program funding (2012–14)	193 630
Australian Dance Council – Ausdance (NSW) Inc	Year 2 of multiyear program funding (2012–14)	187 821
Australian Design Centre	Year 2 of quadrennial program funding (2012–15)	686 886
Australian Music Centre Ltd	2013 annual program funding	22 905
Australian Script Centre Inc	2013 annual program funding	12 000
Australian Theatre for Young People	Year 2 of multiyear program funding (2012–14)	98 000
Australian World Orchestra Ltd	2013 annual program funding	20 000
Band Association of NSW	Year 2 of multiyear program funding and a devolved grants program (2012–14)	35 360
Bangarra Dance Theatre Australia Ltd	Year 2 of multiyear program funding (2012–14) (384 649); year 3 of the Safe Dance project (2011–13) (50 000)	434 649
Bankstown Youth Development Service Inc	Year 1 of multiyear program funding (2013–15)	197 000
Biennale of Sydney	Year 2 of quadrennial program funding (2012–15)	679 446
Big hART Inc	Year 2 of multiyear program funding (2012–14)	313 035
Boomalli Aboriginal Artists Co-operative Ltd	2013 annual program funding	50 000
Brand X Productions Inc	2013 annual program funding	40 000
Brandenburg Ensemble Ltd	Year 2 of multiyear program funding (2012–14)	457 341
Byron Bay Community Association Inc	2013 annual program funding	10 000
Carriageworks Ltd	Year 3 of multiyear program funding (2011–13)	1 527 000
Central West Libraries	2013 annual program funding for Central West Writers' Centre	10 703
Cessnock Regional Art Gallery	2013 annual program funding	15 000
Chronology Arts Ltd	2013 annual program funding	15 000
Clarence Valley Council	2013 annual program funding for Grafton Regional Gallery	50 000
Company B Ltd	Year 2 of multiyear funding (2012–14)	952 985
Critical Path	Year 2 of multiyear program funding (2012–14)	280 000
Critical Stages	2013 annual program funding	120 000
d/Lux Media Arts Inc	Year 2 of quadrennial program funding (2012–15)	100 000
Darlinghurst Theatre Ltd	Year 2 of multiyear program funding (2012–14)	120 000
De Quincey Company Ltd	Year 2 of multiyear program funding (2012–14)	91 620

17. Funds granted to non-government community organisations (continued)

Recipient	Purpose/Program Name	Amount (\$)
Eastern Riverina Arts Inc	Year 1 of multiyear program funding (2013–15)	140 000
Ensemble Offspring	2013 annual program funding	46 750
First Draft Inc	Year 3 of multiyear funding program (2011–13)	91 620
fLiNG Physical Theatre Inc	2013 annual program funding	60 000
Flying Fruit Fly Foundation Ltd	Year 2 of multiyear program funding (2012–14)	110 000
Force Majeure Ltd	Year 2 of multiyear program funding (2012–14)	125 500
Form Dance Projects Inc	Year 2 of multiyear program funding (2012–14)	162 880
Gadigal Information Service Aboriginal Corporation	2013 annual program funding	45 000
Gloucester Arts & Cultural Council Inc	2013 annual program funding	25 000
Gondwana Choirs Ltd	Year 1 of multiyear program funding (2013–15)	100 000
Griffin Theatre Company Ltd	Year 2 of multiyear program funding (2012–14)	259 207
Heaps Decent Ltd	2013 annual program funding	30 000
History Council of NSW Inc	Year 3 of multiyear program funding (2011–13)	101 800
HotHouse Theatre Ltd	2013 annual program funding	155 000
Hunter Writers' Centre Inc	2013 annual program funding	20 000
Illawarra Performing Arts Centre Ltd	2013 annual program funding	71 500
Information and Cultural Exchange Inc	Year 2 of multiyear program funding (2012–14)	313 035
International Performing Writers' Association Inc	2013 annual program funding	25 000
Ironwood Chamber Ensemble Inc	2013 annual program funding	12 000
Legs on the Wall Inc	Year 1 of multiyear program funding (2013–15)	181 500
Local Government NSW	Year 3 of multiyear program funding towards the Local Government Cultural Development Program (2011–13)	111 980
Milk Crate Theatre	2013 annual program funding	83 100
Monkey Baa Theatre for Young People Ltd	Year 2 of multiyear program funding (2012–14)	125 000
Moorambilla Voices Ltd	2013 annual program funding	51 450
MOP Projects Inc	2013 annual program funding	30 000
Moree Cultural Art Foundation Ltd	Year 2 of multiyear program funding for Moree Plains Gallery (2012–14)	31 500
Murray Arts Inc	Year 1 of multiyear program funding (2013–15)	140 000
Museum of Contemporary Art	Year 3 of multiyear funding (3 563 090) (2011–13) including the 2012 and 2013 Lloyd Rees Memorial Lectures (10 000)	3 573 090
Museums and Galleries Foundation of NSW Ltd	Year 2 of multiyear program funding and devolved grants programs (2012–14)	1 317 000
Music NSW Inc	Year 2 of multiyear program funding, including Indent and devolved grants programs (2012–14)	428 164
Musica Viva Australia	Year 2 of multiyear program funding (2012–14) (390 729); year 2 of multiyear program funding for Musica Viva in Schools (2012–14) (125 000); year 2 of multiyear funding for the Newcastle series (2012–14) (16 288)	532 017
My Darling Patricia Inc	2013 annual program funding	50 000
National Association for the Visual Arts Ltd	Year 2 of multiyear program and the NSW Artists' devolved grants program (2012–14)	110 000
New England Regional Art Museum Ltd	2013 annual program funding	40 000
New England Writers' Centre Inc	2013 annual program funding	30 000
New Music Network Inc	2013 annual program funding	55 750
New South Wales Writers' Centre Inc	2013 annual program funding	125 400
Northern Rivers Performing Arts Inc	2013 annual program funding	250 000

17. Funds granted to non-government community organisations (continued)

Recipient	Purpose/Program Name	Amount (\$)
Northern Rivers Writers' Centre Inc	2013 annual program funding	61 589
Octapod Association Inc	2013 annual program funding	130 431
Open City Inc	2013 annual program funding	30 000
Opera Australia	Year 1 of multiyear program funding (2012–14) (3 285 660); year 2 of multiyear program funding for Oz Opera in Schools (2012–14) (65 000)	3 350 660
Opera North West Ltd	2013 annual program funding	22 000
Orana Arts Inc	Year 1 of multiyear program funding (2013–15)	140 000
Outback Arts Inc	Year 1 of multiyear program funding (2013–15)	140 000
Outback Theatre for Young People	2013 annual program funding	80 000
PACT Centre for Emerging Artists	Year 3 of multiyear program funding (2011–13)	76 350
Penrith Performing and Visual Arts Ltd	Year 3 of multiyear program funding (2011–13)	356 300
Penrith Symphony Orchestra Inc	2013 annual program funding	10 000
Pinchgut Opera Ltd	2013 annual program funding	16 500
PlayWriting Australia	Year 3 of multiyear program funding (2011–13)	101 800
Port Macquarie–Hastings Council	2013 annual program funding for The Glasshouse	40 000
Powerhouse Youth Theatre Inc	Year 2 of multiyear program funding (2012–14)	83 000
Precarious Inc	2013 annual program funding	50 400
Regional Arts New South Wales Ltd	Year 2 of multiyear program funding and the Country Arts Support Program devolved grants program (2012–14)	703 250
Regional Youth Support Services Inc	2013 annual program funding	50 000
Renew Newcastle Ltd	2013 annual program funding	50 000
Royal Australian Historical Society	Year 2 of multiyear funding for the devolved Cultural Grants Program for Local History Research and Publication (2012–14)	45 000
Sculpture by the Sea Inc	Year 1 of multiyear funding for the Sculpture by the Sea Bondi exhibition (2012–14)	300 000
Shaun Parker & Company Ltd	2013 annual program funding	99 000
Shopfront Theatre for Young People Co-op Ltd	Year 2 of multiyear program funding (2012–14)	84 000
Short and Sweet Productions Ltd	Year 1 of multiyear funding for the NSW Regional Program (2012–14)	375 000
South Coast Writers' Centre Inc	2013 annual program funding	77 000
South East Arts (NSW) Inc	Year 1 of multiyear program funding (2013–15)	140 000
South West Arts Inc	Year 1 of multiyear program funding (2013–15)	140 000
Southern Tablelands Arts (STARTS) Inc	Year 1 of multiyear program funding (2013–15)	140 000
Spaghetti Circus Inc	2013 annual program funding	25 000
Sport for Jove Theatre Company Ltd	2013 annual program funding	30 000
Stalker Theatre Inc	Year 2 of multiyear program funding (2012–14)	95 000
Sydney Arts Management Advisory Group	2013 annual program funding	12 000
Sydney Chamber Choir	2013 annual program funding	9 000
Sydney Chamber Opera Inc	2013 annual program funding	15 000
Sydney Dance Company	Year 2 of multiyear program funding (2012–14)	267 218
Sydney Improvised Music Association Inc	2013 annual program funding	90 000
Sydney Non Objective Group	2013 annual program funding	20 000
Sydney Philharmonia Ltd	2013 annual program funding	115 000
Sydney Symphony Orchestra Holdings Pty Ltd	Year 2 of multiyear program funding (2012–14)	3 212 653

17. Funds granted to non-government community organisations (continued)

Recipient	Purpose/Program Name	Amount (\$)
Sydney Theatre Company Ltd	The annual program and operations of the Sydney Theatre Company (3 250 000); year 2 of multiyear program funding (2012–14) (361 703); year 3 of multiyear funding for 'The Residents' (2011–13) (712 600)	4 324 303
Sydney Writers' Festival	Year 1 of multiyear program funding (2013–15)	417 380
Sydney Youth Orchestra Inc	2013 annual program funding	100 000
Synergy and TaikOz Ltd	Year 3 of multiyear program funding (2011–13)	91 620
Tamarama Rock Surfers Theatre Company Ltd	2013 annual program funding	150 000
Tantrum Theatre Co-operative Ltd	2013 annual program funding	65 000
The Australian Ballet	Year 2 of multiyear program funding (2012–14)	676 045
The Bell Shakespeare Company Ltd	Year 2 of multiyear program funding (2012–14) (616 686); Year 2 of multiyear funding for regional touring (2012–14) (144 000) year 1 of a rental subsidy for the Argyle Stores (2013–16) (116 667)	877 353
The Eleanor Dark Foundation Ltd	2013 annual program funding	150 000
The English Association Sydney Inc	2013 annual program funding for Southerly	22 000
The Jazzgroove Association Inc	2013 annual program funding	40 000
The Performance Space Ltd	Year 1 of multiyear program funding (2013–15)	702 333
The Red Room Company Ltd	2013 annual program funding	47 040
The Song Company Pty Ltd	Year 2 of multiyear program funding (2012–14)	208 690
The Sydney Festival Ltd	Year 1 of multiyear program funding for the Sydney Festival (2013–15) (5 089 940); part payment of year 2 of multiyear funding for the Sydney Festival (2013–15) (512 000)	5 601 940
The University of Melbourne	Year 1 of multiyear program funding for Asialink (2013–15)	34 434
The Wired Lab Ltd	2013 annual program funding	50 000
Theatre 4a Inc	2013 annual program funding	40 000
Urban Theatre Projects Ltd	Year 2 of multiyear program funding (2012–14)	152 700
version 1.0 Inc	Year 2 of multiyear program funding (2012–14)	125 000
Wagga Wagga Writers Writers Inc	2013 annual program funding	45 600
West Darling Arts Inc	Year 1 of multiyear program funding (2013–15)	144 000
Western Riverina Arts Inc	Year 1 of multiyear program funding (2013–15)	140 000
Winifred West Schools Ltd	2013 annual program funding for Sturt Craft Centre	25 000
Wyong Neighbourhood Centre	2013 annual program funding	35 000
youMove Company Ltd	2013 annual program funding	30 000

Quick Response

Recipient	Purpose/Program Name	Amount (\$)
Arts Radar Pty Ltd for Theatre of Rhythm and Dance	Participation in the INTERFACE Festival, Delhi, Kolkata and Bangalore, India	10 000
Asian Australian Artists Association Inc	Participation in the City Pavilions Project at the Shanghai Biennale	10 000
Australian Dance Council – Ausdance (NSW) Inc	Participation in The National Dance Forum and Dance Massive, Footscray Community Arts Centre, Melbourne	10 000
Curious Works	Participation in Ten Days on the Island, Tasmania	10 000
NOW now Music Inc for Great Waitress	Participation in the Music Unlimited 26 Festival, Wels, Austria	4 000
Performing Lines Ltd for Sue Healey and Company	Participation in the Auckland Arts Festival and Ten Days on the Island, Hobart, Tasmania	10 000
youMove Company Ltd	Participation in the 2012 Internationales Tanzfestival, Ingolstadt, Germany	10 000

Note: \$1 472 968 was transferred to the Department of Education and Communities for the Regional Conservatoriums and \$5 000 to Screen NSW for a Russian Film Festival project

17. Funds granted to non-government community organisations (continued)

Funding from the Responsible Gambling Fund – Counselling and treatment

To provide counselling services to problem gamblers and those close to them

Agency	Amount (\$)
Anglicare Canberra & Goulburn	209 344
Anglicare Northern Inland	107 577
Arab Council Australia	197 321
Auburn Asian Welfare Centre	295 032
CatholicCare Social Services	95 293
Centacare New England / North West	91 296
Co. As. It. Italian Association of Assistance	90 298
Greek Welfare Centre	104 181
Hopestreet Urban Compassion	188 087
Lifeline Broken Hill	109 798
Lifeline Central West	386 203
Lifeline Harbour to Hawkesbury	61 958
Lifeline North Coast	171 877
UnitingCare Mental Health – Parramatta	210 045
UnitingCare Mental Health – Fairfield	90 370
Mission Australia – Coastal Sydney	281 899
Mission Australia – Hunter	319 348
Mission Australia – Illawarra	565 156
Mission Australia – North Coast	136 852
Mission Australia – Riverina	245 829
Mission Australia – South West Sydney	175 310
Northern Sydney Local Health Network	333 286
Peninsula Community Centre	184 460
South Western Sydney Local Health District	325 670
St David's Uniting Care, Albury	218 673
St Vincent's de Paul Society NSW	154 783
St Vincent's Hospital	508 430
Sydney Women's Counselling Centre	119 221
The Buttery	258 960
The Samaritans Foundation	73 187
UnitingCare Unifam Counselling & Mediation Service	104 465
Vietnamese Community in Australia – NSW Chapter	147 190
Wagga Wagga Family Support Service	164 093
Wesley Mission – Central Coast	139 137
Wesley Mission – Newcastle	178 101
Wesley Mission – Penrith	263 448
Wesley Mission – St George	178 536
Wesley Mission – Surry Hills	436 721
Western Sydney Local Health Network – Mt Druitt	200 676
Western Sydney Local Health Network – Multicultural Problem Gambling Service	591 184
Woodrising Neighbourhood Centre	70 231

17. Funds granted to non-government community organisations (continued)

Research and other projects

Agency	Purpose	Amount (\$)
Association of Children's Welfare Agencies (Centre for Community Welfare Training)	To provide comprehensive state-wide training services for RGF funded service workers and health/welfare workers.	420 784
Association of Children's Welfare Agencies (Centre for Community Welfare Training)	To provide training and assessment services to enable financial counsellors funded from the Responsible Gambling Fund to attain their qualification requirements.	130 000
Ashley Gordon Consultancy	Six-month extension to conduct community engagement and training programs within Aboriginal communities in New South Wales.	212 234
Department of Justice – Victoria	NSW contribution to Gambling Research Australia program.	290 000
Department of Justice – Victoria	NSW contribution to National online problem gambling counselling program.	204 063
Medibank Health Solutions Telehealth Pty Ltd	To provide a 24-hour telephone crisis counselling, information and referral service to problem gamblers, their families and others.	808 446
Medibank Health Solutions Telehealth Pty Ltd	A pilot project in the Hunter and Central Coast regions to deliver a pilot appointment making functionality for callers referred to Responsible Gambling Fund funded face-to-face gambling counselling services.	48 070
Quality Management Services	2-year quality improvement program for problem gambling counselling services funded by the Responsible Gambling Fund.	150 000
Wesley Mission – Wesley Legal Services	To provide legal advice, information and assistance to problem gamblers, family members and others affected by problem gambling, together with promotion and community education.	245 130

18. Fisheries trust fund report

Commercial Fishing Trust Fund

The department provides a range of monitoring, scientific, compliance and administrative services to the commercial fishing industry.

Expenditure by the department on activities relating to commercial fishing is funded from consolidated revenue with a contribution from the Commercial Fishing Trust Fund. Charges are levied for services such as licence administration and management, but are not project specific. The Commercial Fishing Trust Fund also makes a contribution to research and uses funds to leverage R&D support from other sources.

The NSW abalone and rock lobster fisheries are subject to cost recovery of attributable costs, although there is still some degree of government contribution and budgets are negotiated in detail with relevant industry groups.

Aquaculture Trust Fund

The department provides a range of monitoring, scientific, compliance and administrative services to the aquaculture industry.

The aquaculture industry is subject to full cost recovery for administration charges only and charges are not project specific.

Expenditure by the department on management and policy development relating to aquaculture is funded from consolidated revenue with a contribution from the Aquaculture Trust Fund. The Aquaculture Trust Fund also makes a contribution to research and uses funds to leverage R&D support from other sources, e.g. Fisheries R&D Corporation, Seafood CRC.

Fish Conservation Trust Fund

In 2012–13 no contribution to fisheries conservation projects was made from the Fisheries Conservation Trust.

Charter Fishing Trust Fund

In 2012–13 the Charter Fishing Trust Fund contributed \$200 859 toward charter fishing consultation, monitoring activities and recreational fishing enhancement.

In 2012–13 funds from the Charter Fishing Trust Fund were used for the following programs:

Project	Total Available 2012–13* \$'000	Actual Expenses 2012–13 \$'000	Carry Forward \$'000
Charter fishing consultation	141	78	63
Charter fishing monitoring	62	38	24
Total	203	116	87

*The total available 2012–13 consists of allocations from the trust fund in 2012–13 and amounts carried forward from 2011–12.

18. Fisheries trust fund report (continued)

Recreational Fishing (Saltwater) Trust Fund

In 2012–13 funds from the Recreational Fishing (Saltwater) Trust Fund were used for the following programs:

Project	Total Available 2012–13* \$'000	Actual Expenses 2012–13 \$'000	Carry Forward \$'000
ACoRF meeting expenses	30	25	5
Angel rings (life buoys) installation for rock fishers	2	0	2
Artificial reefs monitoring and research	399	270	129
Barotrauma in coastal recreational fishing species research	6	3	3
Biological assessment of offshore artificial reefs	74	244	–170
Biology of rock blackfish research	61	47	14
Boambee Creek (Coffs Harbour) fishing platforms	7	0	7
Coastal fish habitat protection and management	171	143	28
Coastal habitat restoration grants program	866	370	496
Crookhaven Heads fish cleaning facility improvements	14	14	0
Estuarine artificial reefs deployment	591	441	150
Eurobodalla fish cleaning tables	3	3	0
Eurobodalla sustainable recreational fishing education program	3	3	0
Expenditure committee meeting expenses	33	17	16
Fish aggregation devices (FADs)	223	180	43
Fishcare volunteer program	558	466	92
Fisheries officers (9 coastal officers)	1 053	741	312
Fisheries officers (mobile squads)	232	403	–171
Fish habitat restoration extension officer	172	126	46
Gamefish tagging program	139	118	21
Gosford fish cleaning tables	43	43	0
Gamefish tournament monitoring	176	114	62
Greater Sydney region recreational fishing survey public web portal	50	0	50
Lake Illawarra recreational fishing platform (Judbooley Parade)	80	80	0
Marine stocking of important recreational fish species in coastal waters	300	60	240
Marine stocking research on prawns and mulloway	11	0	11
Membership to Recfish Australia	26	0	26
Moruya River anglers fishing platform	58	0	58
Movements of key recreational fishing species research program	43	1	42
Mulloway angler research program	182	54	128
Production of spearfishing safety DVD	35	30	5
Production of rockfishing safety resource folder	5	0	5
Recreational fishing access officer (coastal)	135	141	–6
Recreational fishing trust executive officer	160	126	34
Recreational fishing publications program	143	143	0
Research on recreational fishing cost effective sampling methods	107	35	72
Research on Mangrove Jack biology and movement	69	35	34
Research on recreational fishing havens	94	1	93
Research on relationships between bag and size limits & management	25	0	25
Research survey on licence churn	20	1	19

18. Fisheries trust fund report (continued)

Project	Total Available 2012–13* \$'000	Actual Expenses 2012–13 \$'000	Carry Forward \$'000
Research on tagging of iconic recreational species	36	36	0
RFA rockfishing safety workshops	3	0	3
Satellite research tagging of tiger sharks	7	7	0
Small grants program	100	50	50
Southern bluefin tuna assessment	2	0	2
Statewide survey of recreational fishing in NSW	684	488	196
Stockton recreational fishing platform	32	0	32
Study on landed fish at gamefishing tournaments	9	9	0
USFA spearfishing catch research project	12	10	2
Young Leaders Program	6	0	6
Total	7 290	5 078	2 212

* The total available 2012–13 consists of allocations from the trust fund in 2012–13 and amounts carried forward from 2011–12.

Recreational Fishing (Freshwater) Trust Fund

In 2012–13 funds from the Recreational Fishing (Freshwater) Trust Fund were used for the following programs:

Project	Total Available 2012–13* \$'000	Actual Expenses 2012–13 \$'000	Carry Forward \$'000
Burrinjuck fish cleaning tables	18	18	0
Corowa fishing platform	25	0	25
Dollar-for-dollar native fish stocking program	200	212	–12
Effectiveness of stocking research	215	246	–31
Enhanced fish production at hatcheries for stocking in inland waters	386	338	48
Expenditure committee meeting expenses	33	16	17
Fishcare volunteer program	159	143	16
Fisheries officers (inland)	815	534	281
Freshwater recreational management program	153	178	–25
Gaden trout hatchery	497	601	–104
Gaden trout hatchery tour guide	65	46	19
Inland habitat restoration grants program	316	162	154
Inland stocking management officer	107	108	–1
Macquarie perch research	39	14	25
Murray cod research	72	42	30
Nodavirus research to aid Australian bass stocking	17	13	4
Recreational fishing access officer (inland)	153	127	26
Regional inland fish habitat manager	180	124	56
Research on bass populations in Clarence River	7	4	3
Small grants program	60	32	28
Wee Jasper fishing access improvements	12	0	12
Wyangala fish cleaning tables	16	16	0
Total	3 545	2 974	571

* The total available 2012–13 consists of allocations from the trust fund in 2012–13 and amounts carried forward from 2011–12.

18. Fisheries trust fund report (continued)

Funds from the Freshwater and Saltwater trust funds were jointly used for the following programs:

Project	Total Available 2012–13* \$'000	Actual Expenses 2012–13 \$'000	Carry Forward \$'000
Economic survey of recreational fishing (statewide)	163	121	42
Fishing guides for recreational fishers	155	147	8
Fishing promotion	50	14	36
Fishing safety DVD for anglers	12	0	12
Fishing workshops for children	83	64	19
'Get hooked...it's fun to fish' school education program	424	378	46
Recreational fishing fee administration	1 760	1 319	441
Recreational fishing fee renewal notice	165	110	55
Recreational fishing fee research database	90	45	45
Recreational Fishing Infrastructure Manager	143	113	30
Recreational fishing promotion calendar	5	5	0
Recreational Fishing Alliance Access Project	119	0	119
Tournament management and promotion	161	81	80
Total	3 330	2 397	933

* The total available 2012–13 consists of allocations from the trust fund in 2012–13 and amounts carried forward from 2011–12.

19. Cost of production of the 2012–13 annual report

The total external cost incurred in the production of the NSW Trade & Investment 2012–13 Annual Report is \$6 800.

The annual report is available on the department's website at: www.trade.nsw.gov.au

20. Research and development

NSW DPI

The NSW Department of Primary Industries (NSW DPI) manages a significant research portfolio with a total expenditure of more than \$90 million per year. About half of the investment comes from partnerships and alliances. These collaborations make NSW DPI one of the largest primary industries research organisations in Australia, with more than 900 active projects. Many of NSW DPI's scientists lead their field internationally.

NSW DPI's partnerships and collaborations enhance its capacity to provide research that underpins and drives productivity growth in the State's primary industries and to address key environmental and social issues with primary industries. The research activities of NSW DPI play a key role in preparing the State's primary industries for the challenges of the future.

NSW DPI, in conjunction with other parts of NSW Trade & Investment, is involved with seven Cooperative Research Centres (Table 1) which along with 42 significant co-investors (Table 2) contribute to research activities. We further collaborate with a wide range of universities within and outside of Australia, CSIRO and State departments from other jurisdictions. A number of these arrangements have been formalised in significant alliances (Table 3).

Table 1. Current Involvement with CRC's

CRC Name	Period
Australian Seafood CRC	2007–14
CRC Sheep Industry Innovation	2008–14
Future Farm Industries CRC	2006–12
Invasive Animals CRC	2012–17
CRC for High Integrity Pork	2012–19
CRC for Polymers	2012–18
Plant Biosecurity CRC	2012–18

20. Research and development (continued)

Table 2. Significant Co-investors

» Aquaculture Trust
» AusAid
» Australasian Invasive Animals CRC
» Australian Centre for International Agricultural Research
» Australian Pest Animal Research Program
» Australian Pork Ltd
» Australian Wool Innovations
» Border Rivers/Gwydir CMA
» Central West CMA
» Commercial Trust
» Cotton R&D Corporation
» Dairy Australia
» Department of Agriculture, Fisheries & Forestry
» Department Industry, Innovation, Climate Change, Science, Research and Tertiary Education
» Department of Agriculture Forestry and Fisheries
» Freshwater Trust
» Fish Conservation Trust
» Fisheries Research & Development Corporation
» Future Farm Industries CRC
» Meat & Livestock Australia
» Murray–Darling Basin Authority
» Grains R&D Corporation
» Hawkesbury Nepean CMA
» Horticulture Australia Ltd
» Hunter/Central Rivers CMA
» Lower Murray CMA
» Murray CMA
» Murrumbidgee CMA
» Namoi CMA
» Northern Rivers CMA
» Office of Environment
» Plant Biosecurity CRC
» Seafood CRC
» Polymers CRC
» Pork CRC
» Rural Industries R&D Corporation
» Saltwater Trust
» Sheep Industry Innovations CRC
» Southern Rivers CMA
» Sydney CMA
» Sydney Metropolitan CMA
» Western CMA

Table 3. Formal Alliances

Alliance	Key partners
Animal Genetics and Breeding Unit	University of New England
Rural Climate Solutions	University of New England
National Grape and Wine Industry Centre	Charles Sturt University
EH Graham Centre for Agricultural Innovation	Charles Sturt University
Coastal Agricultural Landscapes Centre	Southern Cross University
NSW Centre for Animal & Plant Biosecurity	University of Sydney
University of Newcastle and DPI collaboration	
Australian Cotton Research Institute	CSIRO

Resources & Energy

The *Coal Innovation Administration Act 2008* established the Coal Innovation NSW Fund (the fund). The purpose of the fund includes the provision of funding for research into, and development of, low emissions coal technologies, as well as the provision of funding to increase public awareness and acceptance of the importance of reducing greenhouse gas emissions through the use of low emissions coal technologies.

The Coal Innovation NSW Fund, working collaboratively with the Commonwealth and Australian Coal Association Low Emissions Technologies Ltd, has determined three investment strategies to fulfil the purpose of the fund:

1. Delta Carbon Capture and Storage Demonstration Project, Stage 1, is a \$28.3 million jointly funded project with the Commonwealth and Australian Coal Association Low Emission Coal Technology (ACALET). NSW is contributing \$9.43 million. Stage 1 of this project will pioneer for NSW the planning and approval processes for a project, the development and feasibility studies, site characterisation and community engagement. Funding for 2012–13 was \$120 454.
2. NSW CO₂ Storage Assessment Program is a \$54.3 million program, jointly funded project with the Commonwealth and ACALET. NSW contribution is \$18.1 million. The aim of this program is to find and assess long-term storage options for CO₂ captured from fossil fuel electricity generators and industry. Funding for 2012–13 was \$980 424.
3. Research and development, in an effort to address market failures by accelerating desktop research through pilot to demonstration phases. Currently the Fund has established a \$10 million budget and is sponsoring seven projects, with several projects based at the University of Newcastle and CSIRO. Research is examining combustion efficiency, capture technology options, alternative storage options and social research into community awareness issues whose research finding will be released in the near future. Funding for 2012–13 was \$1 528 729.

Coal Innovation is also a member of the CRC for Greenhouse Gas Technologies (CO2CRC), for the period 2009 to 2015. Membership fee is \$250 000 per annum.

Office of Science & Research

The department's Office of Science & Research continued to support New South Wales research and development activity by provided funding in 2012–13 through a range of programs including:

- » Research Attraction and Acceleration Program
- » Conference Support Program
- » TechVouchers Program

20. Research and development (continued)

Industry, Innovation, Hospitality & the Arts

The NSW Government, through NSW Trade & Investment, supported several projects managed by the United States Studies Centre during 2012–13, with funding of \$580 000. There are a further 2 years of the funding agreement remaining. Topics supported during 2012–13 include:

- » Rumelt roundtable
- » G'Day USA
- » Advanced Biofuels
- » Entrepreneurship & ethical business
- » Cities of the future (sustainability and clean technology)
- » behavioural insights
- » Food & Nutrition
- » Higher education and digital media
- » Sustainable tourism
- » Public knowledge forum

During 2012–13, the department's Innovation & Industry Policy branch supported the Global Talent Hub project, which consisted of an international survey of global talent. The survey was conducted from 8 May 2013 to 14 June 2013, utilising industry contacts within Sydney and around the world through the Committee for Sydney and NSW Trade & Investment. This survey attracted 3 063 responses, and included people from a diverse range of countries, industries, incomes, and ages. The cost of the survey, analysis and partnership reporting was \$70 000.

The department also commissioned the Centre of International Economics to undertake an \$87 000 project during 2012–13, to estimate the economic value of business and skilled migration to the NSW economy. The results of this project will be used to inform ongoing policy development and communication.

The department progressed a number of strategic policy and economics research alliances during 2012–13. In relation to policy coordination and review, the department commissioned KPMG to undertake an independent review of the *Dams Safety Act 1978* and the Dams Safety Committee, to ensure that the dams safety regime in NSW is in line with regulatory best practice. This study will inform a subsequent public consultation process to provide opportunity for community input to the dams safety regime in NSW. The cost of this research is \$197 670 plus travel costs.

In relation to industry policy development, NSW Trade & Investment commissioned Marsden Jacob Associates to undertake an assessment of the economic and social impacts for NSW of the difference in time zones between NSW and Queensland for six months of the year (the Time Zones Economic Study). This \$72 000 study will inform a report on time zone options for eastern Australia, being prepared by the NSW Cross-Border Commissioner.

NSW Trade and Investment engaged Environment and Behaviour Consultants (EBC) to undertake the 2013 NSW Irrigators' Survey. This \$153 000 survey is the fourth since 2006 to monitor socio-economic changes in the NSW irrigation industry as a result of Water Sharing Plans. The department sent a letter to all irrigation licence holders (>25 000) inviting them to participate in the survey. The consultant is expected to interview more than 2000 irrigation licence holders, asking questions about irrigation business, water use, employment and other social and economic indicators.

NSW Trade and Investment commissioned Charles Sturt University to design and test a contingent valuation survey relating to the non-market benefits of redeveloping the Walsh Bay Arts Precinct, as an investment in arts and culture. The survey will be undertaken by Pure Profile, a commercial research firm, with the results to be analysed by the department. The project will also build departmental capacity in measuring non-market values across the portfolio.

Through Arts NSW, the department contracted the University of Technology, Sydney to undertake a two-year research study into the impacts of projects funded under the NSW Arts and Disability Partnership 2012–14, on participants with a disability and the participating organisations.

As a member of the Meeting of Cultural Ministers (MCM), NSW contributes in conjunction with the Commonwealth, States and Territories in supporting the cultural data program of the Australian Bureau of Statistics. A current project is the development of a reliable estimate of the economic contribution of the arts and cultural sector.

Through the department's Office of Liquor, Gaming & Racing, a wide range of gambling-related research projects were commissioned, continued or completed during 2012–13. These are summarised in Table 4. Detailed information about the gambling research is contained in the Responsible Gambling Fund's (RGF) annual report, available at www.olgr.nsw.gov.au/gaming_rgf_pubs.asp

The Office of Liquor, Gaming & Racing commissioned an additional major research project in 2012–13 to investigate the cumulative impact of licensed premises in NSW. The Allen Consulting Group undertook this research, which identified the economic and social impacts of liquor licence density, and the contributing external and market risk and mitigation factors. The research included the development of a tool – the Environment and Venue Assessment Tool (EVAT) – to guide liquor licensing decisions in NSW. The EVAT is currently being trialled in the City of Sydney and City of Newcastle local government areas.

20. Research and development (continued)

Table 4. Research projects supported by the Office of Liquor, Gaming & Racing in 2012–13

Agency	Purpose	Amount (\$)
Association of Children's Welfare Agencies (Centre for Community Welfare Training)	To provide comprehensive state-wide training services for RGF funded service workers and health/welfare workers.	420 784
Association of Children's Welfare Agencies (Centre for Community Welfare Training)	To provide training and assessment services to enable financial counsellors funded from the RGF to attain their qualification requirements.	130 000
Ashley Gordon Consultancy	Six-month extension to conduct community engagement and training programs within Aboriginal communities in New South Wales.	212 234
Department of Justice – Victoria	NSW contribution to Gambling Research Australia program.	290 000
Department of Justice – Victoria	NSW contribution to National online problem gambling counselling program.	204 063
Medibank Health Solutions Telehealth Pty Ltd	To provide a 24-hour telephone crisis counselling, information and referral service to problem gamblers, their families and others.	808 446
Medibank Health Solutions Telehealth Pty Ltd	A pilot project in the Hunter and Central Coast regions to deliver a pilot appointment making functionality for callers referred to RGF funded face-to-face gambling counselling services.	48 070
Quality Management Services	2-year quality improvement program for problem gambling counselling services funded by the RGF.	150 000
The University of Sydney	To pilot an advanced cognitive therapy training workshops for Electronic Gaming Machine (EGM) problem gambling.	70 000
Wesley Mission – Wesley Legal Services	To provide legal advice, information and assistance to problem gamblers, family members and others affected by problem gambling, together with promotion and community education.	245 130

21. Waste reduction, recycling and energy management

Waste Reduction and Recycling

NSW Trade and Investment is committed to the government's Waste Reduction and Purchasing Policy (WRAPP) agenda and aims to create awareness amongst staff, encourage participation and develop practical strategies to avoid waste, increase resource recovery and increase the purchase of recycled products. This is achieved through a combination of policies and procedures as well as communications such as departmental induction programs and corporate intranet.

The Department takes a proactive role in adopting initiatives to reduce the generation of waste. Staff are encouraged to recycle

office stationery (double sided printing, recycled paper for drafts), paper, cardboard, glass, cans and plastics. Receptacles are provided to facilitate these practices. A process is also in place for the collection of toner cartridges, obsolete mobile phones, old phone books and scrap metal for recycling. Whenever possible, the Department arranges the repair, reuse or reallocation of office equipment and furniture items in preference to purchasing replacement items.

Every effort is made to purchase stationery items containing recycled content or those products that are manufactured using environmentally friendly practices. Performance in waste reduction and purchasing policies is shown in the following table.

Waste reduction and purchasing policies performance

Recycling		
Waste Material	% of quantity generated which is recycled	NSW Government Sustainability Policy Target
Copy paper and all other office paper	100	85% by 2014
Co-mingled containers	100	
Cardboard	100	
Used toner cartridges	93	
General waste	82	
Purchasing		
Material purchased	% of quantity purchased containing recycled content	NSW Government Sustainability Policy Target
A4 white paper (including letterhead)	100	
A3 white paper	100	
Printing and publications paper	28	85% recycled paper used in publications
Toner cartridges	93	

21. Waste reduction, recycling and energy management (continued)

Energy Management

Information is provided on energy consumption including electricity, natural gas, liquid petroleum gas, oil, and unleaded petrol usage. This data along with the kilometres travelled by vehicle fleet, building area and staff numbers is collated into the national database administered by NSW Office of Environment and Heritage, Australian Government Department of Climate Change and Energy Efficiency allowing reporting of total energy consumption and CO₂ emissions of NSW Trade and Investment.

Energy Consumption by NSW Trade and Investment has increased slightly from the previous year although CO₂ emissions have remained consistent. There has been a reduction in LPG and Natural Gas consumption. Fuel energy consumption has continued to decrease as a result of the steady reduction in the Departments motor vehicle fleet.

Energy Consumption

Energy Type	Units	2012–2013	
		Energy Use	CO ₂ tonnes
Electricity	gigajoules (GJ)	114 953	34 256
Green	gigajoules (GJ)	5 417	0
LPG	gigajoules (GJ)	1 750	280
NG	gigajoules (GJ)	19 675	1 289
Heating oil	gigajoules (GJ)	0	0
MV petrol	kilolitres (kl)	1 194	2 745
MV diesel	kilolitres (kl)	1 637	4 420
MV LPG	kilolitres (kl)	0	0
Other petrol	kilolitres (kl)	60	138
Other diesel	kilolitres (kl)	170	459

Note: Data appearing in this table is drawn from the principal divisions of NSW Trade & Investment.

22. Implementation of recovery and threat abatement plans

Recovery plans relating to threatened fish and marine vegetation are prepared under the *Fisheries Management Act 1994*. The plans identify the actions required to recover the species to a position of viability in nature. Similarly, threat abatement plans are prepared to address key threatening processes listed under the Act, and they identify actions required to reduce the impact of threatening processes.

NSW DPI is the lead implementation agency, however each plan also identifies other government agencies, authorities, councils and community groups that have a role and responsibility to contribute to implementing recovery and threat abatement actions. Public authorities are required to report on actions taken to implement measures for which they are responsible in their annual report to Parliament.

Surveys of populations of threatened species are undertaken as part of broader fish community assemblage surveys, as well as NSW DPI's threatened fish monitoring program. Threatened species compliance operations continue as does distribution of information brochures and installation and maintenance of relevant signage. Habitat improvement works are also undertaken to benefit threatened species as well as the general aquatic ecosystem.

This report only relates to actions taken by NSW DPI to implement measures identified in recovery and threat abatement plans. Six recovery plans and one threat abatement plan have been finalised to date, as reported below.

Eastern (Freshwater) Cod (Maccullochella ikei)

A comprehensive survey (61 sites) of Eastern Cod distribution in the Clarence River basin was completed, as well as population and distribution surveys as part of broader ongoing fish surveys programs.

A two year study of the relationship between Eastern Cod migration patterns and water flow levels in the Nymboida River was completed. The results of the study will inform decisions on Water Sharing Plans in areas supporting Eastern Cod populations. A study has also been undertaken to assess potential fishway options for the Nymboida weir.

A seasonal (August, September and October) ban on all forms of fishing continues in the Mann–Nymboida River system to minimise disturbance of Eastern Cod during the breeding season. Targeted compliance operations were undertaken during the year and additional signage advising of the fishing ban was erected at strategic river access points.

Oxleyan Pygmy Perch (Nannoperca oxleyana)

NSW DPI provided critical review of a management plan which aims to address potential impacts on Oxleyan Pygmy Perch due to works associated with the Woolgoolga to Ballina Pacific Highway upgrade project (excluding the Glenugie and Devils Pulpit upgrade sections), prepared on behalf of NSW Roads and Maritime Services.

22. Implementation of recovery and threat abatement plans (continued)

Silver Perch (*Bidyanus bidyanus*)

Population and distribution surveys continued, as part of broader fish community assemblage surveys.

NSW DPI continued to collect and store genetic samples opportunistically with a view to undertaking detailed population genetic analysis when sufficient samples are available. Due to the widespread distribution of Silver Perch a large number of samples will be required, but the species' generally low abundance prevents rapid sample accumulation.

Trout Cod (*Maccullochella macquariensis*)

The conservation stocking program in the upper Macquarie region (above Lake Burrendong) continued with approximately 2,000 fish stocked during the reporting period.

A Species Impact Statement prepared on behalf of the Advisory Council on Recreational Fishing (ACoRF) relating to establishment of a recreational fishery for Trout Cod based on stocked fish in specified impoundments was exhibited for public comment, and provided to relevant Ministerial advisory councils. Responses to the Species Impact Statement are currently being assessed.

River Snail (*Notopala sublineata*)

No significant recovery activity was undertaken during the reporting period.

Removal of large woody debris Key Threatening Process

Sixteen engineered log jams were installed in the Hunter River and another 48 snags placed in the Talbragar River near Elong Elong, replacing woody debris that has been historically removed from these systems.

Black Rockcod (*Epinephelus daemeli*)

NSW DPI supported surveys for Black Rockcod have been undertaken by Nature Coast Marine Group on the NSW south coast.

New Black Rockcod advisory signs were installed at various locations on the NSW north and south coast e.g. Coffs Harbour and Narooma, in consultation with local interest groups.

Joint management agreements

The Minister may enter into a joint management agreement under Part 7A of the *Fisheries Management Act 1994* with one or more public authorities for the management, control, regulation or restriction of an action that is jeopardising the survival of a threatened species, population or ecological community.

The only joint management agreement in force during the 2012–13 year is for the NSW Shark Meshing (Bather Protection) Program. The agreement is between the Minister for Primary Industries and the Director General of the Department of Primary Industries. The Fisheries Scientific Committee must conduct an annual review of the performance of the parties to a joint management agreement and advise the Minister of any deficiencies in the implementation of the agreement. The Fisheries Scientific Committee's annual reviews are contained in each relevant Annual Performance Report for the NSW Shark Meshing (Bather Protection) Program. These reports are available for inspection on the NSW DPI website at: www.dpi.nsw.gov.au/fisheries

23. Multicultural policies and services program 2012–13

NSW Trade & Investment is committed to the *Community Relations and Principles of Multiculturalism Act 2000* and the NSW Government's aims and objectives for multiculturalism as set out in the Multicultural Advantage Action Plan. During 2012–13 NSW Trade & Investment delivered its multicultural programs and services through a range of activities throughout the department.

Department of Primary Industries

Skills and education

A Certificate IV in Production Horticulture was delivered to two groups of Chinese vegetable farmers, with 18 graduating at the Tocal College Graduation Ceremony in March 2013. The training commenced with a survey of farmers training needs and desired outcomes. A partnership with Sydney Landcare was formed to deliver training to farmers in the Botany/Rockdale region of Sydney. The training for this group had a focus on soil management covering a range of topics from soil sampling, use of soil ameliorants and soil health. The second group of farmers were from the Dural/ Hills District. The training delivered allowed these farmers to make connections with other service providers in their region including Hills Shire Council, District weed officers and the Community Migrant Resource Centre. A diverse range of topics were covered from machinery maintenance, energy efficiency, WHS as well as general horticultural production. As a result of attending training this group of farmers are now meeting on a regular basis for social and other activities such as health education.

Fishing and community engagement workshops, events and seminars

Over 1200 children, mums, dads and grandparents including overseas students and refugees participated in a range of activities including fishing workshops and community fishing seminars. Communities involved came from many cultural backgrounds including Chinese, Vietnamese, Indonesian, Filipino, Malaysian, Burmese, Cambodian, Bangladesh, African, Turkish, Ethiopian, Eritrea, Burundi, Afghanistan, Egypt, Iran, Polynesian, Samoan, Timorese, Maori and Easter Islander.

Participants learned responsible fishing and conservation, fishing rules and regulations, as well as rigging, casting, baiting and most importantly fishing and water safety with an emphasis on rock fishing safety designed to prevent rock fishing tragedies especially among non-English speaking fishers. Translated fisheries and water safety resource material was distributed at these workshops and seminars.

NSW DPI carried out these activities in partnership with many organisations and community groups including Recreational Fishing Alliance NSW, NSW Surf Life Saving Australia, Community Relations Commission NSW, The Hills Holroyd Parramatta Migrant Resource Centre, University of NSW Student Representative Council International, Asian Women at Work, Metro Migrant Resource Centre Marrickville, Pei Ji Chinese Language School, Senior Vietnamese Association, Vietnamese Women's Association, Marrickville West Primary School, Illawarra Environmental Education Centre, Warrawong Intensive English Centre,

23. Multicultural policies and services program 2012–13 (continued)

Department of Ageing, Disability and Home Care, Office of Environment and Heritage, Willoughby Council, Manly Council, Koi Society of Australia, Waverley Council and Bondi Pavilion Cultural Services.

NSW DPI communicated and interacted with over 12 000 people from non-English speaking backgrounds at various events and shows including: Bondi Ocean Care Festival; Manly Ocean Care Day; Marrickville Children's Festival; Vietnamese Moon Festival; Ocean Pacific Festival Bondi; Day at the Bay Manly; Koi Society's Pet & Garden Show; Sydney International Boat Show; Sydney Royal Easter Show and Stay Safe at the Beach.

Multicultural volunteers

Volunteers from Chinese, Vietnamese, Indonesian, Filipino, Malaysian, Burmese, Middle Eastern, African and Korean cultural backgrounds assisted in educating anglers and their community about fishing rules and responsible fishing practices at a range of events and activities including fishing workshops and community fishing events.

Multilingual brochures

NSW DPI translated, produced and distributed over 40 000 multilingual brochures and DVDs through Fisheries Offices, other government and non-government agencies, on Fisheries patrols, at shows, events, fishing workshops, fishing seminars, fishing tackle outlets and restaurants.

Information, translated into Chinese, Vietnamese, Korean, Japanese, Nepalese, Malaysian and Arabic, included: hygiene to prevent spread of abalone disease; ban on live abalone imports from Tasmania; requirements for releasing fish into NSW waterways; freshwater recreational fishing rules and regulations summary; Sydney Harbour recreational fishing and dioxin contamination and recreational fishing dietary advice; rock fishing safety; conservation; ornamental fish; fishing responsibly; and biosecurity and marine pests.

Interpreting and translating service

Twenty seven interpreter translating services via telephone or face to face meetings were provided in Vietnamese, Mandarin, Greek, Cantonese, Korean and Italian languages for people seeking fisheries information and advice, and were utilised by Fisheries Officers with clients when required.

Clean Safe Wharf Program

NSW DPI, Roads and Maritime Services, Sydney Ferries and the Recreational Fishing Alliance continue to work in partnership to deliver the Clean Safe Wharf Program to address the issue of fisher mess and antisocial behaviour on Sydney ferry wharves. The Clean Safe Wharves Program delivers a range of initiative including responsible fishing advertisements in local multicultural newspapers, community liaison officers/ volunteers who visit wharves and a patrol/monitoring program.

Safe fishing for international students

Over 40 University of NSW international students from China, Singapore, Vietnam, Korea, Malaysia and Japan attended a special fishing and water safety workshop hosted by NSW DPI in partnership with the Recreational Fishing Alliance of NSW and Surf Lifesaving NSW, Asian Women at Work and the University of NSW Student Representative Council International.

The workshop focused on Asian communities who are at an increased risk of injury or death associated with water-based activities. Students learned about responsible, sustainable and enjoyable fishing, with a strong emphasis on fishing and swimming safety. The practical skills these students learned at the workshop will empower them to not just keep themselves safe, but also act as ambassadors to take fishing and water safety messages back to their communities, both locally and internationally.

This program is supported through the NSW Government's Water Safety Black Spot Fund, which is aimed at saving lives and reducing drowning related fatalities in NSW by 50% by 2020, and the NSW Recreational Fishing Trust.

International delegations and research

Presentations on fisheries research and aquaculture were given to government and non-government delegations from Thailand, Vietnam, Singapore and China at the Port Stephens Fisheries Institute.

The department currently assists three PhD students from Vietnam, one from Germany and one from Thailand studying aspects of biology and genetics of Sydney rock oysters. Researchers from the Port Stephens Fisheries Institute are currently engaged in cooperative research programs that assist aquaculture development in Vietnam and PNG, and have provided additional technical advice, through lecture tours undertaken in Vietnam, Thailand and Indonesia.

Resources & Energy Division

The Department delivered a number of services in the energy sector that assisted culturally diverse communities. Emergency assistance with energy bills was delivered throughout NSW through the Energy Accounts Payment Assistance (EAPA) scheme. Participating organisations included those catering specifically to Culturally and Linguistically Diverse (CALD) clients. The Department's Energy Information Line also helped customers access interpreters through the Translating and Interpreting Service. This assistance was provided for a number of customer issues ranging from electricity rebates to using the Government's Price Comparison Service for energy.

The Department is also aiming to provide more information about EAPA in community languages to assist community welfare organisations with clients from CALD backgrounds.

Industry, Innovation, Hospitality & the Arts

The department continued to enhance its provision of trade, investment, business, and arts and cultural programs and services to people of culturally and linguistically diverse backgrounds in NSW, Australia and internationally.

Investment and export services

The department uses a variety of channels to increase the effectiveness of our provision of investment and export services to multicultural clients within Australia and overseas. A number of trade promotional publications were produced to support investment and trade development initiatives. For example:

- » *F3-M2 Motorway* is a flyer updating potential investors on progress of the F3-M2 infrastructure project. Aimed at potential Japanese and international investors, it was translated into Japanese and released through channels including the Japan Australia Business Co-operation Committee.

23. Multicultural policies and services program 2012–13 (continued)

- » *Overview of Funds Management in Sydney and NSW* promoted NSW capabilities and skills. It was aimed at Chinese financiers and fund managers, and translated into Mandarin.
- » *China & NSW* was a brochure promoting NSW capabilities and opportunities in professional services, infrastructure, information and communication technology, agriculture, education, research and development, and mining and resources. It was translated into Mandarin and distributed on a trade mission to China in 2013.

Memorandums of Understanding

The NSW International Engagement Strategy was launched in April 2013 to provide a co-ordinated approach to growing international trade and investment activities in NSW. During 2012–13 the department facilitated the signing of a number of MoUs between the NSW Government and entities in China and India.

During the visit to China in July 2012 the Premier witnessed the signing of the following MoUs:

- » Sydney Symphony Orchestra and Xinghai Conservatory of Music
- » University of Wollongong and Di'ao Group.

During the Premier's visit to India in November 2012 the Premier witnessed the signing of an MoU between the Australian Council for Private Education and Training (ACPET) and the National Skills Development Corporation.

Chambers of commerce

The Department continued to work with a number of bilateral chambers of commerce and other international organisations to foster engagement and profile trade and investment opportunities. They included the:

- » Australia–India Business Council
- » Indo–Australian Chamber of Commerce
- » Australia Arab Chamber of Commerce and Industry (now incorporating the Australia Gulf Council)
- » Australia China Business Council
- » Australia–Israel Chamber of Commerce
- » Australia Japan Business Coordinating Committee
- » Hong Kong Economic and Trade Office
- » Japan External Trade Organisation
- » UK Trade & Investment
- » Philippine Trade & Investment Centre.

Business and skilled migration program

The Department's migration program is a key part of implementing the NSW strategy for business migration and attracting international students. NSW Trade & Investment provides sponsorship for business, investor and skilled worker visas. This includes visas to specifically support migration to regional areas according to local needs. Other functions include organising events to promote NSW as a place to live and invest, and preparing information materials.

During the 2012–13 program year over 2,500 skilled migrants were sponsored by NSW. 188 meetings were held with prospective business migrants to discuss their business plans. These migrants are helping businesses address skill shortages to enable business growth across regional and metropolitan areas.

The Significant Investor Visa Scheme was launched in November 2012. It has been well received and is expected to create substantial benefits for the NSW economy. In December the Deputy Premier and senior representatives from NSW Trade & Investment led a promotional road show to China for this investment program. Two more seminars were held in Sydney and over 300 people attended.

If all the visa applicants nominated by the NSW Government up to 30 June 2013 are approved by the Commonwealth Government, \$273 million will be channelled into Waratah Bonds for infrastructure projects. Of the 182 applications received by NSW during the 2012–13 program 94% of applicants were Chinese investors further strengthening the ties between NSW and China.

The Living in NSW brochure was updated and translated into Mandarin. NSW Trade & Investment supported NSW Treasury to translate Waratah Bonds brochures into Arabic, Hindi, Japanese, Korean and Mandarin.

Multicultural Business Advisory Panel

The Government established the Multicultural Business Advisory Panel to enhance its multicultural consultation commitment and support economic development outcomes for NSW. In May 2013, a joint meeting between the Multicultural Business Advisory Panel and the Ethnic Communities Council opened dialogue aimed at enhancing opportunities for ethnic businesses to engage in global trade.

The Department built linkages with the NSW Korean business community to facilitate networks and identify key NSW strengths to promote in overseas markets.

In 2012–13, the department developed a China engagement training program to be piloted in early 2013–14. The pilot is aimed at helping Hunter and Central Coast businesses and organisations to target export and investment opportunities from China. Following evaluation, it is anticipated that the program will be rolled out through other regional Trade & Investment offices across NSW to prepare regional stakeholders to work effectively with this important priority market for NSW.

International Education and Research Industry Action Plan

A key recommendation of the International Education and Research Industry Action Plan was to establish a one stop shop for international education. The establishment of StudyNSW for 4 years, subject to industry co-funding, is the Government's key strategy to raise the competitiveness of NSW education providers.

The Department is working closely with the Council for International Students Australia (CISA) to ensure the needs of international students guide the priorities of StudyNSW. The Department sponsored their annual conference and the Parliamentary Secretary for Tertiary Education and Skills presented the CISA International Student of the Year Award. The Department has also consulted CISA in developing an international student charter which will commit education providers to consistent, high quality support for international students.

23. Multicultural policies and services program 2012–13 (continued)

Visitor Economy Policy

The Visitor Economy Industry Action Plan, the whole-of-Government response to the Visitor Economy Taskforce Report, was released in December 2012. In recognition of the role NSW multicultural communities have in the growth of the visitor economy, the NSW Government's response supported a number of actions including the provision of improved access to public transport information in multiple languages, and placing a higher priority on supporting industry and education and training institutions to provide cultural awareness, language and customer service training.

NSW Trade & Investment, in partnership with Destination NSW and other agencies, is progressing and implementing these actions.

The annual Business Leadership Forum will provide a mechanism to report on supported actions, advise on any amendments or changing priorities and refine and develop new measures to enhance economic growth in NSW.

Arts NSW

Through Arts NSW the department seeks to promote a creative and diverse arts and cultural sector and increased access to arts and cultural activities. The department supports CALD artists and participation by CALD communities and nationally significant CALD arts organisations and programs via the Arts Funding Program. Consistent with advice from TIS National (Translating and Interpreting Service) for the 2014 Arts Funding Program the guide included information to assist interpreting the guide in languages other than English.

In December 2012 Arts NSW released a report on an environmental scan of CALD artists, arts workers and projects in NSW. The main findings of the report are:

- » Asian–Australian artists are key drivers of contemporary arts with an emerging generation of artists who have arrived as refugees from Africa, Afghanistan and Iran
- » the approach to strategies and policies in this area should work across art forms, be effective in metropolitan and regional areas and serve multiple generations of artists and cultural groups
- » the number of CALD artists is increasing with the proportion of CALD people in the population so new policies and strategies will benefit the future generation of CALD artists.

Responsible Gambling Fund

The Responsible Gambling Fund helps people to overcome gambling problems through education and treatment. In 2012–13, close to 10 per cent (or over \$1.43 million) of the Fund's income was allocated to six CALD-specific gambling treatment and support services.

A new *Help for Family and Friends of Problem Gamblers Booklet* was developed in Chinese. Community engagement activities took place in schools, libraries, community centres and cultural venues with over 100 presentations to problem gamblers and their families across NSW. The Fund also continued with problem gambling awareness campaigns in Arabic, Vietnamese, Chinese, Italian and Greek to promote free DVDs, materials and in-language counselling services. The *What's Gambling Really Costing You?* campaign won the National Multicultural Marketing Award for the best government marketing campaign for 2012. The campaign led to a 15 per cent increase in numbers of clients attending CALD services. An upgrade of the Gambling

Help website with additional CALD resources, including video content, information and tools, further increased the online reach to problem gamblers. As a result, visits to the 'Other Languages' section of the Gambling Help website increased by 45.9% in 2012–13 compared to the previous year.

Small Business Commissioner

The Office of the Small Business Commissioner assisted the small business sector in NSW by providing advice and low-cost dispute resolution services to small businesses that face problems dealing with other businesses, Commonwealth and NSW Government agencies and/or local councils. The Office also helped businesses navigate through blockages and delays by providing them with a pathway into government.

The Office commenced a three year pilot with the University of Western Sydney (UWS) which will focus on the needs of small business owners from non-English speaking backgrounds. The first stage of the pilot included the delivery of the Small Biz Connect services in a number of Western Sydney local government areas including Auburn, Baulkham Hills, Blacktown, Fairfield, Holroyd and Parramatta. The Small Biz Connect program provides quality face-to-face support to small businesses across NSW, tailored to meet their particular local needs. The second stage of the pilot will focus on researching how small businesses seek information to support their success. Through this program small business owners and operators have access to translation services when utilising the Small Biz Connect advisors.

Future directions

NSW Trade & Investment will continue to foster multiculturalism with the following initiatives in 2013–14:

- » continue development of the NSW Trade & Investment Multicultural Policies and Services Plan 2013–16.
- » organise and host the inaugural Business Leadership Forum in September 2013.
- » establish StudyNSW to carry out marketing, advocacy and research, and develop policy to enhance the competitiveness of international education in NSW.
- » implement a pilot China engagement training program aimed at helping Hunter and Central Coast businesses to target export and investment opportunities from China.
- » continue to implement a three year pilot with the University of Western Sydney (UWS) focusing on the needs of small business owners from non-English speaking backgrounds.
- » continue to promote a creative and diverse arts and cultural sector by assisting access of CALD communities and nationally significant CALD arts organisations and programs to the Arts Funding Program.
- » further support to community welfare organisations with a new training program for the delivery of the Energy Accounts Payment Assistance scheme. A number of Migrant Resource Centres have already been identified for provision of this training.

24. Consumer response

NSW Trade & Investment

Most customer service complaints can be satisfactorily settled by providing additional information or further explanation when the original complaint is raised.

However, where a customer is not satisfied with the service or response and this cannot be resolved by frontline staff or Branch management, the matter may be progressed through the Complaint Handling Process.

The Complaint Handling Process is available to our customers on the NSW Trade & Investment website. Guidelines in the Policy provide for:

- » investigating complaints;
- » informing complainants about progress and outcomes;
- » identifying problems and suggesting improvements to systems and processes;
- » obtaining information to assist the department to make decisions on resource allocation, training, prioritisation, planning and quality assurance; and
- » providing a Right of Review if the complainant remains unsatisfied with the outcome.

The target timeframe for completion of any necessary investigation and responding to the complainant under the Complaint Handling Process is one month from date of receipt.

Sixteen complaints were received and investigated in accordance with the Complaints Management Policy throughout the 2012–13 reporting period.

Nine complaints concerned the actions or behaviour of staff members – this included not responding to representations or delays in processing applications for services (3) and alleged improper behaviour or conflicts of interest (6).

Seven complaints concerned disputed decisions or procedures, two of which were subject to Internal Review by the Director General.

In all but two of these matters, the behaviour of staff and the actions and processes involved were reviewed and considered appropriate. In two matters action was taken to change existing procedures to address the concerns raised and provide a better and more transparent process.

Further information is available from the Complaints Manager at PO Box K220 Haymarket 1240 or email complaints@trade.nsw.gov.au

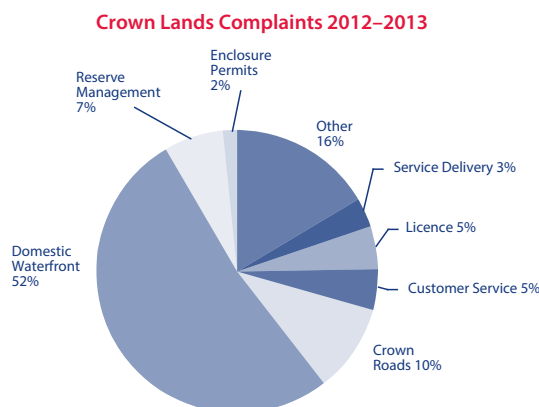
Crown Lands Branch

Crown Lands maintain a computerised complaints management system consistent with the NSW Trade & Investment Complaints Handling Process, timeframes and policy guidelines.

Staff use this system to register complaints received by mail, telephone and email. During the 2012–13 reporting period Crown Lands received sixty one complaints.

The following graph provides a breakdown of complaints received by issue.

Crown Lands complaints by issue 2012–13



Fifty two percent of complaints recorded were in relation to Domestic Waterfront issues. A change to the method of calculating rents and the inclusion of an administration fee to domestic waterfronts was implemented on 1 July 2012 and saw an increase in the number of complaints in this area.

Three complaints were referred on to Reserve Trusts to respond to in the first instance and two complaints did not proceed, the remaining fifty six complaints were investigated in accordance with the NSW Trade & Investment Complaints Management Policy.

Of the investigated complaints fifteen resulted in Crown Lands reviewing and implementing improved processes or issuing an apology. Two complaints were investigated and resolved by Crown Lands staff providing additional information or undertaking additional work.

Thirty three complaints concerned rent calculations and in all cases, the rent was found to be correctly calculated. Five complaints involved a third party and were investigated with no evidence found to substantiate the complaint.

Further information is available from the Coordinator Client Services at PO Box 2185 Dangar 2309, by telephone on 1300 886 235 or email enquiries@lands.nsw.gov.au

25. Volunteer program

The Fishcare Volunteer Program

The Fishcare program involves 250 volunteers across NSW, dedicated to assisting NSW DPI in fostering positive changes in the community's attitude to responsible fishing practices and ethics.

In 2012–13, volunteers participated in 474 registered events, making 42 900 contacts and dedicating 9 500 hours of service (around 1 370 days) to the agency. Major achievements and figures included:

- » volunteers' general age demographic was 48–69 years
- » 8 per cent of volunteers came from culturally diverse and lingual diverse (CALD) communities such as Arabic, Chinese, Italian, and Greek communities
- » twenty new volunteers completed the two day theory training in October 2012, and were certified as Fishcare volunteers in January 2013 after successfully completing the probationary period
- » Sydney region undertook 231 events, making 16 000 contacts. Sydney Volunteers ran and managed the two day Rosehill Trailer Boat Show, seven volunteers undertook six shifts and talked to 1 800 visitors
- » utilising four specialised fishcare boats, volunteers participated in the state wide Fishcare Water Advisory & Food Safety campaign, and Clean Safe Wharves Campaign, spending 29 days on the water, contacting 390 vessels

- » west of the divide, 71 events were undertaken and 13 500 people contacted
- » volunteers assisted NSW DPI to teach 7000 children between the ages of 8–14 years the basics of fishing. Of these, 926 children attended a paid fishing workshop, where revenue raised goes back to the Recreational Fishing Trust to assist with the program.

Get hooked...it's fun to fish primary schools education program

Get Hooked...it's fun to fish program teaches children at an early age (Stages 2 and 3) about the importance of aquatic habitats and introduces them to safe and responsible fishing practices. Schools register for a calendar year. In the 2012 school calendar year 5 447 children partook in the program. At the time of printing in the 2013 school calendar year, 89 schools (23 freshwater, 66 saltwater) involving 3 623 students had enrolled in the program.

Volunteers are essential to the running of this program. In 2012, Fishcare volunteers participated in 17 incursions and 29 workshops. Volunteers dedicated many hours of service to the program, with the majority of the hours dedicated to the state wide Get Hooked Workshop Weeks, where 918 students got to put theory learnt throughout the year into practice.

26. Government Information Public Access (GIPA)

During the 2012–2013 reporting period a total of 226 GIPA applications were received. This represents an increase of approximately 12 per cent over 2011–2012, which itself was 25 per cent higher than 2010–2011.

Decisions for thirty four (34) of these applications were pending as at 30 June 2013 and will be included in next year's report. Similarly, twenty three (23) applications received in the previous year that had not been decided as at 30 June 2012 are included in this year's figures.

There was a significant increase in the number of applications received from Not for Profit or Community Groups (up from 20 to 46), with Parliamentary applications also increasing from 9 to 19. Environmental matters continued to be of particular interest with Minerals (56), NSW Office of Water (24), Fisheries NSW (6) and Forests NSW (7) related applications accounting for 93 of the 209 decisions made during the year.

Another major area of interest was liquor, gaming and casino related information with the Independent Liquor & Gaming Authority and the Office of Liquor, Gaming & Racing being the subject of 44 decisions.

Forty two (42) applications were received regarding Crown Lands matters, while 21 decisions were made concerning the NSW Food Authority.

Twenty one (21) decisions were subject to review with 12 of the original decisions being upheld and 9 varied. The majority of variations following Internal Review were of a minor nature which did not unduly reflect upon the quality of the original decision. Three (3) Administrative Decisions Tribunal (ADT) matters were carried over from the previous year and 2 further matters were listed during the current reporting period.

Of the 3 ADT matters carried over the Tribunal confirmed one decision and varied the remaining two. An appeal was lodged against one of these variations with the Appeal Panel subsequently confirming the Department's original decision.

The two (2) new ADT matters listed during the year were withdrawn by the applicants after further consultation and were alternatively addressed.

Ten (10) matters are subject to Review by the Information Commissioner but were not decided as at 30 June 2013. The results of these will be included in the Report for 2013–2014. Due to the nature of the department, most applications seek access to information received from, or related to, third party businesses. In these circumstances consultation with third parties is a regular requirement for a substantial number of applications. This consultation frequently involves a large volume of complex and technical information.

Statistics are not kept on informal requests; however, there has been an increase in the number of matters where information is being released upon request without requiring a formal application. This has mostly been where enquiries were received on the process for submitting a formal application where it was identified that an informal request may be the most expedient approach for all parties. In some cases formal applications had already been made and, in discussion with the applicant, these were withdrawn and the information provided informally.

Under section 7(3) of the GIPA Act NSW Trade & Investment must review at least annually its program for proactively releasing information. A proactive release program is in place to review information as it is produced or received and making it available online where appropriate. A circular was issued reminding Branch Heads of this requirement.

Table A: Number of applications by type of applicant and outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	7	3	1	2	1	1	0	0
Members of Parliament	10	4	2	2	1	0	0	0
Private sector business	35	15	6	1	1	5	0	2
Not for profit organisations or community groups	15	19	2	2	2	4	0	2
Members of the public (application by legal representative)	12	4	0	0	0	1	0	0
Members of the public (other)	18	18	3	9	0	3	0	0

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision.

Table B: Number of applications by type of application and outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications [#]	2	0	0	2	0	0	0	0
Access applications (other than personal information applications)	92	60	14	14	5	14	0	4
Access applications that are partly personal information applications and partly other	3	3	0	0	0	0	0	0

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision.

[#] A *personal information application* is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C: Invalid applications

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	12
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	12
Invalid applications that subsequently became valid applications	10

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act*

	Number of times consideration used
Overriding secrecy laws	5
Cabinet information	4
Executive Council information	0
Contempt	3
Legal professional privilege	5
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application).

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act*

	Number of occasions when application not successful
Responsible and effective government	20
Law enforcement and security	8
Individual rights, judicial processes and natural justice	66
Business interests of agencies and other persons	60
Environment, culture, economy and general matters	0
Secrecy provisions	1
Exempt documents under interstate Freedom of Information legislation	0

* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application).

Table F: Timeliness

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	193
Decided after 35 days (by agreement with applicant)	16
Not decided within time (deemed refusal)	0
Total	209

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	8	8	16
Review by Information Commissioner *	0	2	2
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	1	2	3
Total	9	12	21

* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	14
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	7

27. Privacy Management

NSW Trade & Investment respects the privacy of the public who use our services and of our employees. As a NSW government agency NSW Trade & Investment must comply with the requirements of the *Privacy and Personal Information Protection Act 1998* (PPIPA) and the *Health Records and Information Privacy Act 2002*.

One complaint was received relating to Privacy during the reporting period and investigated as an Internal Review under Part 5 of the PPIPA. This concerned information relating to an employee being visible to another employee on a computerised Employee Self Service portal.

The investigation concluded that breaches of Information Protection Principles 12 (Retention and Security) and 18 (Limits on Disclosure) occurred.

An apology was made to the complainant and remedial action taken to preclude a recurrence. The Complainant was satisfied with this outcome as was the Information Commissioner.

The Privacy Management Plan is being revised and is expected to be reissued during 2013–2014.

Requests for access to personal information held by NSW Trade & Investment may be made to the Privacy Management Officer, GPO Box 7060 Sydney NSW 2001 or email privacy@trade.nsw.gov.au

28. Public Interest Disclosure

The *Public Interest Disclosures Act 1994* was amended to require Agencies to report every six months to the Ombudsman on Public Interest Disclosures (PIDs) and to include this information in Annual Reports.

This report covers those PIDs received during the period from 1 July 2012 to 30 June 2013.

Number of public officials who have made a disclosure to the Agency – (2)

Number of the public interest disclosures received by the Agency relating to:

- » corrupt conduct – (3)
- » maladministration – (2)
- » serious & substantial waste – (0)
- » government information contravention – (0)

Total number of public interest disclosures received – (5)

The number of public interest disclosures finalised to 30 June 2013 – (5)

One matter not finalised as at 30 June 2012 was carried over and finalised during the current reporting period. Two matters were investigated and a decision made they did not require any further action in terms of addressing the allegations of corrupt conduct or maladministration. Three matters were finalised as Public Interest Disclosures where further investigation was considered warranted and separate actions were progressed. The investigation of the remaining matter had yet to be finalised as at 30 June 2013.

The NSW Trade & Investment PID Reporting Policy and Procedure was developed in accordance with the requirements of the *Public Interest Disclosures Act 1994* and approved effective 1 October 2011. The Policy and Procedure are publicly available on the department's website as Open Access Information under the *Government Information (Public Access) Act 2009*.

The following action has been taken to ensure that staff is aware of the contents of the Policy and the protections available, as required under s6E(1)(b) of the *Public Interest Disclosures Act 1994*:

- » PID training and information sessions were provided to Branch management;
- » Information on PIDs was included in Staff Newsletters; and
- » Information on PIDs, including the Policy and Procedures, is available on the intranet.



**Trade &
Investment**

DEPARTMENT OF TRADE & INVESTMENT, REGIONAL INFRASTRUCTURE AND SERVICES

Financial Statements for the year ended 30 June 2013

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STATEMENT BY THE DIRECTOR GENERAL, NSW TRADE & INVESTMENT

Pursuant to Section 45F of the Public Finance and Audit Act 1983, I state that, subject to the matters noted below:

- The accompanying financial statements and notes to the financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, the Financial Reporting Code for Budget Dependent General Government Sector Agencies, the applicable clauses of the Public Finance and Audit Regulation 2010 and the Treasurer's Directions;
- The statements exhibit a true and fair view of the financial position, financial performance and cash flows of the Department; and
- At the date on which the statement is signed, I am not aware of any circumstances that would render any particulars included in the financial statements to be misleading or inaccurate.

Matters affecting the Financial Statements:

- Significant work has been undertaken in relation to accounting for Crown Lands Leases this year, and a number of immaterial errors have been identified which will be addressed in the 2014 year.
- NSW Trade & Investment is party to a number of Joint Ventures, and where audited Joint Venture financial statements have not been received in time, these have been incorporated as per final drafts.
- Between draft lodgement and finalisation of the financial statements, the majority of outstanding reconciling items on Bank Reconciliations have been addressed, but a smaller number are still outstanding. The process and timeliness have been improved for 2014 onwards.
- Certain cluster entities are operated day-to-day as part of the department, including use of a single bank account, and are disaggregated only for annual reporting, and this has resulted in a number of errors. NSW Trade & Investment review separate accounting for these entities in 2014
- Historical balance sheets have not been fully and precisely allocated to service groups. The reliability of these allocations has been improved by the implementation of our new Chart of Accounts and ERP system, and further improvements will be made in 2014
- The Department occupies and recognises as an asset a property known as CarriageWorks. This asset was purchased by a precursor agency, and has been included as a Land & Buildings asset since the creation of the Department in 2011, consistent with the treatment by the precursor agency, notwithstanding that formal legal title has never transferred from the vendor (another State Government agency). This property is also listed in a plan that allows Urban Growth Development Corporation to compulsorily acquire the property. In 2014 we will seek formal resolution of this matter.

I have also been provided with details of other matters not affecting the opinion that the Department and I will consider in the preparation of Financial Statements for subsequent years.

Signed



MARK I PATERSON AO
DIRECTOR GENERAL



INDEPENDENT AUDITOR'S REPORT

Department of Trade and Investment, Regional Infrastructure and Services

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Department of Trade and Investment, Regional Infrastructure and Services (the Department), which comprise the statements of financial position as at 30 June 2013, the statements of comprehensive income, the statements of changes in equity, the statements of cash flows, service group statements and summary of compliance with financial directives for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information of the Department and the consolidated entity. The consolidated entity comprises the Department and the entity it controlled at the year's end.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Department and the consolidated entity, as at 30 June 2013, and of the financial performance and the cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 45E of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion should be read in conjunction with the rest of this report.

Director General's Responsibility for the Financial Statements

The Director General is responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Director General determines is necessary to enable the preparation of financial statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Director General, as well as evaluating the overall presentation of the financial statements.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

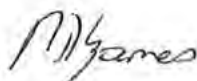
My opinion does *not* provide assurance:

- about the future viability of the Department or the consolidated entity
- that they have carried out their activities effectively, efficiently and economically
- about the effectiveness of their internal control
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information that may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.



Peter Barnes
Director, Financial Audit Services

31 October 2013
SYDNEY

Beginning of the Financial Statements

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2013

		Consolidated			Parent		
	Notes	Actual 2013 \$000	Budget 2013 \$000	Actual 2012* \$000	Actual 2013 \$000	Actual 2012* \$000	Actual 2011* \$000
Expenses excluding losses							
Operating expenses							
Employee related	2(a)	723,932	729,147	755,146	723,932	755,146	441,249
Other operating expenses	2(b)	401,040	352,434	253,235	401,013	253,111	177,029
Depreciation and amortisation	2(c)	75,176	89,797	75,182	75,176	75,182	43,346
Grants & subsidies	2(d)	500,898	749,975	559,880	500,878	559,880	382,023
Finance Costs	2(e)	823	1,655	1,373	823	1,373	(387)
Other expenses	2(f)	46,596	29,333	54,337	46,596	54,337	129,046
Total expenses excluding losses		1,748,465	1,952,341	1,699,153	1,748,418	1,699,029	1,172,306
Revenue							
Recurrent appropriation (net of transfer payments)	7	975,121	1,105,435	962,835	975,121	962,835	728,980
Capital appropriation (net of transfer payments)	7	44,404	50,745	41,944	44,404	41,944	63,865
(Transfers to the Crown Entity)		-	-	-	-	-	-
Sale of goods and services	3(a)	224,631	263,497	171,631	224,631	171,631	95,305
Investment revenue	3(b)	84,060	15,750	78,801	84,047	78,776	21,851
Fees and fines	3(c)	-	17,087	13,957	-	13,957	12,821
Grants and contributions	3(d)	134,503	131,470	117,365	134,503	117,365	96,978
Acceptance by the Crown Entity of employee benefits and other liabilities	8(a)	26,684	45,754	66,609	26,684	66,609	25,494
Transfers to NSW Treasury	8(b)	(69,077)	(62,678)	(58,186)	(69,077)	(58,186)	(10,346)
Other revenue	3(e)	16,937	18,707	29,325	16,937	29,325	21,246
Personnel services revenue	3(f)	263,816	271,987	346,701	263,816	346,701	104,961
Total Revenue		1,701,079	1,857,754	1,770,982	1,701,066	1,770,957	1,161,155
Gain / (loss) on disposal	4	15,117	341	5,816	15,117	5,816	(16,963)
Other Gains / (losses)	5	683	(5,488)	1,065	683	1,065	1,505
Increase in share of jointly controlled assets in joint ventures	34(a)	-	-	-	-	-	69,871
Impairment – Intangible – Water Entitlements - MDBA	34(a)	-	-	-	-	-	(46,236)
Share of operating result of joint ventures accounted for under the equity accounting method	34	(4,784)	-	49,457	(4,784)	49,457	(1,606)
Net Result	29	(36,370)	(99,734)	128,167	(36,336)	128,266	(4,580)
Other comprehensive income							
Items that will not be reclassified subsequently to net result							
Net increase / (decrease) in property, plant and equipment asset revaluation reserve		(14,026)	-	101,413	(14,026)	101,413	22,516
Items that may be reclassified subsequently to net result							
Available for sale financial assets		-	-	-	-	-	-
Valuation gains / losses		-	-	-	-	-	(220)
Transferred to net result on disposal		-	-	-	-	-	-
Net change in the asset revaluation reserve arising from a change in the restoration liability		-	-	-	-	-	-
Superannuation actuarial gains / (losses)		7,616	-	(92,208)	7,616	(92,208)	3,175
Net increase / (decrease) on revaluation of investments accounted for under the equity method	34(b)	-	-	-	-	-	35,342
Net increase / (decrease) on revaluation of share of jointly controlled assets in joint ventures	34(a)	-	-	-	-	-	10,952
Other net increases / (decreases) in equity		-	-	-	-	-	1,136
Total other comprehensive income		(6,410)	-	9,205	(6,410)	9,205	72,901
TOTAL COMPREHENSIVE INCOME		(42,780)	(99,734)	137,372	(42,746)	137,471	68,321

The accompanying notes form part of these financial statements

* The prior year comparative has been altered. Refer to note 36 for further details.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	Notes	Actual 2013 \$000	Consolidated Budget 2013 \$000	Actual 2012* \$000	Actual 2013 \$000	Parent Actual 2012* \$000	Actual 2011* \$000
ASSETS							
Current Assets							
Cash and cash equivalents	11	538,468	316,940	335,416	537,984	334,915	281,482
Receivables	12	160,976	168,631	142,683	160,967	142,664	152,044
Inventories	13	19,389	29,856	26,800	19,389	26,800	29,596
Biological assets	19	1,576	-	-	1,576	-	-
Other financial assets	17	122	12,764	26	122	26	50
Non-Current Assets held for sale	18	4,008	2,199	9,376	4,008	9,376	913
Total Current Assets		724,539	530,390	514,301	724,046	513,781	464,085
Non-Current Assets							
Receivables	12	153,978	174,848	282,269	153,978	282,269	202,146
Inventories	13	14,870	16,533	18,324	14,870	18,324	14,985
Financial assets at fair value	14	3,797	-	4,404	4,265	4,404	4,124
Property Plant and Equipment	15						
- Land and buildings		5,430,635	6,214,894	5,572,589	5,430,635	5,572,589	5,544,976
- Plant and Equipment		53,003	46,722	47,088	53,003	47,088	48,423
- Infrastructure Systems		406,574	1,002,450	456,136	406,574	456,136	1,058,758
- Leased Assets (Buildings)		105,506	-	97,103	105,506	97,103	42,679
- Work in progress - PPE		28,679	-	17,717	28,679	17,717	45,228
Total Property Plant and Equipment		6,024,397	7,264,066	6,190,633	6,024,397	6,190,633	6,740,064
Intangible assets	16						
- Intangible assets		27,429	175,188	28,595	27,429	28,595	160,128
- Work in progress - Intangible assets		23,065	-	8,000	23,065	8,000	5,261
Total Intangible assets		50,494	175,188	36,595	50,494	36,595	165,389
Investments accounted for under the equity method	34	863,421	-	862,522	863,421	862,522	70,980
Biological assets	19	3,350	-	6,440	3,350	6,440	6,875
Other financial assets	17	-	98,138	-	-	-	2,188
Total Non-Current Assets		7,114,307	7,728,773	7,401,187	7,114,775	7,401,187	7,206,751
Total Assets		7,838,846	8,259,163	7,915,488	7,838,821	7,914,968	7,670,836
LIABILITIES							
Current Liabilities							
Payables	21	175,962	97,611	106,157	175,937	106,139	104,073
Borrowings	22	2,763	951	6,837	2,763	6,837	6,596
Provisions	23(a)	151,203	151,827	133,153	151,203	133,153	131,081
Other	24	25,776	16,378	5,972	25,776	5,972	19,403
Total Current Liabilities		355,704	266,767	252,119	355,679	252,101	261,153
Non-Current Liabilities							
Payables	21	-	-	-	-	-	-
Borrowings	22	6,204	10,562	8,524	6,204	8,524	12,595
Provisions	23(a)	14,405	61,632	145,571	14,405	145,571	62,554
Other	24	7,302	575,089	7,713	7,302	7,713	11,338
Total Non-Current Liabilities		27,911	647,283	161,808	27,911	161,808	86,487
Total Liabilities		383,615	914,050	413,927	383,590	413,909	347,640
Net Assets		7,455,231	7,345,113	7,501,561	7,455,231	7,501,059	7,323,196
EQUITY							
Reserves		161,779	215,365	175,805	161,779	175,805	74,392
Accumulated funds		7,293,452	7,129,748	7,325,756	7,293,452	7,325,254	7,248,804
Total Equity		7,455,231	7,345,113	7,501,561	7,455,231	7,501,059	7,323,196

The accompanying notes form part of these financial statements

* The prior year comparative has been altered. Refer to note 36 for further details.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2013 – CONSOLIDATED ENTITY

	Notes	Accumulated Funds \$'000	Consolidated Asset Revaluation Reserve \$'000	Total Equity \$'000
Balance at 1 July 2012 *		7,419,908	177,708	7,597,616
Adjustment	36	(94,152)	(1,903)	(96,055)
Restated total equity at 1 July 2012		7,325,756	175,805	7,501,561
Net result for the year		(36,370)	-	(36,370)
Other comprehensive income:				
Net increase / (decrease) in property, plant and equipment			(14,026)	(14,026)
Available for sale financial assets:				
Valuation gains / (losses)		-		-
Transfer on disposal				-
Change in restoration liability				-
Superannuation actuarial gains / (losses)		7,616		7,616
Net increase / (decrease) on revaluation of investments accounted for under the equity method			-	-
Net increase / (decrease) on revaluation of share of jointly controlled assets in joint ventures			-	-
Other net increases / (decreases) in equity				-
Total other comprehensive income		7,616	(14,026)	(6,410)
Total comprehensive income for the year		(28,754)	(14,026)	(42,780)
Transfers to / (from) reserves				-
Transactions with owners in their capacity as owners				
Increase / (decrease) in net assets from equity transfers	25	(3,550)		(3,550)
Total transactions with owners in their capacity as owners		(3,550)	-	(3,550)
Balance at 30 June 2013		7,293,452	161,779	7,455,231
Balance at 1 July 2011		7,339,131	74,392	7,413,523
Adjustment	36	(90,328)	-	(90,328)
Restated total equity at 1 July 2011		7,248,803	74,392	7,323,195
Net result for the year		128,167	-	128,167
Other comprehensive income:				
Net increase / (decrease) in property, plant and equipment		-	101,413	101,413
Available for sale financial assets:				
Valuation gains / (losses)		-	-	-
Transfer on disposal		-	-	-
Change in restoration liability		-	-	-
Superannuation actuarial gains / (losses)		(92,208)	-	(92,208)
Net increase / (decrease) on revaluation of investments accounted for under the equity method		-	-	-
Net increase / (decrease) on revaluation of share of jointly controlled assets in joint ventures		-	-	-
Other net increases / (decreases) in equity		-	-	-
Total other comprehensive income		(92,208)	101,413	9,205
Total comprehensive income for the year		35,959	101,413	137,372
Transfers to / (from) reserves				-
Transactions with owners in their capacity as owners				
Increase / (decrease) in net assets from equity transfers	25	40,994	-	40,994
Total transactions with owners in their capacity as owners		40,994	-	40,994
Balance at 30 June 2012		7,325,756	175,805	7,501,561

The accompanying notes form part of these financial statements

* The prior year comparative has been altered. Refer to note 36 for further details.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2013 – PARENT ENTITY

	Notes	Accumulated Funds \$'000	Parent Asset Revaluation Reserve \$'000	Total Equity \$'000
Balance at 1 July 2012 *		7,419,406	177,708	7,597,114
Adjustment	36	(94,152)	(1,903)	(96,055)
Restated total equity at 1 July 2012		7,325,254	175,805	7,501,059
Net result for the year		(36,336)	-	(36,336)
Other comprehensive income:				
Net increase / (decrease) in property, plant and equipment			(14,026)	(14,026)
Available for sale financial assets:				
Valuation gains / (losses)		-		-
Transfer on disposal				-
Change in restoration liability				-
Superannuation actuarial gains / (losses)		7,616		7,616
Net increase / (decrease) on revaluation of investments accounted for under the equity method			-	-
Net increase / (decrease) on revaluation of share of jointly controlled assets in joint ventures			-	-
Other net increases / (decreases) in equity				-
Total other comprehensive income		7,616	(14,026)	(6,410)
Total comprehensive income for the year		(28,720)	(14,026)	(42,746)
Transfers to / (from) reserves				-
Transactions with owners in their capacity as owners				
Increase / (decrease) in net assets from equity transfers	25	(3,082)		(3,082)
Total transactions with owners in their capacity as owners		(3,082)	-	(3,082)
Balance at 30 June 2013		7,293,452	161,779	7,455,231
Balance at 1 July 2011	36	7,339,131	74,392	7,413,523
Adjustment		(90,328)	-	(90,328)
Restated total equity at 1 July 2011		7,248,803	74,392	7,323,195
Net result for the year		128,266	-	128,266
Other comprehensive income:				
Net increase / (decrease) in property, plant and equipment		-	101,413	101,413
Available for sale financial assets:				
Valuation gains / (losses)		-	-	-
Transfer on disposal		-	-	-
Change in restoration liability		-	-	-
Superannuation actuarial gains / (losses)		(92,208)	-	(92,208)
Net increase / (decrease) on revaluation of investments accounted for under the equity method		-	-	-
Net increase / (decrease) on revaluation of share of jointly controlled assets in joint ventures		-	-	-
Other net increases / (decreases) in equity			-	-
Total other comprehensive income		(92,208)	101,413	9,205
Total comprehensive income for the year		36,058	101,413	137,471
Transfers to / (from) reserves				-
Transactions with owners in their capacity as owners				
Increase / (decrease) in net assets from equity transfers	25	40,393	-	40,393
Total transactions with owners in their capacity as owners		40,393	-	40,393
Balance at 30 June 2012		7,325,254	175,805	7,501,059

The accompanying notes form part of these financial statements

* The prior year comparative has been altered. Refer to note 36 for further details.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2013

	Notes	Actual 2013 \$000	Consolidated Budget 2013 \$000	Actual 2012 \$000	Actual 2013 \$000	Parent Actual 2012 \$000	Actual 2011 \$000
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee related		(846,932)	(689,006)	(761,175)	(846,932)	(761,175)	(404,506)
Grants and subsidies		(526,203)	(657,368)	(562,560)	(526,184)	(562,560)	(351,133)
Finance costs		(824)	(1,639)	(1,757)	(824)	(1,757)	(658)
Other		(257,844)	(442,629)	(291,577)	(257,823)	(291,428)	(571,396)
Total Payments		(1,631,803)	(1,790,642)	(1,617,069)	(1,631,763)	(1,616,920)	(1,327,693)
Receipts							
Sale of goods and services		654,916	540,509	450,421	654,919	450,421	139,269
Fees and fines		-	-	19,691	-	19,691	13,351
Interest received		23,948	15,085	23,042	23,935	23,017	6,581
Recurrent appropriation		987,851	1,054,690	1,081,328	987,851	1,081,328	746,458
Asset sale proceeds transferred to the Crown Entity		-	-	-	-	-	-
Cash transfers to the Consolidated Fund		(12,117)	(67,952)	(18,478)	(12,117)	(18,478)	(34,198)
Grants and Contributions		94,521			94,521		
Capital appropriation (excluding equity appropriation)		49,729	50,745	41,944	49,729	41,944	64,866
Other		70,091	255,859	146,760	70,078	146,760	408,055
Total Receipts		1,868,939	1,848,936	1,744,708	1,868,916	1,744,683	1,344,382
NET CASH FLOWS FROM OPERATING ACTIVITIES	29	237,136	58,294	127,639	237,153	127,763	16,689
CASH FLOWS FROM INVESTING ACTIVITIES							
Proceeds from sale of Land and Buildings, Plant and Equipment and Infrastructure Systems		51,094	25,027	29,459	51,094	29,459	2,305
Advance repayments received		2,243	50	2,213	2,243	2,213	2,138
Purchases of Land and Buildings, Plant and Equipment and Infrastructure Systems		(37,892)	(44,708)	(41,944)	(37,892)	(41,944)	(73,742)
Purchase of Investments		(17,872)	-	-	(17,872)	-	-
Advances made		(2,081)	(165)	1,337	(2,081)	1,337	(807)
Purchases of intangibles		(12,784)	(15,086)	-	(12,784)	-	2,275
NET CASH FLOWS FROM INVESTING ACTIVITIES		(17,292)	(34,882)	(8,935)	(17,292)	(8,935)	(67,831)
CASH FLOWS FROM FINANCING ACTIVITIES							
Proceeds from borrowings and advances		-	-	2,940	-	2,940	881
Repayment of borrowings and advances		(8,940)	(952)	(6,882)	(8,940)	(6,882)	(4,807)
Other		-	-	(58,186)	-	(58,186)	-
NET CASH FLOWS FROM FINANCING ACTIVITIES		(8,940)	(952)	(62,128)	(8,940)	(62,128)	(3,926)
NET INCREASE/(DECREASE) IN CASH		210,904	22,460	56,576	210,921	56,700	(55,068)
Opening cash and cash equivalents		335,416	294,480	281,482	334,915	281,482	169,375
Cash transferred in / (out) as a result of administrative restructuring	25	(7,852)	-	(2,642)	(7,852)	(3,267)	167,175
CLOSING CASH AND CASH EQUIVALENTS	11	538,468	316,940	335,416	537,984	334,915	281,482

The accompanying notes form part of these financial statements

Service group statements for the year ended 30 June 2013 for Department of Trade and Investment, Regional Infrastructure and Services

EXPENSES & INCOME - CONSOLIDATED	Industry, Innovation and Investment* 2013 \$000	Resources and Energy* 2013 \$000	Primary Industries* 2013 \$000	Personnel Services* 2013 \$000	Cluster Grant Funding* 2013 \$000	Not Attributable* 2013 \$000	Total NSW Trade & Investment 2013 \$000
Expenses excluding losses							
Operating Expenses							
Employee related	39,747	43,179	273,594	272,762	-	94,650	723,932
Other operating expenses	21,368	17,851	254,878	-	(295)	107,238	401,040
Depreciation and amortisation	11,254	6	46,043	-	-	17,873	75,176
Grants and subsidies	129,978	192,306	165,918	-	11,065	1,631	500,898
Finance costs	(58)	-	881	-	-	-	823
Other expenses	6,964	1,114	37,910	-	289	319	46,596
Total expenses excluding losses	209,253	254,456	779,224	272,762	11,059	221,711	1,748,465
Revenue							
Recurrent appropriation **	-	-	-	-	-	975,121	975,121
Capital appropriation **	-	-	-	-	-	44,404	44,404
(Transfers to the Crown Entity)	-	-	-	-	-	-	-
Sale of goods and services	17,549	50,861	133,337	-	2,274	20,610	224,631
Investment revenue	1,214	-	66,848	-	-	15,998	84,060
Fees and fines	-	-	-	-	-	-	-
Grants and contributions	(7,617)	35,861	83,342	-	12,698	10,219	134,503
Acceptance by the Crown Entity of employee benefits and other liabilities							
Transfers to NSW Treasury	279	202	5,821	8,715	-	11,667	26,684
Other revenue	8,075	1,693	(69,077)	-	-	-	(69,077)
Personnel services revenue	-	-	6,623	83	-	463	16,937
Total Revenue	19,500	88,617	226,894	272,614	14,972	1,078,482	1,701,079
Gain/ (loss) on disposal	(2,275)	(82)	18,033	-	-	(559)	15,117
Other gains /(losses)	1	4	678	-	-	-	683
Joint ventures (note 34)	-	-	(4,784)	-	-	-	(4,784)
Net result	(192,027)	(165,917)	(538,403)	(148)	3,913	856,212	(36,370)
Other Comprehensive Income							
Net increase / (decrease) in asset revaluation reserve			(14,026)				(14,026)
Superannuation actuarial gains / (losses)						7,616	7,616
Total Other Comprehensive Income	-	-	(14,026)	-	-	7,616	(6,410)
TOTAL COMPREHENSIVE INCOME	(192,027)	(165,917)	(552,429)	(148)	3,913	863,828	(42,780)

* The names and purpose of each service group are summarised in Note 10.
 ** Appropriations are made on an entity basis and not to individual service groups.

Service group statements for the year ended 30 June 2013 for Department of Trade and Investment, Regional Infrastructure and Services (continued)

ASSETS & LIABILITIES - CONSOLIDATED	Industry, Innovation and Investment* 2013 \$000	Resources and Energy* 2013 \$000	Primary Industries* 2013 \$000	Personnel Services* 2013 \$000	Cluster Grant Funding* 2013 \$000	Not Attributable* 2013 \$000	Total NSW Trade & Investment 2013
ASSETS							
Current Assets							
Cash and cash equivalents	-	-	-	-	-	538,468	538,468
Receivables	36,009	17,348	83,479	23,530	610	-	160,976
Inventories	4,358	-	15,031	-	-	-	19,389
Biological Assets	-	-	1,576	-	-	-	1,576
Other financial assets	-	-	122	-	-	-	122
Assets held for sale	-	-	-	-	-	4,008	4,008
Total Current Assets	40,367	17,348	100,208	23,530	610	542,476	724,539
Non-Current Assets							
Receivables	-	-	143,032	10,946	-	-	153,978
Inventories	-	-	14,870	-	-	-	14,870
Financial Assets at Fair Value	3,797	-	-	-	-	-	3,797
Total Property Plant and Equipment	541,529	306	5,482,562	-	-	-	6,024,397
Intangible assets	345	-	4,056	-	-	46,093	50,494
Investments – equity method	-	-	863,421	-	-	-	863,421
Biological assets	-	-	3,350	-	-	-	3,350
Other financial assets	-	-	-	-	-	-	-
Total Non-Current Assets	545,671	306	6,511,291	10,946	-	46,093	7,114,307
Total Assets	586,038	17,654	6,611,499	34,476	610	588,569	7,838,846
LIABILITIES							
Current Liabilities							
Payables	56,381	3,928	117,752	1,096	(5,403)	2,208	175,962
Borrowings	-	-	2,763	-	-	-	2,763
Provisions	80,033	1,871	44,573	24,007	-	719	151,203
Other	449	-	7,720	-	-	17,607	25,776
Total Current Liabilities	136,863	5,799	172,808	25,103	(5,403)	20,534	355,704
Non-Current Liabilities							
Payables	-	-	-	-	-	-	-
Borrowings	6,204	-	-	-	-	-	6,204
Provisions	1,455	195	10,655	2,100	-	-	14,405
Other	-	-	7,302	-	-	-	7,302
Total Non-Current Liabilities	7,659	195	17,957	2,100	-	-	27,911
Total Liabilities	144,522	5,994	190,765	27,203	(5,403)	20,534	383,615
NET ASSETS	441,516	11,660	6,420,734	7,273	6,013	568,035	7,455,231

* The names and purpose of each service group are summarised in Note 10

Service group statements for the year ended 30 June 2013 for Department of Trade and Investment, Regional Infrastructure and Services (continued)

ADMINISTERED EXPENSES & INCOME - CONSOLIDATED	Industry, Innovation and Investment*	Resources and Energy*	Primary Industries*	Personnel Services*	Cluster Grant Funding*	Not Attributable*	Total NSW Trade & Investment
	2013 \$000	2013 \$000	2013 \$000	2013 \$000	2013 \$000	2013 \$000	2013 \$000
Administered Expenses							
Transfer payments	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Administered Expenses							
Administered Revenue							
Transfer receipts	-	-	-	-	-	-	-
Consolidated fund							
- Fees and fines	3,679	-	3,760	-	-	-	7,439
- Royalties	-	46,290	-	-	-	-	46,290
- Other	-	1,318,444	-	-	-	-	1,318,444
Total Administered Revenue	3,679	1,364,734	3,760	-	-	-	1,372,173
ADMINISTERED REVENUE less EXPENSES	3,679	1,364,734	3,760	-	-	-	1,372,173

* The names and purpose of each service group are summarised in Note 10.
Administered assets and liabilities are disclosed in Note 32

Service group statements for the year ended 30 June 2012 for Department of Trade and Investment, Regional Infrastructure and Services

EXPENSES & INCOME	Trade, Business and Investment*	Agriculture*	Fisheries*	Biosecurity*	Water Management*	Water Utilities*
	2012 \$000	2012 \$000	2012 \$000	2012 \$000	2012 \$000	2012 \$000
Expenses excluding losses						
Operating Expenses						
Employee related	45,247	65,678	38,609	41,005	81,163	555
Other operating expenses	54,010	28,773	16,912	17,962	(15,410)	(105)
Depreciation and amortisation	19,316	-	-	-	2,233	15
Grants and subsidies	97,925	10,264	6,033	6,408	193,522	1,324
Finance costs	43	343	201	214	-	-
Other expenses	1,403	2,423	1,425	1,512	23,649	162
Total expenses excluding losses	217,944	107,481	63,180	67,101	285,157	1,951
Revenue						
Recurrent appropriation **	-	-	-	-	-	-
Capital appropriation **	1,179	12,359	7,266	7,718	57,768	-
(Asset sale proceeds transferred to the Crown Entity)	2,197	395	232	246	606	-
Sale of goods and services	-	6,312	3,711	3,941	-	-
Investment revenue	2,561	24,084	14,156	15,036	23,677	-
Fees and fines	-	-	-	-	-	-
Grants and contributions	33,731	-	-	-	9,433	-
Acceptance by the Crown Entity of employee benefits and other liabilities	(6,741)	-	-	-	8,954	-
Transfers to NSW Treasury	11,098	787	463	492	6,112	-
Other revenue	-	-	-	-	-	-
Personnel services revenue	-	-	-	-	-	-
Total Revenue	44,025	43,937	25,828	27,433	106,550	-
Gain/ (loss) on disposal	-	-	-	-	(832)	-
Other gains/(losses)	-	1,016	597	634	-	-
Joint ventures (note 34)	3,173	-	-	-	44,621	-
Net result	(170,746)	(62,528)	(36,755)	(39,034)	(134,818)	(1,951)
Other Comprehensive Income						
Net increase / (decrease) in asset revaluation reserve	-	-	-	-	-	-
Superannuation actuarial gains / (losses)	-	-	-	-	-	-
Total Other Comprehensive Income	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME	(170,746)	(62,528)	(36,755)	(39,034)	(134,818)	(1,951)

* The names and purpose of each service group are summarised in Note 10.

** Appropriations are made on an entity basis and not to individual service groups. Consequently, appropriations must be included in the 'Not Attributable' column. Cluster grant funding is also unlikely to be attributable to individual service groups.

Service group statements for the year ended 30 June 2012 for Department of Trade and Investment, Regional Infrastructure and Services (continued)

EXPENSES & INCOME	Catchments and Lands* 2012 \$000	Mineral Resources and Mine Safety* 2012 \$000	Energy Supply and Use* 2012 \$000	Tourism, Gaming and Arts* 2012 \$000	Not Attributable 2012 \$000	Personnel Services* 2012 \$000	Total NSW Trade & Investment 2012 \$000
Expenses excluding losses							
Operating Expenses							
Employee related	55,693	34,590	8,283	24,300	85,727	274,296	755,146
Other operating expenses	67,485	18,790	4,498	36,263	24,057	-	253,235
Depreciation and amortisation	43,244	-	-	10,374	-	-	75,182
Grants and subsidies	33,457	2,982	167,501	44,173	(3,709)	-	559,880
Finance costs	548	-	-	24	-	-	1,373
Other expenses	20,231	2,217	530	755	30	-	54,337
Total expenses excluding losses	220,658	58,579	180,812	115,889	106,105	274,296	1,699,153
Revenue							
Recurrent appropriation **	-	-	-	-	-	-	962,835
Capital appropriation **	-	-	-	-	-	-	41,944
(Asset sale proceeds transferred to the Crown Entity)	-	-	-	-	-	-	-
Sale of goods and services	35,007	25,929	6,208	632	17,565	-	171,631
Investment revenue	64,343	11	3	1,180	9,588	-	78,801
Fees and fines	(7)	-	-	-	-	-	13,957
Grants and contributions	12,932	21,774	81	1,375	1,689	-	117,365
Acceptance by the Crown Entity of employee benefits and other liabilities	-	-	-	-	-	-	-
Transfers to NSW Treasury	5,328	-	-	18,117	-	-	66,609
Other revenue	(56,779)	-	-	(3,620)	-	-	(58,186)
Personnel services revenue	3,733	1,731	415	5,961	(1,467)	-	29,325
Total Revenue	64,557	49,445	6,707	23,645	1,032,154	346,701	1,770,982
Gain/ (loss) on disposal	8,375	-	-	-	(1,727)	-	5,816
Other gains /(losses)	(905)	16	4	-	(297)	-	1,065
Joint ventures (note 34)	-	-	-	1,663	-	-	49,457
Net result	(148,631)	(9,118)	(174,101)	(90,581)	924,025	72,405	128,167
Other Comprehensive Income							
Net increase / (decrease) in asset revaluation reserve	101,741	-	-	-	-	-	101,741
Superannuation actuarial gains / (losses)	(10,017)	-	-	-	-	(82,191)	(92,208)
Total Other Comprehensive Income	91,724	-	-	-	-	(82,191)	9,533
TOTAL COMPREHENSIVE INCOME	(56,907)	(9,118)	(174,101)	(90,581)	924,025	(9,786)	137,700

* The names and purpose of each service group are summarised in Note 10.

** Appropriations are made on an entity basis and not to individual service groups. Consequently, appropriations must be included in the 'Not Attributable' column. Cluster grant funding is also unlikely to be attributable to individual service groups.

Service group statements for the year ended 30 June 2012 for Department of Trade and Investment, Regional Infrastructure and Services (continued)

ASSETS & LIABILITIES	Trade, Business and Investment* 2012 \$000	Agriculture* 2012 \$000	Fisheries* 2012 \$000	Biosecurity* 2012 \$000	Water Management* 2012 \$000	Water Utilities* 2012 \$000
ASSETS						
Current Assets						
Cash and cash equivalents	256,151	-	-	-	23,497	-
Receivables	45,088	-	-	-	34,515	-
Inventories	4,404	-	-	-	-	-
Other financial assets	25	-	-	-	-	-
Assets held for sale	9,376	-	-	-	-	-
Total Current Assets	315,044	-	-	-	58,012	-
Non-Current Assets						
Receivables	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Financial Assets at Fair Value	4,404	-	-	-	-	-
Total Property Plant and Equipment	585,181	-	-	-	20,971	-
Intangible assets	21,138	-	-	-	15,302	-
Investments – equity method	4,760	-	-	-	857,762	-
Biological assets	6,440	-	-	-	-	-
Other financial assets	3,334	-	-	-	-	-
Total Non-Current Assets	625,257	-	-	-	894,035	-
Total Assets	940,301	-	-	-	952,047	-
LIABILITIES						
Current Liabilities						
Payables	74,403	-	-	-	2,005	-
Borrowings	4,772	-	-	-	-	-
Provisions	108,016	-	-	-	6,477	-
Other	12,547	-	-	-	(4,645)	-
Total Current Liabilities	199,738	-	-	-	3,837	-
Non-Current Liabilities						
Payables	-	-	-	-	-	-
Borrowings	8,524	-	-	-	-	-
Provisions	124,056	-	-	-	4,716	-
Other	-	-	-	-	-	-
Total Non-Current Liabilities	132,580	-	-	-	4,716	-
Total Liabilities	332,318	-	-	-	8,553	-
NET ASSETS	607,983	-	-	-	943,494	-

* The names and purpose of each service group are summarised in Note 10. Due to system limitations, the Statement of Financial Position for Agriculture, Fisheries and Biosecurity are not recognised individually but are recognised within Trade, Business and Investment. Similarly, the Statement of Financial Position for Water Utilities is recognised in Water Management. Revised Service Groups as well as a new Finance System will resolve this issue for 2013.

Service group statements for the year ended 30 June 2012 for Department of Trade and Investment, Regional Infrastructure and Services (continued)

ASSETS & LIABILITIES	Catchments and Lands* 2012 \$000	Mineral Resources and Mine Safety* 2012 \$000	Energy Supply and Use* 2012 \$000	Tourism, Gaming and Arts* 2012 \$000	Not Attributable 2012 \$000	Personnel Services* 2012 \$000	Total NSW Trade & Investment 2012 \$000
ASSETS							
Current Assets							
Cash and cash equivalents	55,266	-	-	-	502	-	335,416
Receivables	8,915	-	-	-	3,353	50,812	142,683
Inventories	22,396	-	-	-	-	-	26,800
Other financial assets	1	-	-	-	-	-	26
Assets held for sale	-	-	-	-	-	-	9,376
Total Current Assets	86,578	-	-	-	3,855	50,812	514,301
Non-Current Assets							
Receivables	147,412	-	-	-	-	134,857	282,269
Inventories	18,324	-	-	-	-	-	18,324
Financial Assets at Fair Value	-	-	-	-	-	-	4,404
Total Property Plant and Equipment	5,584,481	-	-	-	-	-	6,190,633
Intangible assets	155	-	-	-	-	-	36,595
Investments – equity method	-	-	-	-	-	-	862,522
Biological assets	-	-	-	-	-	-	6,440
Other financial assets	-	-	-	-	(3,334)	-	-
Total Non-Current Assets	5,750,372	-	-	-	(3,334)	134,857	7,401,187
Total Assets	5,836,950	-	-	-	521	185,669	7,915,488
LIABILITIES							
Current Liabilities							
Payables	29,731	-	-	-	18	-	106,157
Borrowings	2,065	-	-	-	-	-	6,837
Provisions	15,574	-	-	-	3,086	-	133,153
Other	3,337	-	-	-	(5,267)	-	5,972
Total Current Liabilities	50,707	-	-	-	(2,163)	-	252,119
Non-Current Liabilities							
Payables	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	8,524
Provisions	16,799	-	-	-	-	-	145,571
Other	7,713	-	-	-	-	-	7,713
Total Non-Current Liabilities	24,512	-	-	-	-	-	161,808
Total Liabilities	75,219	-	-	-	(2,163)	-	413,927
NET ASSETS	5,761,731	-	-	-	2,684	185,669	7,501,561

* The names and purpose of each service group are summarised in Note 10. Due to system limitations, the Statement of Financial Position for Mineral Resources and Mine Safety, Energy Supply and Use and Tourism, Gaming and Arts are not recognised individually but are recognised within Trade, Business and Investment. Revised Service Groups as well as a new Finance System will resolve this issue for 2013.

Service group statements for the year ended 30 June 2012 for Department of Trade and Investment, Regional Infrastructure and Services (continued)

ADMINISTERED EXPENSES & INCOME	Trade, Business and Investment*	Agriculture*	Fisheries*	Biosecurity*	Water Management*	Water Utilities*
	2012 \$000	2012 \$000	2012 \$000	2012 \$000	2012 \$000	2012 \$000
Administered Expenses						
Transfer payments	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Administered Expenses	-	-	-	-	-	-
Administered Revenue						
Transfer receipts	-	-	-	-	-	-
Consolidated fund	-	-	-	-	-	-
- Fees and fines	-	119	3,649	-	498	-
- Other	-	-	125	-	-	-
Total Administered Revenue	-	119	3,774	-	498	-
ADMINISTERED REVENUE less EXPENSES	-	119	3,774	-	498	-

ADMINISTERED EXPENSES & INCOME	Catchments and Lands*	Mineral Resources and Mine Safety*	Energy Supply and Use*	Tourism, Gaming and Arts*	Not Attributable	Personnel Services*	Total NSW Trade & Investment
	2012 \$000	2012 \$000	2012 \$000	2012 \$000	2012 \$000	2012 \$000	2012 \$000
Administered Expenses							
Transfer payments	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Administered Expenses	-	-	-	-	-	-	-
Administered Revenue							
Transfer receipts	-	-	-	-	-	-	-
Consolidated fund	-	-	-	-	-	-	-
- Fees and fines	-	-	561	2,262	-	7,089	1,548,448
- Royalties	2,230	1,546,093	-	-	-	-	1,555,537
Total Administered Revenue	2,230	1,546,093	561	2,262	-	-	1,555,537
ADMINISTERED REVENUE less EXPENSES	2,230	1,546,093	561	2,262	-	-	1,555,537

* The names and purpose of each service group are summarised in Note 10.
Administered assets and liabilities are disclosed in Note 32

SUMMARY OF COMPLIANCE WITH FINANCIAL DIRECTIVES

	2013			
	RECURRENT APPROPRIATION \$'000	EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND \$'000	CAPITAL APPROPRIATION \$'000	EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND \$'000
ORIGINAL BUDGET APPROPRIATION / EXPENDITURE				
Appropriation Act	1,684,050	1,539,963	50,745	44,404
Additional Appropriations s24 A PF&AA – transfer of functions between departments s26 A PF&AA – Commonwealth specific purpose payments	3,198	13,046	4,000	
	1,687,248	1,553,009	54,745	44,404
OTHER APPROPRIATIONS / EXPENDITURE				
Treasurer's Advance	12,889			
Section 22 – expenditure for certain works and services				
Transfers to / from another agency (s28 of the Appropriation Act)				
Other	(104,181)		(3,200)	
Section 45 - variation of authorised payments from Consolidated Fund				
Total Appropriation / Expenditure / Net Claim on Consolidated Fund (includes transfer payments) Note 7	1,595,956	1,553,009	51,545	44,404
Amount drawn down against Appropriation		1,565,739		49,729
Liability to Consolidated Fund		12,730		5,325

	2012			
	RECURRENT APPROPRIATION \$'000	EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND \$'000	CAPITAL APPROPRIATION \$'000	EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND \$'000
ORIGINAL BUDGET APPROPRIATION / EXPENDITURE				
Appropriation Act	1,618,430	1,545,178	50,092	41,944
Additional Appropriations s24 A PF&AA – transfer of functions between departments	300	-	-	-
s26 A PF&AA – Commonwealth specific purpose payments	1,387	1,387	-	-
	1,620,117	1,546,565	50,092	41,944
OTHER APPROPRIATIONS / EXPENDITURE				
Treasurer's Advance	1,368	-	-	-
Section 22 – expenditure for certain works and services	-	-	-	-
Transfers to / from another agency (s28 of the Appropriation Act)	-	-	(464)	-
Other	(49,790)	-	(2,631)	-
Section 45 - variation of authorised payments from Consolidated Fund	-	-	-	-
Total Appropriation / Expenditure / Net Claim on Consolidated Fund (includes transfer payments) Note 7	1,571,695	1,546,565	46,997	41,944
Amount drawn down against Appropriation		1,549,352		43,940
Liability to Consolidated Fund		2,787		1,996

The Summary of Compliance is based on the assumption that Consolidated Fund moneys are spent first (except where otherwise identified or prescribed). The Liability to Consolidated Fund represents the difference between the "Amount Drawn against Appropriation" and the "Total Expenditure / Net Claim on Consolidated Fund". For an explanation of variances to Budget, refer to Note 28.

Notes to and forming part of the financial statements**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****(a) Reporting entity**

The Department of Trade and Investment, Regional Infrastructure and Services (NSW Trade & Investment) is a NSW Government department. NSW Trade & Investment is a not-for-profit entity (as profit is not its principal objective) and the department does not have a cash generating unit. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

NSW Trade & Investment as a reporting entity comprises all the entities under its control, namely: Milk Marketing (NSW) Pty Limited.

In the process of preparing the consolidated financial statements for the economic entity, consisting of the controlling and controlled entity, all inter-entity transactions and balances have been eliminated.

NSW Trade & Investment provided Personnel Services to Forests NSW (Forests NSW was corporatised on 1 January 2013, NSW Trade & Investment ceased providing Personnel Services from 22 April 2013), Mine Subsidence Board, NSW Film and Television Office, Independent Liquor and Gaming Authority, Australian Museum, Museum of Applied Arts and Sciences, NSW Art Gallery Trust, State Library of NSW, Sydney Opera House Trust, and 11 Catchment Management Authorities. The recipients of Personnel Services are separate reporting entities and not controlled by NSW Trade & Investment.

These financial statements for the year ended 30 June 2013 have been authorised for issue by the Director General on 31 October 2013.

(b) Basis of preparation

NSW Trade & Investment's financial statements are general purpose financial statements which, subject to note 1(a), have been prepared in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983* and Regulation 2010 and
- the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or issued by the Treasurer.

Property, plant and equipment, assets (or disposal groups) held for sale and financial assets at 'fair value through profit and loss' and available for sale are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention.

Judgements, key report assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

(d) Administered activities

NSW Trade & Investment administers, but does not control, certain activities on behalf of the Crown Entity. It is accountable for the transactions relating to those administered activities but does not have the discretion, for example, to deploy the resources resulting from these transactions for the achievement of NSW Trade & Investment's own objectives.

Transactions and balances relating to the administered activities are not recognised as NSW Trade & Investment's revenues, expenses, assets, and liabilities but are disclosed in the accompanying schedules as "Administered Revenues", "Administered Expenses", "Administered Assets" and "Administered Liabilities".

Included in Administered revenue are any fines, regulatory fees and contributions collected by the NSW Trade & Investment on behalf of the Crown.

The accrual basis of accounting and all applicable accounting standards have been adopted for the reporting of the administered activities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(e) Borrowing costs**

Borrowing costs are recognised as expenses in the period in which they are incurred, in accordance with Treasury's Mandate to not-for-profit general government sector agencies.

(f) Insurance

The NSW Trade & Investment's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government entities. The expense (premium) is determined by the Fund Manager based on past claim experience.

(g) Accounting for interests in joint ventures

NSW Trade & Investment's investment in jointly controlled entities is accounted for using the equity method. Under this method, NSW Trade & Investment's share of the joint venture's accumulated results is recognised as revenue or expense in the Statement of Comprehensive Income and the share of movements in reserves is recognised in NSW Trade & Investment's reserves. Contributions made by NSW Trade & Investment to the joint ventures are charged directly to the investment.

(h) Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except that:

- the amount of GST incurred by NSW Trade & Investment as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the Australian Tax Office are classified as operating cash flows.

(i) Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below.

(i) Parliamentary Appropriations and Contributions

Except as specified below, parliamentary appropriations and contributions from other bodies (including grants and donations) are generally recognised as income when NSW Trade & Investment obtains control over the assets comprising the appropriations / contributions. Control over appropriations and contributions are normally obtained upon the receipt of cash. Appropriations are not recognised as income in the following circumstances:

- 'Equity appropriations' to fund payments to adjust a for-profit entity's capital structure are recognised as equity injections (i.e. contribution by owners) on receipt and equity withdrawals on payment to a for-profit entity. The reconciliation between the Statement of Comprehensive Income, Statement of Summary of Compliance with Financial Directives and the total appropriation is disclosed in Note 7.
- Unspent appropriations are recognised as liabilities rather than income, as the authority to spend the money lapses and the unspent amount must be repaid to the Consolidated Fund as disclosed in note 7 and 9. The liability is disclosed in Note 24 as part of "Current Liabilities – Other". The amount will be repaid and the liability will be extinguished in the next financial year. Any liability in respect of transfer payments is disclosed in Note 32 "Administered Assets and Liabilities" (NIL for 2013)

(ii) Sale of Goods

Revenue from the sale of goods is recognised as revenue when NSW Trade & Investment transfers the significant risks and rewards of ownership of the assets.

(iii) Rendering of Services

Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

(iv) Personnel services revenue

Reimbursement of employee benefits and related on-costs for the entities to which NSW Trade & Investment supplies personnel services is recognised as revenue. Revenue is recognised when the service has been provided.

(v) Investment Revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*. Rental revenue is recognised in accordance with AASB 117 *Leases* on a straight-line basis over the lease term. Royalty revenue is recognised in accordance with AASB 118 *Revenue* on an accrual basis in accordance with the substance of the relevant agreement. Dividend revenue is recognised in accordance with AASB 118 when NSW Trade & Investment's right to receive payment is established.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(vi) Sale of Land**

From the date of the administrative restructure implemented under the *Public Sector Employment and Management (Departments) Order 2011* NSW Trade & Investment has undertaken activities associated with the acquisition, management and divestiture of land that were previously undertaken by the former Land and Property Management Authority (LPMA).

(a) Sale of land

Revenue from the sale of developed and undeveloped land is recognised on settlement when NSW Trade & Investment transfers the significant risks and rewards of ownership of the assets. A 10% deposit of the sale price is normally paid on the date of exchange of contract and is recognised as a liability until the settlement of the sale.

(b) Sale of surplus land controlled by other government agencies

NSW Trade & Investment acts as an agent for other government agencies in regard to the sale of surplus Crown land. After deducting NSW Trade & Investment's selling expenses, the proceeds from the sale are remitted to the selling government agency, which is responsible for transferring any Crown share of proceeds to the Consolidated Fund. These proceeds are therefore not recognised as revenue in these financial statements.

(c) Land declared to be Crown land

Land declared to be Crown or returned to Crown is recognised at fair value upon publication of the notice in the NSW Government Gazette.

(d) Land acquisition sales

Revenue from land acquisition sales, for Crown land acquired by other government agencies and local governments, is recognised upon the publication of the acquisition notice in the NSW Government Gazette.

(e) Cost of sales

The cost of sales includes the cost of land for land sales and development costs incurred in bringing the land to the 'developed land' stage.

(j) Assets**(i) Acquisition of assets**

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by NSW Trade & Investment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition - see also assets transferred as a result of an equity transfer – Note 1(n).

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction.

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted at an asset-specific rate.

(ii) Land assets

NSW Trade & Investment has four broad categories of land which are reported as assets:

(a) Crown land under tenure

Crown land under tenure represents all parcels of Crown land which have a lease, license, permissive occupancy or enclosure permit in place.

(b) Untenured Crown land

Untenured Crown land includes all parcels of Crown land, except for those with tenure arrangements in place or Crown reserves under management by reserve trusts. Untenured Crown land includes Crown reserves for which no formal trust has been established, unoccupied Crown land, certain Crown roads, land granted under Aboriginal land claims awaiting transfer, land under waterways and land within the three nautical mile zone.

(c) Crown Reserves under trust

Crown Reserves under trust includes all parcels of Crown land under either a dedication or a reserve which the Department manages.

(d) Department Land

These are parcels of land where NSW Trade & Investment buildings are situated, research stations and any other land held for NSW Trade & Investment's own activities. These lands form part of the other land and buildings asset category.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(iii) Capitalisation thresholds**

Property, plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised.

(iv) Revaluation of property, plant and equipment

Physical non-current assets are valued in accordance with the “Valuation of Physical Non-Current Assets at Fair Value” Policy and Guidelines Paper (TPP 07-1) as amended by NSWTC 10/07. This policy adopts fair value in accordance with AASB 116 Property, Plant and Equipment.

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

NSW Trade & Investment re-values each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation was completed by the department in 2009.

Revaluations were based on an independent assessment.

The methods of revaluing the Crown land assets utilises mass valuation techniques for the two broad categories of Crown land as follows:

(a) Land under tenure

NSW Trade & Investment's interest in land under tenure is limited by the existence of agreements, which in many cases will deny NSW Trade & Investment occupancy of the land for many years or even in perpetuity. NSW Trade & Investment's interest in these tenures is generally limited to the right to receive the income stream from the rentals combined with (in the case of term leases) the present value of the market value of the land deferred for the lease term. Land held as finance leases are not included in this category.

Consequently, the basis of valuation is capitalisation of the gross rental income stream from the different classifications of land within each local government area (LGA), appropriately taking into account the conditions attached to the leases.

Individual capitalisation rates were determined by the valuers for different types of tenure arrangements within different LGAs. These were in the range of 3% to 12% and applied to the gross rental income stream to determine the land values.

The only exception to this relates to Crown land under enclosure permit, which is valued on the same basis as untenured Crown land.

(b) Untenured Crown land

The determination of global rates per hectare for a variety of land classifications for each LGA is considered the most appropriate approach to determine a value for untenured Crown land. This methodology has the advantage of being a practical way to cost effectively arrive at a market-based value for Crown land where NSW Trade & Investment holds full interest.

The revaluation methodology was enhanced through the application of individual valuations for high value parcels, with the remaining lands being subject to mass valuation.

For the mass valuations, a valuation rate per hectare was provided for each land category type, within each LGA. The land was valued at the highest and best use taking into account zoning and other restrictions, access to services, infrastructure and property market demand. These value elements were considered in a global way when formulating a level to apply to the particular land category. The rates per hectare for each land category were determined following a consideration of sales of comparable land in the locality. Where significantly different classes of land were identified within a category, these were accounted for in compiling the overall rate per hectare for the land category.

NSW Trade & Investment has recognised land under roads at a value per hectare rate based on the value of adjoining land. As per Treasury Circular 10/07 Land Under Roads, where an agency previously recognised and is continuing to recognise land under roads, the same valuation methodology used in 2007/08 must be applied to all land under roads, until otherwise advised. NSW Trade & Investment has elected to continue to recognise land under roads under the same valuation methodology used in 2007/08.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being re-valued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the net result, the increment is recognised immediately as revenue in the net result.

Revaluation decrements are recognised immediately as expenses in the net result, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the revaluation surplus.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

(v) Impairment of property, plant and equipment

The Department has reviewed its treatment of approved Aboriginal Land Claims and has recorded these as a full impairment against the carrying value of the Land. Other than this, as a not-for-profit entity with no cash generating units, NSW Trade & Investment is effectively exempted from AASB 136 *Impairment of Assets* and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

Aboriginal Land Rights Act 1983

NSW Trade & Investment has impaired the carrying value of Land for land claims which have been granted to Local Aboriginal Land Councils under the Aboriginal Land Rights Act 1983 as at 30 June 2013, but not yet transferred. The amount, representing the fair value of land granted based on estimated size of the land, is expensed when granted. Until the land is surveyed, the precise area to be transferred is unknown.

(vi) Assets not able to be reliably measured

NSW Trade & Investment holds certain assets that have not been recognised in the Statement of Financial Position because NSW Trade & Investment is unable to measure reliably the value for the assets. These assets include mineral core specimens obtained through drilling over a considerable period of time.

(vi) Depreciation of property, plant and equipment

Except for certain heritage assets, depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to NSW Trade & Investment.

All material separately identifiable components of assets are depreciated over their shorter useful lives.

Land is not a depreciable asset.

Certain heritage assets including original artworks and collections and heritage buildings may not have a limited useful life because appropriate curatorial and preservation policies are adopted. Such assets are not subject to depreciation. The decision not to recognise depreciation for these assets is reviewed annually.

The depreciation of buildings and infrastructure is calculated on a straight line basis. Due to the nature and location of its activities, a useful life guide of 40 years is used for buildings and 20 years for infrastructure. The actual useful life range applied is 10 – 117 years for buildings and 4 – 68 years for infrastructure.

Equipment and vehicles are depreciated on a straight line basis over the remaining life to scrap value (where applicable) so as to write off the depreciable amount of each asset as it is consumed over its useful life to the entity.

Each class of asset has a default life which may be varied as a result of management review either at acquisition or at any time during the asset life.

Default asset class lives are:

Plant and equipment	2 - 20 years
Marine Craft and equipment	5 - 17 years
Vehicles and trailers	5 - 40 years
Buildings and Infrastructure	3 – 40 years
Furniture and fittings	3 - 13 years
Leasehold improvements	Period of lease

Fully depreciated assets have a cost of \$9,821 million.

(vii) Major Inspection Costs

When each major inspection is performed, the labour cost of performing major inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

(viii) Restoration costs

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

(ix) Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(x) Leased assets**

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the commencement of the lease term. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

(xi) Intangible assets

NSW Trade & Investment recognises intangible assets only if it is probable that future economic benefits will flow to NSW Trade & Investment and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives.

Internally developed software costs that are directly associated with the production of identifiable and unique software products controlled by NSW Trade & Investment and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include software development employee costs and an appropriate portion of relevant overheads. Costs associated with maintaining computer software are recognised as an expense as incurred.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

The useful lives of intangible assets are assessed to be finite.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for NSW Trade & Investment's intangible software assets, the assets are carried at cost less any accumulated amortisation.

NSW Trade & Investment intangible assets are amortised using the straight line method over a period of 3 - 14 years.

Water licences have been valued at cost where there is no active market.

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

(xii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(xiii) Inventories

Inventories held for distribution are stated at cost, adjusted when applicable, for any loss of service potential. A loss of service potential is identified and measured based on the existence of a current replacement cost that is lower than the carrying amount. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost or "first in first out" method.

The value of inventories acquired at no cost or for nominal consideration is the current replacement cost as at the date of acquisition. Current replacement cost is the cost NSW Trade & Investment would incur to acquire the asset. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land development inventories (refer note 13) include land development projects at different stages of completion and comprise developed land for sale, works in progress (land under development) and undeveloped land. Registered valuers are engaged in determining the net realisable value of property where there is an indication that the net realisable value may have fallen below cost. All direct development expenditures and appropriate development overheads are charged to the relevant projects. Developed land is land which has been subdivided and registered on completion of all development activity. Land for sale as developed land is recognised initially as inventory at the time the decision is made to develop the land. The value of the land is measured at fair value on acquisition as determined by registered valuers. Work in progress (land under development) represents land that has been subdivided into precincts and where development activity relating to the precinct has commenced. Current developed land and work in progress is expected to be sold within the next twelve months. Undeveloped land consists of land holdings where no development has taken place and land holdings where estate major work activity has been undertaken. It excludes precincts on which development activity has commenced. Undeveloped land is classified as a non-current asset.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(xiv) Investments**

Investments are initially recognised at fair value plus, in the case of investments not at fair value through profit or loss, transaction costs. NSW Trade & Investment determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

- *Fair value through profit or loss* – NSW Trade & Investment subsequently measures investments classified as “held for trading” or designated “at fair value through profit or loss” at fair value. Financial assets are classified as “held for trading” if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading. Gains or losses on these assets are recognised in the net result for the year.
- *Held to maturity investments* – Non-derivative financial assets with fixed or determinable payments and fixed maturity that NSW Trade & Investment has the positive intention and ability to hold to maturity are classified as “held-to-maturity”. These investments are measured at amortised cost using the effective interest method. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.
- *Available for sale investments* - Any residual investments that do not fall into any other category are accounted for as available-for-sale investments and measured at fair value in other comprehensive income until disposed or impaired, at which time the cumulative gain or loss previously recognised in other comprehensive income is recognised in the net result for the year. However, interest calculated using the effective interest method and dividends are recognised in the net result for the year.

Purchases or sales of investments under contract that require delivery of the asset within the timeframe established by convention or regulation are recognised on the trade date i.e. the date the entity commits itself to purchase or sell the asset.

The fair value of investments that are traded at fair value in an active market is determined by reference to quoted current bid prices at the close of business on the statement of financial position date. The value investments is monitored regularly.

(xv) Impairment of financial assets

All financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the net result for the year.

When an available for sale financial asset is impaired, the amount of the revaluation is removed from equity and a loss recognised in the net result for the year, based on the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss previously recognised in the net result for the year.

Any reversals of impairment losses are reversed through the net result for the year, where there is objective evidence; however impairment losses on an investment in an equity instrument classified as “available for sale” must be made through the revaluation surplus. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

(xvi) De-recognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if NSW Trade & Investment transfers the financial asset:

- where substantially all the risks and rewards have been transferred; or
- where NSW Trade & Investment has not transferred substantially all the risks and rewards, if the entity has not retained control

Where the entity has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the entity's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

(xvii) Non-current Assets (or disposal groups) held for sale

NSW Trade & Investment has certain non-current assets (or disposal groups) classified as held for sale, where their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets (or disposal groups) held for sale is recognised at the lower of carrying amount and fair value less costs to sell. These assets are not depreciated while they are classified as held for sale. Refer note 18.

(xviii) Trust funds

NSW Trade & Investment receives monies in a trustee capacity for various trusts as set out in Notes 30 and 31 and security deposits held in trust in relation to Crown land tenures and mining activities.

As NSW Trade & Investment performs only a custodial role in respect of these monies, and because the monies cannot be used for the achievement of NSW Trade & Investment's own objectives, these funds are separately disclosed in the financial statements.

(xix) Other assets

Other assets are recognised on a cost basis.

(xx) Restricted assets

Refer Note 20.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Liabilities

(i) Payables

These amounts represent liabilities for goods and services provided to NSW Trade & Investment and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(ii) Borrowings

Loans are not held for trading or designated at fair value through profit or loss and are recognised at amortised cost using the effective interest method. Gains or losses are recognised in the net result for the year on derecognition.

Finance lease liabilities are determined in accordance with AASB 117 *Leases*.

(iii) Financial Guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued and initially measured at fair value, where material. After initial recognition, the liability is measured at the higher of the amount determined in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised, less accumulated amortisation, where appropriate.

NSW Trade & Investment has reviewed its financial guarantees and determined that there is no material liability to be recognised for financial guarantee contracts at 30 June 2013 and 30 June 2012.

(iv) Employee benefits and other provision

(a) Salaries and wages, annual leave, sick leave and on-costs

Liabilities for salaries and wages (including non-monetary benefits) and all annual leave which is reported in the accounts as falling due wholly within 12 months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

Long-term annual leave that is not expected to be taken within twelve months is measured at present value in accordance with AASB 119 *Employee Benefits*. Market yields on Commonwealth government bonds are used to discount annual leave.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

(b) Long Service Leave and Superannuation

NSW Trade & Investment's liabilities (apart from the **commercial and semi-commercial activities**) for long service leave and defined benefit superannuation are assumed by the Crown Entity. NSW Trade & Investment accounts for the liability as having been extinguished; resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of employee benefits and other liabilities".

NSW Trade & Investment's **semi-commercial activity** is a member of the Non-Budget Long Service Leave (LSL) Pool. NSW Trade & Investment makes long service leave liability contributions to the NSW Treasury Special Deposits Account. This contribution discharges its liability for long service leave and is expensed as incurred. NSW Trade & Investment is reimbursed by the NSW Treasury for long service leave payments made. NSW Trade & Investment's long service leave liability and equivalent asset are recognised in the Statement of Financial Position as the reimbursement from the Non-Budget LSL Pool is 'virtually certain'.

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on the application of certain factors (specified in NSWTC 12/06) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

NSW Trade & Investment's **commercial activities'** liability for long service is measured at present value in accordance with AASB 119. The present value is based on the application of the valuation ratio at the Commonwealth government bond rate at the reporting date to employees with five or more years of service, using expected future rates of pay. This ratio is determined based on a periodical actuarial review to approximate present value. The actuarial review was conducted in 2012 and is applicable to years 2012 through to 2015.

Where NSW Trade & Investment does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

The superannuation expense for NSW Trade & Investment's budget dependent section for the financial year is determined by using formulae specified in the Treasurer's Circular. The expense for certain superannuation schemes (i.e. Basic benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contribution.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

NSW Trade & Investment's **commercial and semi-commercial** activities are responsible for employee superannuation entitlements under defined contribution plans and defined benefits plans. Contributions to defined contribution superannuation plans are expensed when incurred. For defined benefit plans, the actuarial valuations are carried out at each reporting date by Pillar Administration using the projected unit credit method. Actuarial unit credit method Actuarial gains and losses are recognised directly in equity in the period in which they occur, as per NSW Treasury's mandate. The defined benefit obligation recognised in the Statement of Financial Position represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs, net of the fair value of the plan assets.

(v) Other Provisions

Other provisions exist when NSW Trade & Investment has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the obligation.

Any provision for restructuring is recognised only when an agency has a detailed formal plan and the agency has raised a valid expectation in those affected by the restructuring that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected.

If the effect of the time value of money is material, provisions are discounted at an appropriate percentage, which is a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. None presently exist.

Provision for rebates is recognised when certain lots are sold. As part of the condition of sale, NSW Trade & Investment may be committed to make a payment to the purchaser provided certain design criteria are met and applied for within a specified period by the purchaser, usually between 18 – 24 months. This payment represents reimbursement for additional costs incurred by the purchaser in complying with the design criteria set by Landcom.

(l) Contribution to Consolidated Fund

NSW Trade & Investment operates a number of commercial activities which make contributions to the Consolidated Fund of NSW, under differing arrangements.

Crown land sale proceeds and lease income received by NSW Trade & Investment are distributed to the Consolidated Fund. These distributions are net of related costs paid and do not include moneys held as deposits, held in trust, or funds which have yet to be credited against customer accounts.

In relation to the Land Development Working Account (LDWA) commercial activity, NSW Trade & Investment pays an annual contribution, calculated at 100% of the accounting profit at financial year end, subject to maintenance of a minimum working capital limit.

In relation to the Crown Lands Homesites Program (CLHP) commercial activity, NSW Trade & Investment is required to pay an annual contribution, based on any cash over and above working capital requirement, as determined annually.

(m) Equity and reserves**(i) Revaluation surplus**

The revaluation surplus is used to record increments and decrements on the revaluation of non-current assets. This accords with NSW Trade & Investment's policy on the revaluation of property, plant and equipment as discussed in note 1(j) (iv).

(ii) Accumulated Funds

The category accumulated funds included all current and prior period retained funds.

(iii) Separate reserve accounts are recognised in the financial statements only if such accounts are required by specific legislation or Australian Accounting Standards (e.g. revaluation surplus).

(n) Equity transfers

The transfer of net assets between agencies as a result of an administrative restructure, transfers of programs / functions and parts thereof between NSW public sector agencies and 'equity appropriations' (refer Note 1(i)(i)) are designated or required by Accounting Standards to be treated as contributions by owners and recognised as an adjustment to "Accumulated Funds". This treatment is consistent with AASB 1004 *Contributions* and Australian Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Transfers arising from an administrative restructure involving not-for-profit entities and for-profit government entities are recognised at the amount at which the assets and liabilities were recognised by the transferor immediately prior to the restructure. Subject to below, in most instances this will approximate fair value.

All other equity transfers are recognised at fair value, except for intangibles. Where an intangible has been recognised at (amortised) cost by the transferor because there is no active market, NSW Trade & Investment recognises the asset at the transferor's carrying amount. Where the transferor is prohibited from recognising an internally generated intangible NSW Trade & Investment does not recognise that asset.

(o) Budgeted amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period, as adjusted for section 24 of the Public Finance and Audit Act (PFAA) where there has been a transfer of functions between departments. Other amendments made to the budget are not reflected in the budgeted amounts. Budget amounts in the Statement of Comprehensive Income are disclosed net of Transfer Payments – refer note 9.

(p) Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements. Disclosures in relation to changes which impact on comparatives are disclosed in notes 25 and 36.

The *Destination NSW Act 2011* commenced on 1 July 2011 and the tourism and Homebush Motor Racing Authority functions were transferred to Destination NSW. The assets and liabilities transferred are disclosed in note 25.

NSW Trade & Investment previously recognised the trading activities of the six special fisheries trust funds as provided by the Fisheries Management Act. Further analysis of the Australian Accounting Standards revealed the Department does not control these trusts and accordingly the assets and liabilities transferred are disclosed in note 25. The Department has reviewed the trading activities of the Public Reserves Management Fund, Marine Parks Authority and has determined that these should no longer be consolidated.

The prior year has also been adjusted for the revised treatment of Aboriginal Land Claims, Leased Land and deconsolidation of Public Reserve Management Fund, refer note 36.

(q) New Australian Accounting Standards issued but not effective

At reporting date all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (The AASB) that are relevant to NSW Trade & Investment's operations and effective for the current annual reporting period have been adopted.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted for the financial reporting period ended 30 June 2013. These are listed as follows:

- AASB 9, AASB 2010-7 and AASB 2012-6 regarding financial instruments
- AASB 10 *Consolidated Financial Statements*
- AASB 11 *Joint Arrangements*
- AASB 12 *Disclosure of Interests in Other Entities*
- AASB 13, AASB 2011-8 and AASB 2012-1 regarding fair value measurement
- AASB 119, AASB 2011-10 and AASB 2011-11 regarding employee benefits
- AASB 127 *Separate Financial Statements*
- AASB 128 *Investments in Associates and Joint Ventures*
- AASB 1053 and AASB 2010-2 regarding differential reporting
- AASB 2010-10 regarding removal of fixed dates for first time adopters
- AASB 2011-2 regarding Trans-Tasman Convergence – RDR
- AASB 2011-4 removing individual KMP disclosure requirements
- AASB 2011-6 regarding RDR and relief from consolidation
- AASB 2011-7 regarding consolidation and joint arrangements
- AASB 2011-12 regarding Interpretation 20
- AASB 2012-1 regarding fair value measurement – RDR requirements
- AASB 2012-2 regarding disclosures – offsetting financial assets and financial liabilities
- AASB 2012-3 regarding offsetting financial assets and financial liabilities
- AASB 2012-4 regarding government loans – first time adoption
- AASB 2012-5 regarding annual improvements 2009-2-11 cycle
- AASB 2012-7 regarding RDR
- AASB 2012-9 regarding withdrawal of Interpretation 1039
- AASB 2012-10 regarding transition guidance and other amendments
- AASB 2012-11 regarding RDR requirements and other amendments

NSW Trade & Investment has reviewed the new accounting standards and at this stage does not anticipate any material impact on the figures reported in these financial statements.

2. EXPENSES EXCLUDING LOSSES

	Consolidated		Parent	
	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
(a) Employee Related Expenses				
Salaries and wages (including recreation leave)	577,349	586,365	577,349	586,365
Superannuation – defined benefit plans	13,536	39,862	13,536	39,862
Superannuation – defined contribution plans	33,283	38,013	33,283	38,013
Long service leave	14,829	30,688	14,829	30,688
Workers compensation insurance	5,925	7,464	5,925	7,464
Payroll tax and fringe benefits tax	35,245	37,907	35,245	37,907
Redundancy payments	38,977	7,707	38,977	7,707
Other - Miscellaneous	4,788	7,140	4,788	7,140
	723,932	755,146	723,932	755,146
(b) Other operating expenses include the following:				
Auditor's remuneration – audit of financial reports	1,100	1,735	1,098	1,733
Auditor's remuneration – other services	28	68	28	68
Cost of Sales	5,621	5,656	5,621	5,656
Cost of inventories held for distribution	32,020	24,093	32,020	24,093
Operating lease rental expense – minimum lease payments	36,975	33,403	36,975	33,403
Maintenance*	12,038	11,543	12,038	11,543
Insurance	4,703	4,123	4,703	4,121
Energy Concession Administration fee	555	685	555	685
Advertising and promotion	3,230	2,417	3,230	2,394
Bad and doubtful debts	3,925	404	3,925	403
Consultants	11,570	6,449	11,570	6,448
Courier and freight	1,255	867	1,255	867
Electricity	7,356	6,071	7,356	6,071
Telecommunication	6,149	6,864	6,149	6,864
Training and staff development	2,100	1,720	2,100	1,720
Travel	15,583	12,904	15,583	12,885
Legal Crown Solicitors	1,990	1,377	1,990	1,377
Legal other	2,208	1,282	2,208	1,282
Rates	2,209	1,304	2,209	1,304
Printing	2,451	1,648	2,451	1,648
Other contractors	88,906	61,774	88,881	61,698
Motor Vehicle expenses	4,179	2,952	4,179	2,952
Land Impairment – Aboriginal Land Claims	83,979	23,523	83,979	23,523
Other operating	70,910	40,373	70,910	40,373
	401,040	253,235	401,013	253,111
Maintenance Reconciliation				
*Maintenance expense – contracted labour and other (non-employee related), as above	12,038	11,543	12,038	11,543
Employee related maintenance expense included in Note 2(a)	1,846	1,722	1,846	1,722
Total maintenance expenses included in Note 2(a) +2(b)	13,884	13,265	13,884	13,265
No employee related maintenance costs have been capitalised.				
(c) Depreciation and amortisation expense				
Buildings	11,975	13,332	11,975	13,332
Infrastructure	46,462	45,505	46,462	45,505
Plant and Equipment	12,647	11,329	12,647	11,329
Amortisation of intangible assets	4,092	5,016	4,092	5,016
	75,176	75,182	75,176	75,182
(d) Grants and subsidies				
Grants to Government bodies	11,035	2,264	11,035	2,264
Grant to Other Non-Government Bodies	24,774	11,859	24,754	11,859
Sydney Festival	7,116	6,320	7,116	6,320
Museum of Contemporary Art	3,573	3,505	3,573	3,505
ClubGRANTS fund	6,200	8,010	6,200	8,010
Regional Industries Investment Fund	20,058	39,950	20,058	39,950
State Investment Attraction Scheme	18,604	41,422	18,604	41,422
Tweed River project	1,189	4,102	1,189	4,102
Producer Subsidies	-	7,026	-	7,026
Infrastructure Contribution	3,041	6,483	3,041	6,483
Industry Capability Network (NSW)	1,700	1,700	1,700	1,700
Katoomba / Echo Point Development	1,900	2,168	1,900	2,168
Science Leverage Fund	-	5,463	-	5,463

2. EXPENSES EXCLUDING LOSSES (continued)

	Consolidated		Parent	
	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
Research Attraction & Acceleration Program	11,483	-	11,483	-
Renewable Remote Power Generation	-	16	-	16
Life Support Rebates Scheme	3,789	3,777	3,789	3,777
Low Income Household Rebate	168,026	148,376	168,026	148,376
Family Energy Rebate	2,318	-	2,318	-
Energy Accounts Payment Assistance	13,506	13,558	13,506	13,558
Customer Assistance Policy	1,866	1,677	1,866	1,677
Drought Transport Subsidies	373	1,419	373	1,419
Destruction of Noxious Weeds	9,227	8,215	9,227	8,215
Livestock, Health and Pest Authority	-	696	-	696
Animal Welfare Organisations	4,283	4,283	4,283	4,283
Wild Dog Destruction Board	260	260	260	260
River Red Gum Structural Adjustment	-	2,231	-	2,231
Disaster Response Services	411	611	411	611
Interest Free Loan Grant Expense	232	359	232	359
Centralised Monitoring Fee – Clubs	1,086	977	1,086	977
Responsible Gambling Fund	14,204	11,662	14,204	11,662
Arts Funding program	44,906	48,179	44,906	48,179
Country Towns Water Supply and Sewerage Scheme	42,753	55,120	42,753	55,120
Recurrent grant to Murray Darling Basin Authority	16,230	35,054	16,230	35,054
Grants – Hawkesbury Nepean River Package	-	4,737	-	4,737
State Water Corporation	45,903	47,864	45,903	47,864
Pensioner rate rebates – Australian Inland Energy	-	-	-	-
Water Infrastructure	2,563	300	2,563	300
Water and Sewer System for Aboriginal Communities	5,352	4,295	5,352	4,295
Aboriginal Land Council (non cash) Capital Grant	-	-	-	-
Non cash capital land grant	11,837	24,719	11,837	24,719
State Parks Trusts	1,100	1,223	1,100	1,223
	500,898	559,880	500,878	559,880
(e) Finance Costs				
Interest on Treasury Advance	500	574	500	574
Interest on Private Sector Loans	323	799	323	799
	823	1,373	823	1,373
(f) Other expenses				
Beekeepers' Compensation	10	22	10	22
Shark Meshing	1,283	1,323	1,283	1,323
Remedial Works to Mine Areas	1,387	2,746	1,387	2,746
Australian Standing Committee on Agriculture	3,875	4,046	3,875	4,046
Assistance to Industry	-	200	-	200
Regional Development Assistance	6,518	2,500	6,518	2,500
Small Business Development	-	6,529	-	6,529
Australian Technology Showcase	429	1,092	429	1,092
Irrigation areas works – private sector	9,411	9,688	9,411	9,688
Rehabilitation of artesian bores	5,926	5,960	5,926	5,960
Crown lease waivers	4,650	5,211	4,650	5,211
Refunds and remissions of Crown Revenue	10,071	11,451	10,071	11,451
Fishing Port Maintenance	3,036	3,569	3,036	3,569
	46,596	54,337	46,596	54,337

3. REVENUES

	Consolidated		Parent	
	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
(a) Sale of goods and services				
Sale of goods:				
Sale of produce	6,441	2,831	6,441	2,831
Sale of publications	567	705	567	705
Minor sales of goods and services	11,025	1,571	11,025	1,571
Rendering of services:				
Education	3,161	3,338	3,161	3,338
Consulting	96	3	96	3
Fees for services rendered	35,592	30,926	35,592	30,926
Fishery Application & Management Fees	2,858	3,662	2,858	3,662
Mine Safety Levy	28,755	27,590	28,755	27,590
Recovery of Administrative Costs	6,708	1,125	6,708	1,125
Other Services	46,031	22,909	46,031	22,909
Income from water operations	39,685	35,743	39,685	35,743
Murray Darling Basin Commission	1,526	6,208	1,526	6,208
River Management Agreements	-	1,252	-	1,252
Soil Conservation Service	42,186	33,768	42,186	33,768
	224,631	171,631	224,631	171,631
(b) Investment revenue				
Interest	23,081	23,934	23,068	23,909
Rents	4,249	3,904	4,249	3,904
Crown Land leases	56,726	50,949	56,726	50,949
Dividends	4	14	4	14
	84,060	78,801	84,047	78,776
(c) Fees and fines				
Caravan Park & Crown Cemeteries Levy	-	-	-	-
Recreational Fishing Fees	-	13,957	-	13,957
	-	13,957	-	13,957
(d) Grants and Contributions				
Grants – Industry/Private Bodies	50,757	59,147	50,757	59,147
Grants – Commonwealth Government	10,716	6,935	10,716	6,935
Grants – NSW Budget Sector Agencies	70,599	37,217	70,599	37,217
Grants – PTE's, Local & Other State Governments	2,431	14,066	2,431	14,066
	134,503	117,365	134,503	117,365
(e) Other revenue				
Other Revenue	16,937	29,325	16,937	29,325
	16,937	29,325	16,937	29,325
(f) Personnel Services Revenue				
Independent Liquor and Gaming Authority	4,754	5,078	4,754	5,078
Mine Subsidence Board	2,329	7,434	2,329	7,434
Forests NSW	35,477	116,387	35,477	116,387
Catchment Management Authorities	63,069	56,295	63,069	56,295
Australian Museum	24,326	24,095	24,326	24,095
Museum of Applied Arts and Sciences	27,726	27,691	27,726	27,691
Art Gallery	21,414	22,747	21,414	22,747
State Library	35,743	34,106	35,743	34,106
NSW Film and Television Office	2,183	2,210	2,183	2,210
Sydney Opera House	46,795	50,658	46,795	50,658
	263,816	346,701	263,816	346,701

4. GAIN / (LOSS) ON DISPOSAL

	Consolidated		Parent	
	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
Gain / (loss) on disposal of property, plant and equipment				
Proceeds from disposal	47,261	29,459	47,261	29,459
Written down value of assets disposed	(31,595)	(23,643)	(31,595)	(23,643)
Net gain / (loss) on disposal of property, plant and equipment	15,666	5,816	15,666	5,816
Gain / (loss) on disposal of assets held for sale				
Proceeds from disposal	4,817	-	4,817	-
Written down value of assets disposed	(5,366)	-	(5,366)	-
Net gain / (loss) on disposal of assets held for sale	(549)	-	(549)	-
Gain / (loss) on disposal of investments				
Proceeds from disposal	-	-	-	-
Written down value of assets disposed	-	-	-	-
Net gain / (loss) on disposal of investments	-	-	-	-
Net gain/(loss) on disposal	15,117	5,816	15,117	5,816

5. OTHER GAINS / (LOSSES)

	Consolidated		Parent	
	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
Impairment of Receivables	685	1,363	685	1,363
Impairment of Property Plant and Equipment	(2)	(298)	(2)	(298)
Net Other gains / (losses)	683	1,065	683	1,065

6. CONDITIONS ON CONTRIBUTIONS

Contributions of \$33.159m during 2012-13 (\$55.944m during 2011-12) were provided for specific purposes associated with industry funded research with NSW Trade & Investment having an obligation to use these funds as specified by the donor body. Expenditure of these contributions has been made in the manner specified by the contributors. Any funds that are not used on the specific project must be refunded to the donor body unless the body agrees to redirect the funds to another project. Refer Note 20.

The total amounts of contributions which were unexpended at 30 June 2013 (including those received in prior years) were \$22.728m (30 June 2012 \$20.996m). These funds will be carried forward to the next financial year.

7. APPROPRIATIONS AND TRANSFERS TO THE CROWN ENTITY

	Consolidated		Parent	
	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
Recurrent appropriations				
Total recurrent draw-downs from Treasury (per Summary of Compliance)	1,565,739	1,549,352	1,565,739	1,549,352
Less: Liability to Consolidated Fund (per Summary of Compliance)	(12,730)	(2,787)	(12,730)	(2,787)
	1,553,009	1,546,565	1,553,009	1,546,565
Comprising:				
Recurrent appropriations (per Statement of Comprehensive Income)	975,121	962,835	975,121	962,835
Transfer payments (Note 9)	577,888	583,730	577,888	583,730
	1,553,009	1,546,565	1,553,009	1,546,565
Capital appropriations				
Total capital draw-downs from Treasury (per Summary of Compliance)	49,729	43,940	49,729	43,940
Less: Liability to Consolidated Fund (per Summary of Compliance)	(5,325)	(1,996)	(5,325)	(1,996)
	44,404	41,944	44,404	41,944
Comprising:				
Capital appropriations (per Statement of Comprehensive Income)	44,404	41,944	44,404	41,944
Transfer payments	-	-	-	-
	44,404	41,944	44,404	41,944

8(a). ACCEPTANCE BY THE CROWN ENTITY OF EMPLOYEE BENEFITS AND OTHER LIABILITIES

	Consolidated		Parent	
	2013 \$000	2012 \$000	2013 \$000	2012 \$000
The following liabilities and/or expenses have been assumed by the Crown Entity or other Government agencies:				
Superannuation	9,863	14,018	9,863	14,018
Long Service Leave	16,283	51,830	16,283	51,830
Payroll tax	538	761	538	761
	26,684	66,609	26,684	66,609

8(b). TRANSFER TO NSW TREASURY

	Consolidated		Parent	
	2013 \$000	2012 \$000	2013 \$000	2012 \$000
Contribution to Consolidated Fund of NSW				
Contribution from Crown Leaseholds Entity	69,077	58,186	69,077	58,186
	69,077	58,186	69,077	58,186

9. TRANSFER PAYMENTS

Transfer payments are the amounts received by NSW Trade & Investment for transfer to beneficiaries as established by legislation or other authoritative requirements.

Transfer payments are not controlled by NSW Trade & Investment.

Transfer payments to the Ministerial Corporation for Industry and Small Business Development Corporation of NSW comprise amounts needed for their activities. These Corporations draw funds from the NSW Trade & Investment only to the extent necessary to meet current cash requirements for expenditure.

Transfer payments made to Forests NSW are to fund community service obligations.

Transfer payments made to the New South Wales Film and Television Office, Game Council of NSW, NSW Food Authority, Art Gallery of NSW, Australian Museum, Museum of Applied Arts and Sciences, State Library of NSW and Sydney Opera House are to fund operations.

	Consolidated		Parent	
	2013 \$000	2012 \$000	2013 \$000	2012 \$000
Small Business Development Corporation of NSW	5	7	5	7
Ministerial Corporation for Industry	5,425	19,399	5,425	19,399
New South Wales Film and Television Office	9,890	8,571	9,890	8,571
Game Council of NSW	2,661	2,565	2,661	2,565
Forests NSW	9,557	9,557	9,557	9,557
NSW Food Authority	12,233	12,949	12,233	12,949
Art Gallery of NSW	28,309	30,153	28,309	30,153
Australian Museum	26,523	28,960	26,523	28,960
Museum of Applied Arts and Sciences	33,010	34,837	33,010	34,837
State Library of NSW	85,511	79,331	85,511	79,331
Rural Assistance Authority	2,596	26,057	2,596	26,057
Independent Liquor and Gaming Authority	5,168	7,032	5,168	7,032
Catchment Management Authorities	100,073	102,359	100,073	102,359
Destination NSW	121,612	122,849	121,612	122,849
Sydney Opera House Trust	135,315	99,104	135,315	99,104
	577,888	583,730	577,888	583,730

10. SERVICE GROUPS OF THE DEPARTMENT

New service groups have been used for 2013. The 2012 comparatives are disclosed as per the previous service groups in place at that time. The relationship between the old and new service groups is below.

Industry Innovation and Investment

Service description: This service group covers supporting businesses and industries to advance trade, investment, research excellence, innovation, employment and competitiveness, and includes strong support for the regions, developing strategies to attract major events and boost tourism, regulating and advising the hospitality and racing industries, and supporting the arts and cultural sectors.

Comparative: This service group combines the 2012 service groups of Trade, Business and Investment and Tourism, Gaming and the Arts.

Resources and Energy

Service description: This service group covers supporting the mineral resources industries by developing geoscientific information, managing titles and improving safety and environmental performance, maintaining frameworks to support a competitive energy market, reliable and secure energy supplies and a sustainable energy mix, delivering customer assistance programs and monitoring electricity and gas networks and licensed pipelines.

Comparative: This service group combines the 2012 service groups of Energy Supply and Use and Mineral Resources and Mine Safety.

Primary Industries

Service description: This service group covers supporting strong regional communities through research, knowledge transfer, planning and regulating the sustainable management of agriculture and fisheries sectors, improving biosecurity, delivering sustainable water management, regional water supply and sewerage programs and managing Crown lands and catchments.

Comparative: This service group combines the 2012 service groups of Agriculture, Fisheries, Biosecurity, Water Management, Water Utilities, and Catchments and Lands.

Personnel Services

Service description: This service group covers provision of personnel services to Forests NSW, the Mine Subsidence Board, Art Gallery of New South Wales, State Library of New South Wales, Sydney Opera House Trust, Australian Museum, Independent Liquor and Gaming Authority, New South Wales Film and Television Office and Catchment Management Authorities.

Comparative: No change.

Cluster Grant Funding

Service description: This service group covers the provision of grant funding to agencies within the Trade and Investment, Regional Infrastructure and Services cluster. This includes funding to the Catchment Management Authorities, Destination NSW, Forests NSW, Game Council NSW, Independent Liquor and Gaming Authority, New South Wales Film and Television Office, NSW Food Authority, New South Wales Rural Assistance Authority and the Cultural Institutions.

Comparative: This service group contains grants to cluster entities which were disclosed in individual service groups in prior years.

11. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

	Consolidated		Parent	
	2013 \$000	2012 \$000	2013 \$000	2012 \$000
Cash at bank and on hand*	538,468	335,416	537,984	334,915
Short term deposits	-	-	-	-
	538,468	335,416	537,984	334,915

For the purpose of the Statement of Cash Flows, cash and cash equivalents include cash at bank, cash on hand and short term deposits.

Cash and cash equivalent assets recognised in the Statement of Financial Position are reconciled at the end of the financial year to the Statement of Cash Flows as follows:

Cash and cash equivalents (per Statement of Financial Position)	538,468	335,416	537,984	334,915
Closing cash and cash equivalents (per Statement of Cash Flows)	538,468	335,416	537,984	334,915

Refer Note 35 for details regarding credit risk, liquidity risk and market risk arising from financial instruments. NSW Trade & Investment has credit facilities of \$7.00 million.

12. CURRENT / NON-CURRENT ASSETS-RECEIVABLES

	Consolidated		Parent	
	2013 \$000	2012 \$000	2013 \$000	2012 \$000
CURRENT				
Sale of goods and services	87,735	31,834	87,732	31,834
Less: Allowance for impairment	(8,303)	(5,558)	(8,303)	(5,558)
Prepayments	80	4,128	80	4,128
Interest Receivable	6,177	5,752	6,177	5,752
	984	-	984	-
Crown Leases	13,322	16,339	13,322	16,339
GST	(1,735)	9,497	(1,741)	9,484
Miscellaneous	31,995	16,106	31,995	16,100
Personnel Services	17,134	50,812	17,134	50,812
Long Service Leave	5,203	5,219	5,203	5,219
Finance Leases	8,384	8,554	8,384	8,554
	160,976	142,683	160,967	142,664

NON-CURRENT

Miscellaneous	14,483	16,294	14,483	16,294
Personnel Services	10,946	134,857	10,946	134,857
Finance Leases	128,549	131,118	128,549	131,118
	153,978	282,269	153,978	282,269

	Consolidated		Parent	
	2013 \$000	2012 \$000	2013 \$000	2012 \$000
<i>Movement in the allowance for impairment</i>				
Balance at 1 July	5,558	7,012	5,558	7,012
Amounts written off during the year	(33)	(80)	(33)	(80)
Amounts recovered during the year	248	(105)	248	(105)
Amount transferred (out) due to restructure (Note 25)	(1,543)	-	(1,543)	-
Increase/(decrease) in allowance recognised in profit or loss	4,073	(1,269)	4,073	(1,269)
Balance 30 June	8,303	5,558	8,303	5,558

12. CURRENT / NON-CURRENT ASSETS-RECEIVABLES (continued)

Finance Lease Receivable has been calculated on a per-lease basis by the application of a model developed by an external accounting firm on behalf of the Department, and in accordance with instructions by the Department. In the calculation of the receivable, expert valuation advice has been received in relation to lease capitalisation rates, which are used in the valuation of Land Under Tenure and Finance Lease Receivables. For leases with a residual return of land, a long term growth rate of 2.5% has been applied to the land value in assessing the Internal Rate of Return and present value calculations.

Term Leases (approx \$35 million) - in the case of a term lease, the land will revert at the end of the term, and the valuation of these leases has therefore been assessed for sensitivity to changes in the long term growth rate. The table below discloses the impact that an increase or decrease of 1% in the long term growth rate would have on the Finance Lease receivable.

Perpetual Leases (approx \$101 million) - the value of a perpetual lease is calculated as a perpetuity (the discounted cash-flow of the perpetual stream of minimum net lease payments). This year, all perpetual leases have been individually recalculated as perpetuities using the capitalisation rate as the discount rate, to compare with values previously derived from the model. Additional calculations have been undertaken using a range of discount rates to ensure that the use of the capitalisation rate is reasonable. For perpetual leases, the value of the receivable is sensitive to changes in the discount rate. The table below discloses the impact that an increase or decrease of 1% in the capitalisation rate would have on the receivable.

Sensitivity of fair value of Lease Receivable to changes in significant assumptions used in the valuation modelling process.

	Change	2013	2012
Discount Rate +1%	+1%	15,718	17,169
Discount Rate -1%	-1%	(23,616)	(25,933)
Capital gain on land +1%	+1%	(1,857)	(1,315)
Capital gain on land -1%	-1%	1,268	883

13. CURRENT / NON-CURRENT ASSETS – INVENTORIES

	Consolidated		Parent	
	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
CURRENT				
Valued at Cost				
Land Developments	16,513	22,272	16,513	22,272
Materials and Parts	135	124	135	124
Work in progress	-	964	-	964
Finished goods	2,741	3,440	2,741	3,440
	19,389	26,800	19,389	26,800
NON-CURRENT				
Valued at Cost				
Land Developments	14,870	18,324	14,870	18,324
	14,870	18,324	14,870	18,324

14. NON-CURRENT ASSETS – FINANCIAL ASSETS AT FAIR VALUE

	Consolidated		Parent	
	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
NON-CURRENT				
Gold Exhibits	3,739	4,323	3,739	4,323
Milk Marketing (NSW) Pty Limited	-	-	468	-
Other shares	58	81	58	81
	3,797	4,404	4,265	4,404

Gold Exhibits

NSW Trade & Investment has control and custody of certain gold exhibits which were transferred following the closure of the Earth Exchange (Mining Museum) in 1995. The valuations are based on the estimated specimen value which comprises the bullion value, but is also dependent on aesthetic qualities, rarity and heritage value.

These exhibits are as follows:

		Consolidated		Parent	
		2013	2012	2013	2012
		\$000	\$000	\$000	\$000
	<u>Weight (Troy Oz)</u>				
Maitland Bar	344.55	3,258	3,767	3,258	3,767
Lucky Hill	20.85	169	333	169	333
Woods Flat	42.64	288	195	288	195
Alluvial Gold	18.00	24	28	24	28
TOTAL	426.04	3,739	4,323	3,739	4,323

Other Shares

NSW Trade & Investment holds shares in a number of entities listed below. The movement between years represents the movement in market value of shares.

The value of other shares represents holdings in:

	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
Dairy Farmers Milk Co-operative Ltd	28	53	28	53
Rice Growers Co-Operative Mills Ltd	25	17	25	17
Rice Marketing Board of NSW	2	3	2	3
Cougar Energy Limited	3	8	3	8
	58	81	58	81

Refer note 34 for further information regarding interests in Joint Ventures.

Refer Note 35 for further information regarding credit risk, liquidity risk and market risk arising from financial instruments.

Shares in Milk Marketing (NSW) Pty Limited are recognised at fair value.

15. NON-CURRENT ASSETS – PROPERTY PLANT AND EQUIPMENT

	Land and Buildings *	Leased Buildings	Plant & Equipment	Infrastructure Systems	WIP PPE	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2012 – Fair Value						
At Gross Carrying Amount	6,305,530	98,545	83,347	526,606	17,717	7,031,745
Accumulated Depreciation and Impairment	(732,941)	(1,442)	(36,259)	(70,470)	-	(841,112)
Net Carrying Amount	5,572,589	97,103	47,088	456,136	17,717	6,190,633
At 30 June 2013 – Fair Value						
At Gross Carrying Amount	6,244,821	108,869	97,239	516,929	28,679	6,996,537
Accumulated Depreciation and Impairment	(814,186)	(3,363)	(44,236)	(110,355)	-	(972,140)
Net Carrying Amount	5,430,635	105,506	53,003	406,574	28,679	6,024,397

* Land and Buildings includes Crown Land – valuation methods used for Land and Buildings are disclosed at note 1(j)(ii).

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below.

	Land and Buildings *	Leased Buildings	Plant & Equipment	Infrastructure Systems	WIP PPE	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 30 June 2013						
Net carrying amount at start of year	5,572,589	97,103	47,088	456,136	17,717	6,190,633
Additions	27,859	-	12,146	2,720	22,062	64,787
Assets held for sale	-	-	-	-	-	-
Disposals	(46,466)	-	(2,891)	-	(535)	(49,892)
Transfers	(7,541)	11,648	8,453	(5,820)	(7,489)	(749)
Acquisitions through administrative restructures	-	-	-	-	-	-
Net revaluation increment less revaluation decrements recognised in reserves	-	-	-	-	-	-
Net revaluation increment less revaluation decrements recognised in equity	(16,481)	-	-	-	-	(16,481)
Impairment	(91,021)	-	(1,010)	-	(3,076)	(95,107)
Transfer to intangibles	-	-	-	-	-	-
Depreciation expense	(8,730)	(3,245)	(12,647)	(46,462)	-	(71,084)
Write back on disposal	426	-	1,864	-	-	2,290
Net Carrying amount at end of year	5,430,635	105,506	53,003	406,574	28,679	6,024,397

	Land and Buildings *	Leased Buildings	Plant & Equipment	Infrastructure Systems	WIP PPE	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 30 June 2012						
Net carrying amount at start of year	5,544,976	42,679	48,423	1,058,758	45,228	6,740,064
Additions	16,049	10	13,132	10,172	2,581	41,944
Assets held for sale	-	-	-	-	-	-
Disposals	(23,408)	-	(1,176)	(34)	-	(24,618)
Transfers	(69,071)	-	7,445	(567,080)	(35,798)	(664,504)
Acquisitions through administrative restructures	53,827	55,490	(9,875)	(8,600)	5,706	96,548
Net revaluation increment less revaluation decrements recognised in reserves	59,548	-	-	8,425	-	67,973
Net revaluation increment less revaluation decrements recognised in equity	-	-	-	-	-	-
Impairment	2,891	-	-	-	-	2,891
Transfer to intangibles	-	-	15	-	-	15
Depreciation expense	(12,255)	(1,076)	(11,333)	(45,505)	-	(70,169)
Write back on disposal	32	-	457	-	-	489
Net Carrying amount at end of year	5,572,589	97,103	47,088	456,136	17,717	6,190,633

* Land & Buildings includes the property known as CarriageWorks as an asset with a value of \$58 million, being the fair value of the Land & Buildings. The former ArtsNSW paid \$10.5 million for the land portion of this asset, which was revalued to \$22.5 million prior to the commencement of NSW Trade & Investment. The remainder of the asset value relates to capitalised major improvements to facilities on the site.

CarriageWorks is presently leased from the State Rail Authority, who still hold title, for an indefinite term which only expires at the earlier of:

- (1) Transfer of property title to UrbanGrowth NSW; or
- (2) Vesting of property title in NSW Trade & Investment by State Rail Authority.

Any vesting of property title in NSW Trade & Investment is required to be at no further cost. Any transfer to UrbanGrowth NSW Development Corporation would require the removal of the \$58 million value of the asset from Land & Buildings, and would be likely to be recorded as an 'owners' transaction at that time.

16. INTANGIBLE ASSETS

	Consolidated Total \$000	Parent Total \$000
At 30 June 2013		
Cost – Gross Carrying Amount	37,896	37,896
Accumulated amortisation and impairment	(10,467)	(10,467)
	<u>27,429</u>	<u>27,429</u>
WIP – Intangibles	23,065	23,065
Net Carrying amount	50,494	50,494
Year ended 30 June 2013		
Net carrying amount at start of year	36,595	36,595
Acquisitions through administrative restructures	-	-
Additions / transfers	21,247	21,247
Disposals / revaluations / transfers	(2,571)	(2,571)
Impairment losses	(685)	(685)
Amortisation (recognised in 'depreciation and amortisation')	(4,092)	(4,092)
Net carrying amount at end of year	50,494	50,494
	Consolidated Total \$000	Parent Total \$000
At 30 June 2012		
Cost – Gross Carrying Amount	39,460	39,460
Accumulated amortisation and impairment	(10,865)	(10,865)
	<u>28,595</u>	<u>28,595</u>
WIP – Intangibles	8,000	8,000
Net Carrying amount	36,595	36,595
Net Carrying amount at start of year included \$129,141,000 from Joint Ventures – refer Note 34(a).		
Year ended 30 June 2012		
Net carrying amount at start of year	165,389	165,389
Acquisitions through administrative restructures	2,298	2,298
Additions / transfers	3,091	3,091
Disposals / revaluations / transfers	(129,167)	(129,167)
Impairment losses	-	-
Amortisation (recognised in 'depreciation and amortisation')	(5,016)	(5,016)
Net carrying amount at end of year	36,595	36,595

17. CURRENT / NON-CURRENT OTHER FINANCIAL ASSETS

	Consolidated		Parent	
	2013 \$000	2012 \$000	2013 \$000	2012 \$000
CURRENT				
Advances receivable	-	25	-	25
Securities	-	-	-	-
Other Loans & Deposits	122	1	122	1
	<u>122</u>	<u>26</u>	<u>122</u>	<u>26</u>
NON-CURRENT				
Advances receivable	-	-	-	-
Other Loans & Deposits	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Refer Note 35 for further information regarding credit risk, liquidity risk and market risk arising from financial instruments.

18. NON-CURRENT ASSETS HELD FOR SALE

	Consolidated		Parent	
	2013 \$000	2012 \$000	2013 \$000	2012 \$000
Non-Current Assets held for sale				
Land and Buildings	4,008	9,376	4,008	9,376
	<u>4,008</u>	<u>9,376</u>	<u>4,008</u>	<u>9,376</u>
Amounts recognised in equity relating to assets held for sale				
Property, plant and equipment asset revaluation increments / decrements	-	-	-	-
	<u>4,008</u>	<u>9,376</u>	<u>4,008</u>	<u>9,376</u>

19. BIOLOGICAL ASSETS

	Consolidated		Parent	
	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
Livestock and fodder				
Net market value of livestock and fodder at beginning of reporting period	6,440	6,875	6,440	6,875
Net market value at reporting date	4,926	6,440	4,926	6,440
Net increment/(decrement) in the net market value of livestock and fodder	(1,514)	(435)	(1,514)	(435)
Total Net Biological Assets	4,926	6,440	4,926	6,440
Current	1,576	-	1,576	-
Non-Current	3,350	6,440	3,350	6,440
	4,926	6,440	4,926	6,440

20. RESTRICTED ASSETS**(a) Contracted research projects**

NSW Trade & Investment conducts research projects on behalf of a wide range of donor bodies. These bodies provide funds that are restricted to use on projects specified by the donor body. Strict terms and conditions apply to the use of these funds. Any unspent funds are returned to the donor bodies unless their prior approval has been obtained to use the funds on another project. See also Note 6.

21. CURRENT LIABILITIES - PAYABLES

	Consolidated		Parent	
	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
CURRENT				
Accrued Salaries, wages and on-costs	15,112	14,669	15,112	14,669
Goods & Services Tax Payable	-	989	-	989
Other Taxes Payable	2,400	2,843	2,400	2,843
Unearned Income	10,758	18,365	10,758	18,365
Personnel Services Payable	-	10,357	-	10,357
Creditors	147,692	58,934	147,667	58,916
	175,962	106,157	175,937	106,139

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables are disclosed in Note 35.

22. CURRENT/ NON-CURRENT LIABILITIES – BORROWINGS

	Consolidated		Parent	
	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
CURRENT				
Secured/Unsecured				
Treasury Advance Repayable	1,820	3,653	1,820	3,653
Finance Lease	943	1,119	943	1,119
ANZ Promissory Notes – Tweed River project	-	2,065	-	2,065
	2,763	6,837	2,763	6,837

	Consolidated		Parent	
	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
NON-CURRENT				
Secured/Unsecured				
Treasury Advance Repayable	5,232	6,877	5,232	6,877
Finance Lease	972	1,647	972	1,647
ANZ Promissory Notes – Tweed River project	-	-	-	-
	6,204	8,524	6,204	8,524
Repayment of Borrowings				
Not later than one year	2,763	6,837	2,763	6,837
Between one and five years	6,204	8,502	6,204	8,502
Later than five years	-	22	-	22
Total borrowings at face value	8,967	15,361	8,967	15,361

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above borrowings are disclosed in Note 35.

23(a). CURRENT/NON-CURRENT LIABILITIES – PROVISIONS

	Consolidated		Parent	
	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
CURRENT				
Employee benefits and related on-costs				
Recreation Leave	57,475	64,373	57,475	64,373
Long Service Leave	10,063	34,917	10,063	34,917
Payroll Tax	7,523	13,234	7,523	13,234
Other Oncosts	9,064	1,394	9,064	1,394
Superannuation – pooled fund	-	-	-	-
Other (Redundancy)	2,688	9,816	2,688	9,816
	86,813	123,734	86,813	123,734
Other provisions				
Restoration costs	427	5,484	427	5,484
Dividends	63,963	3,935	63,963	3,935
	64,390	9,419	64,390	9,419
Total current provisions	151,203	133,153	151,203	133,153
NON-CURRENT				
Employee benefits and related on-costs				
Recreation Leave	-	-	-	-
Long Service Leave	385	428	385	428
Payroll Tax	392	674	392	674
Other Oncosts	465	293	465	293
Superannuation – pooled fund	4,036	143,475	4,036	143,475
	5,278	144,870	5,278	144,870
Other provisions				
Restoration costs	9,127	701	9,127	701
Aboriginal Land Council Claims	-	-	-	-
	9,127	701	9,127	701
Total non-current provisions	14,405	145,571	14,405	145,571
Aggregate employee benefits and related on-costs				
Provisions – current	86,813	123,734	86,813	123,734
Provisions – non-current	5,278	144,870	5,278	144,870
Accrued salaries, wages and on-costs (Note 21)	15,112	14,669	15,112	14,669
	107,203	283,273	107,203	283,273
Movements in provisions (other than employee benefits)				
Restoration costs				
Carrying amount at beginning of financial year	6,185	7,690	6,185	7,690
Additional provisions recognised	3,369	13,691	3,369	13,691
Amounts used	-	(15,196)	-	(15,196)
Carrying amount at end of financial year	9,554	6,185	9,554	6,185
Dividends				
Carrying amount at beginning of financial year	3,935	1,053	3,935	1,053
Additional provisions recognised	60,028	64,762	60,028	64,762
Amounts used	-	(61,880)	-	(61,880)
Carrying amount at end of financial year	63,963	3,935	63,963	3,935

23(b). EMPLOYEE BENEFITS JUNE 2013**Accounting policy**

Actuarial gains and losses are recognised immediately in other comprehensive income in the year in which they occur.

Fund information

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

State Authorities Superannuation Scheme (SASS)

State Superannuation Scheme (SSS)

State Authorities Non-contributory Superannuation Scheme (SANCS)

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership.

All the schemes are closed to new members.

Based on the 12 month Pillar Statements at 30 June 2013.

Financial Year to June 2013**Reconciliation of the present value of the defined benefit obligation**

Financial Year to June 2013	SASS \$000	SANCS \$000	SSS \$000	Total \$000
<i>Present value of partly funded defined benefit obligations at beginning of year</i>	47,755	9,252	322,554	379,561
Current service cost	883	260	517	1,660
Interest cost	961	186	7,496	8,643
Contributions by fund participants	416	-	558	974
Actuarial (gains)/losses	20,868	72	(6,207)	14,733
Benefits paid	18,902	3,255	(9,090)	13,067
Past service cost	-	-	-	-
Curtailments	-	-	-	-
Settlements	-	-	-	-
Corporatisation of Forests and Soil Conservation now assumed by the Crown.	(79,772)	(10,979)	(258,465)	(349,216)
Exchange rate changes	-	-	-	-
<i>Present value of partly funded defined benefit obligations at end of the year</i>	10,013	2,046	57,363	69,422
Financial Year to June 2012	SASS \$000	SANCS \$000	SSS \$000	Total \$000
<i>Present value of partly funded defined benefit obligations at beginning of year</i>	40,566	8,929	247,094	296,589
Current service cost	1,130	386	581	2,097
Interest cost	2,053	441	12,708	15,202
Contributions by fund participants	630	-	915	1,545
Actuarial (gains)/losses	5,345	523	78,044	83,912
Benefits paid	(1,968)	(1,026)	(16,788)	(19,782)
Past service cost	-	-	-	-
Curtailments	-	-	-	-
Settlements	-	-	-	-
Business Combinations	-	-	-	-
Exchange rate changes	-	-	-	-
<i>Present value of partly funded defined benefit obligations at end of the year</i>	47,756	9,253	322,554	379,563

23(b). EMPLOYEE BENEFITS JUNE 2013 (continued)**Reconciliation of the fair value of Fund assets**

Financial Year to June 2013	SASS \$000	SANCS \$000	SSS \$000	Total \$000
<i>Fair value of Fund assets at beginning of year</i>	39,480	7,808	188,799	236,087
Expected return on fund assets	2,193	464	12,686	15,343
Actuarial gains/(losses)	16,324	656	14,031	31,011
Employer contributions	988	268	589	1,845
Contributions by Fund participants	416	-	558	974
Benefits paid	18,902	3,255	(9,090)	13,067
Settlements	-	-	-	-
Corporatisation of Forests and Soil Conservation now assumed by the Crown.	(68,697)	(10,297)	(145,283)	(224,277)
Exchange rate changes	-	-	-	-
<i>Fair value of Fund assets at end of the year</i>	9,606	2,154	62,290	74,050

Financial Year to June 2012	SASS \$000	SANCS \$000	SSS \$000	Total \$000
<i>Fair value of Fund assets at beginning of year</i>	38,832	8,504	203,828	251,164
Expected return on fund assets	3,245	697	17,024	20,966
Actuarial gains/(losses)	(2,441)	(715)	(17,252)	(20,408)
Employer contributions	1,182	349	1,072	2,603
Contributions by Fund participants	630	-	915	1,545
Benefits paid	(1,968)	(1,026)	(16,788)	(19,782)
Settlements	-	-	-	-
Business Combinations	-	-	-	-
Exchange rate changes	-	-	-	-
<i>Fair value of Fund assets at end of the year</i>	39,480	7,809	188,799	236,088

Reconciliation of the assets and liabilities recognised in the statement of financial position

Financial Year to June 2013	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Present value of partly funded defined benefit obligations at end of year	10,015	2,048	57,363	69,426
Fair value of fund assets at end of year	(9,606)	(2,155)	(62,291)	(74,052)
<i>Subtotal</i>	409	(107)	(4,928)	(4,626)
Unrecognised past service cost	-	-	-	-
Unrecognised gain/(loss)	-	-	-	-
Adjustment for limitation on net asset	-	93	8,569	8,662
<i>Net Liability / (Asset) recognised in statement of financial position at end of year</i>	409	(14)	3,641	4,036

Financial Year to June 2012	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Present value of partly funded defined benefit obligations at end of year	47,755	9,252	322,554	379,561
Fair value of fund assets at end of year	(39,480)	(7,808)	(188,799)	(236,087)
<i>Subtotal</i>	8,276	1,444	133,755	143,475
Unrecognised past service cost	-	-	-	-
Unrecognised gain/(loss)	-	-	-	-
Adjustment for limitation on net asset	-	-	-	-
<i>Net Liability / (Asset) recognised in statement of financial position at end of year</i>	8,276	1,444	133,755	143,475

23(b). EMPLOYEE BENEFITS JUNE 2013 (continued)**Expense recognised in income statement**

Financial Year to June 2013	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Components Recognised in Income Statement				
Current service cost	883	260	517	1,660
Interest cost	961	186	7,496	8,643
Expected return on Fund assets (net of expenses)	(2,193)	(464)	(12,686)	(15,343)
Actuarial losses / (gains) recognised in year	-	-	-	-
Past service cost	-	-	-	-
Movement in adjustment for limitation on net asset	-	-	-	-
Curtailement or settlement (gain)/loss	-	-	-	-
Expense / (income) recognised	(349)	(18)	(4,673)	(5,040)

Financial Year to June 2012	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Components Recognised in Income Statement				
Current service cost	1,130	386	581	2,097
Interest cost	2,053	441	12,708	15,202
Expected return on Fund assets (net of expenses)	(3,245)	(697)	(17,024)	(20,966)
Actuarial losses / (gains) recognised in year	-	-	-	-
Past service cost	-	-	-	-
Movement in adjustment for limitation on net asset	-	-	-	-
Curtailement or settlement (gain)/loss	-	-	-	-
Expense / (income) recognised	(62)	130	(3,735)	(3,667)

Amounts recognised in other comprehensive income

Financial Year to June 2013	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Actuarial (gains) / losses	4,544	(584)	(20,238)	(16,278)
Adjustment for limit on net assets	-	93	8,569	8,662
	4,544	(491)	(11,669)	(7,616)

Financial Year to June 2012	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Actuarial (gains) / losses	7,786	1,237	95,297	104,320
Adjustment for limit on net assets	(80)	(53)	(11,979)	(12,112)
	7,706	1,184	83,318	92,208

Fund assets

The percentage invested in each asset class at the balance sheet date

	30 Jun 13	30 Jun 12
Australian equities	30.4%	28.0%
Overseas equities	26.1%	23.7%
Australian fixed interest securities	6.9%	4.9%
Overseas fixed interest securities	2.2%	2.4%
Property	8.3%	8.6%
Cash	13.1%	19.5%
Other	13.0%	12.9%

Fair value of Fund assets

All Fund assets are invested by STC at arm's length through independent fund managers.

Expected rate of return on assets

The expected return on assets assumption is determined by weighing the expected long-term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

Actual return on Fund Assets

Financial Year to June 2013	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Actual return on Fund assets	5,499	1,120	27,138	33,757
	5,499	1,120	27,138	33,757
Financial Year to June 2012	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Actual return on Fund assets	20	(18)	15	17
	20	(18)	15	17

23(b). EMPLOYEE BENEFITS JUNE 2013 (continued)**Valuation method and principal actuarial assumptions at the balance sheet date****a) Valuation Method**

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

b) Economic Assumptions

	30-Jun-13
2013/2014 (SASS, SSS and SANCS)	2.25% (PSS 2.95%)
2014/2015	2.25%
2015/2016 to 2019/2020	2.0% pa
2020 onwards	2.5% pa
Rate of CPI Increase	2.5% pa
Expected rate of return on assets	8.60%
Discount rate	3.80% pa

c) Demographic Assumptions

The demographic assumptions at 30 June 2013 are those that were used in the 2012 triennial actuarial valuation. The triennial review will be available from the NSW Treasury website.

Historical Information

Financial Year to June 2013	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Present value of defined benefit obligation	79,826	11,222	286,580	377,628
Fair value of Fund assets	(69,431)	(11,223)	(193,410)	(274,064)
(Surplus) / Deficit in Fund	10,396	(1)	93,170	103,565
Experience adjustments – Fund liabilities	20,868	72	(6,207)	14,733
Experience adjustments – Fund assets	(16,324)	(656)	(14,031)	(31,011)

Financial Year to June 2012	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Present value of defined benefit obligation	47,755	9,252	322,554	379,561
Fair value of Fund assets	(39,480)	(7,808)	(188,799)	(236,087)
(Surplus) / Deficit in Fund	8,276	1,444	133,755	143,475
Experience adjustments – Fund liabilities	5,345	523	78,044	83,912
Experience adjustments – Fund assets	2,441	715	17,252	20,408

Expected contributions

Financial Year to June 2013	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Expected employer contributions to be paid in the next reporting period	71	21	84	176
	71	21	84	176

Financial Year to June 2012	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Expected employer contributions to be paid in the next reporting period	972	334	1,237	2,543
	972	334	1,237	2,543

Funding Arrangements for Employer Contributions**(a) Surplus / (deficit)**

The following is a summary of the 30 June financial position of the Fund calculated in accordance with AAS 25 "Financial Reporting by Superannuation Plan".

Financial Year to June 2013	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Accrued benefits	63,255	8,895	168,585	240,735
Net market value of Fund assets	(69,431)	(11,223)	(193,410)	(274,064)
Net (Surplus) / Deficit	(6,176)	(2,328)	(24,824)	(33,328)

Financial Year to June 2012	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Accrued benefits	39,305	7,942	182,062	229,309
Net market value of Fund assets	(39,480)	(7,808)	(188,799)	(236,087)
Net (Surplus) / Deficit	(175)	134	(6,737)	(6,778)

23(b). EMPLOYEE BENEFITS JUNE 2013 (continued)**(b) Contribution recommendations**

Recommended contribution rates for the entity are:

	SASS	SANCS	SSS
	Multiple of members contributions	% member salary	Multiple of members contributions
	2.10	2.50	1.60

(c) Funding Method

Contribution rates are set after discussions between the employer, STC and NSW Treasury.

(d) Economic Assumptions

The economic assumptions adopted for the 2012 actuarial review of the Fund are:

Weighted-Average Assumptions	30 Jun 13	30 Jun 12
Expected rate of return on Fund assets backing current pension liabilities	8.3% pa	8.3% pa
Expected rate of return on Fund assets backing other liabilities	7.3% pa	7.3% pa
Expected salary increase rate	SASS, SANCS, SSS 2.7% pa (PSS 3.5% pa) for 6 years then 4.0% pa	4.0% pa
Expected rate of CPI increase	2.5% pa	2.5% pa

Nature of Asset/Liability

If a surplus exists in the employer's interest in the Fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the Fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of Fund assets and the defined benefit obligation.

24. CURRENT/NON-CURRENT LIABILITIES - OTHER

	Consolidated		Parent	
	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
CURRENT				
Liability to Consolidated Fund (see also note 7)	18,055	4,783	18,055	4,783
Lease Incentive	-	-	-	-
Other	7,721	1,189	7,721	1,189
Total current liabilities – other	25,776	5,972	25,776	5,972
NON-CURRENT				
Other liability	7,302	7,713	7,302	7,713
Total non-current liabilities – other	7,302	7,713	7,302	7,713

25. INCREASE / DECREASE IN NET ASSETS FROM EQUITY TRANSFERS

In 2012 the following equity transfers took place:

Transfer of assets and liabilities to Destination NSW from the Department of Trade and Investment, Regional Infrastructure and Services on the transfer of tourism functions.

	\$'000
ASSETS	
Current Assets	
Cash and cash equivalents	3,267
Receivables	1,379
Total Current Assets	4,646
Non-Current Assets	
Plant and equipment	
- Plant and equipment	540
- Infrastructure systems	8,727
Total Plant and equipment	9,267
Intangibles	6
Total Non-Current Assets	9,273
Total Assets	13,919
LIABILITIES	
Current Liabilities	
Payables	2,964
Provisions	1,665
Total Current Liabilities	4,629
Total Liabilities	4,629
Net Assets	9,290

Transfer of Milk Marketing assets and liabilities to the Department of Trade and Investment, Regional Infrastructure and Services.

	\$'000
ASSETS	
Current Assets	
Cash and cash equivalents	625
Receivables	19
Total Current Assets	644
Total Assets	644
LIABILITIES	
Current Liabilities	
Payables	43
Total Current Liabilities	43
Total Liabilities	43
Net Assets	601

26. COMMITMENTS FOR EXPENDITURE

	Consolidated		Parent	
	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
(a) Capital Commitments				
Aggregate capital expenditure for acquisition contracted for at balance date but not provided for:				
Not later than one year	4,025	7,449	4,025	7,449
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
Total (including GST)	4,025	7,449	4,025	7,449
(b) Operating Lease Commitments				
Future non-cancellable operating lease rentals not provided for and payable:				
Not later than one year	32,689	23,168	32,689	23,168
Later than one year and not later than five years	57,199	42,158	57,199	42,158
Later than five years	14,628	75	14,628	75
Total (including GST)	104,516	65,401	104,516	65,401
Representing:				
Non-cancellable operating leases	104,516	65,401	104,516	65,401

Operating Leases predominantly comprise office accommodation, computer equipment and motor vehicles. Some contingent rental payments are arrived at by increasing the base rental by the annual CPI. Other lease agreements, approximately 50% which do not include annual CPI increments, have annual set increases detailed in the lease agreements. Lease renewal options for office accommodation exist in the large majority of cases. There are no renewal or purchase options for motor vehicles or computer equipment, except by negotiation at the end of the lease term. This usually does not occur.

	Consolidated		Parent	
	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
(c) Finance Lease Commitments				
Not later than one year	1,000	1,250	1,000	1,250
Later than one year and not later than five years	1,000	2,000	1,000	2,000
Minimum lease payments	2,000	3,250	2,000	3,250
Less: future finance charges	85	484	85	484
Present value of minimum lease payments	1,915	2,766	1,915	2,766
The present value of finance lease commitments is as follows:				
Not later than one year	943	1,119	943	1,119
Later than one year and not later than five years	972	1,647	972	1,647
	1,915	2,766	1,915	2,766
Classified as:				
Current (Note 22)	943	1,119	943	1,119
Non-current (Note 22)	972	1,647	972	1,647
	1,915	2,766	1,915	2,766

27. CONTINGENT LIABILITIES

	Consolidated		Parent	
	2013 \$000	2012 \$000	2013 \$000	2012 \$000
Negligence (1), (4) & (5)	2,605	3,593	2,605	3,593
Minerals and mine safety (1)	502	60	502	60
Appeals (1)	204	-	204	-
Compulsory acquisition (2)	5,000	5,040	5,000	5,040
Disputed legislation (1) & (3)	1,547	-	1,547	-
	9,858	8,693	9,858	8,693

1. Various legal appeals
2. Land acquisition matter. The potential liability has been estimated at approximately \$5 million, being the land value and other costs of acquisition. Due to unresolved issues concerning the amount of land to be acquired, a reliable land valuation estimate cannot be determined at this stage and a liability has therefore not been recognised.
3. Supreme Court proceedings seeking damages for malicious prosecution, trespass, negligent misrepresentation and misfeasance in public office. The estimate of liability is \$950,000.
4. Supreme Court proceedings seeking damages for breach of duty of care when providing advice, information and making representations relating to water supply. The estimated liability is \$450,000.
5. Claimed negligent disclosure of commercial in confidence information. Legal advice is that possible exposure is \$1.085M.
6. Liabilities to remediate contamination on Crown Lands may exist but are not considered to be presently quantifiable. Further Crown Lands may be subject to contamination but have not been fully assessed and may not be able to be economically viable to assess. A provision will be raised when the Environmental Protection Agency provides an order.
7. The Department has approximately 26,000 Aboriginal Land Claims to review. The land in question is fully impaired when the Minister or the Court approves the claim.

NSW Trade & Investment is insured by the Treasury Managed Fund.

28. BUDGET REVIEW

The budget process is finalised prior to the beginning of each financial year. Events can arise after the end of financial year that necessitate variations to the planned activities of NSW Trade & Investment for that year. This in turn may cause variations to the financial activities. Major variations between the original budget and actual amounts are outlined below.

Net result	Actual 2013 \$000	Budget 2013 \$000	Variance 2013 \$000	Variance 2013 %	Comment
Expenses excluding losses					
Operating expenses					
Employee related	723,932	729,147	5,215	0.7%	
Other operating expenses	401,040	352,434	(48,606)	(13.8%)	Impacted by change in treatment of Aboriginal Land Claims (now impaired \$83m), lower than expected externally funded activities within Primary Industries (\$30m) combined with rollover of deferred Coal Innovation.
Depreciation and amortisation	75,176	89,797	14,621	16.3%	Timing of capital expenditure deferred to late in the financial year.
Grants & subsidies	500,898	749,975	249,077	33.2%	Country Water Supply, Aboriginal Water/Sewer programs, SIAS and RIIF programs delayed to 2014 (\$76m), lower take up than expected for Low Income and Family Energy rebate (\$22m) with balance comprising high volume low value transactions. Impacted by change in treatment of Aboriginal Land Claims (now impaired \$83m).
Finance Costs	823	1,655	832	50.3%	
Other expenses	46,596	29,333	(17,263)	(58.9%)	Actual expenditure in line with prior year. Budget to be revised.
Total expenses excluding losses	1,748,465	1,952,341	203,876	10.4%	
Revenue					
Recurrent appropriation (net of transfer payments)	975,121	1,105,435	(130,314)	(11.8%)	Recurrent appropriation not fully drawdown due to approved rollovers and underspends.
Capital appropriation (net of transfer payments)	44,404	50,745	(6,341)	(12.5%)	Projects carried over to 2014.
(Transfers to the Crown Entity)	-	-	-		
Sale of goods and services	224,631	263,497	(38,866)	(14.8%)	Lower than expected externally funded activities within Primary Industries (\$30m) and Crown Land Lease income reflected in Investment income, see below.
Investment revenue	84,060	15,750	68,310	433.7%	Variance due to Crown Land Lease income budgeted in sale of Goods and Services higher interest received as a result of higher average cash balances.
Fees and fines	-	17,087	(17,087)	(100.0%)	Fish Trusts and PRMF are no longer consolidated and therefore Fishing Licence revenue is not recognised.
Grants and contributions	134,503	131,470	3,033	2.3%	No significant individual variances.
Acceptance by the Crown Entity of employee benefits and other liabilities	26,684	45,754	(19,070)	(41.7%)	Reduction in Personnel services staff.
Transfers to NSW Treasury	(69,077)	(62,678)	(6,399)	10.2%	Contributions from Crown Leasehold entity higher than expected.
Other revenue	16,937	18,707	(1,770)	(9.5%)	
Personnel services revenue	263,816	271,987	(8,171)	(3.0%)	
Total Revenue	1,701,079	1,857,754	(156,675)	(8.4%)	
Gain / (loss) on disposal	15,117	341	14,776	4333.1%	Gains higher than expected which includes gain on sale of land for North West rail link.
Other Gains / (losses)	683	(5,488)	6,171	(112.4%)	Gains higher than expected.
Increase in share of jointly controlled assets in joint ventures	-	-	-		
Impairment – Intangible – Water Entitlements - MDBA	-	-	-		
Share of operating result of joint ventures accounted for under the equity accounting method	(4,784)	-	(4,784)		
Net Result	(36,370)	(99,734)	63,364	(63.5%)	

28. BUDGET REVIEW (continued)

Assets and Liabilities	Actual 2013 \$000	Budget 2013 \$000	Variance 2013 \$000	Variance 2013 %	Comment
ASSETS					
Current Assets					
Cash and cash equivalents	538,468	316,940	221,528	69.9%	Cash received owing as Dividend payment to Treasury and Grants which have been deferred.
Receivables	160,976	168,631	(7,655)	(4.5%)	Decrease in invoices distributed in June and reallocation from non-current.
Inventories	19,389	29,856	(10,467)	(35.1%)	Reduction in Land developments.
Biological assets	1,576	-	1,576		
Other financial assets	122	12,764	(12,642)	(99.0%)	PRMF no longer consolidated.
Non-Current Assets held for sale	4,008	2,199	1,809	82.3%	No significant individual variances.
Total Current Assets	724,539	530,390	194,149	36.6%	
Non-Current Assets					
Receivables	153,978	174,848	(20,870)	(11.9%)	Reallocation to current.
Inventories	14,870	16,533	(1,663)	(10.1%)	No significant individual variances.
Financial assets at fair value	3,797	-	3,797		Holding of Gold and Shares unbudgeted.
Total Property Plant and Equipment	6,024,397	7,264,066	(1,239,669)	(17.1%)	Pursuant to Treasury guidelines, change in accounting treatment for Living Murray Initiative and River Murray Operations. Change not yet reflected in Budget.
Total Intangible assets	50,494	175,188	(124,694)	(71.2%)	
Investments accounted for under the equity method	863,421	-	863,421		Change in treatment of Aboriginal Land Claims to be an impairment of an Asset rather than a provision.
Biological assets	3,350	-	3,350		
Other financial assets	-	98,138	(98,138)	(100.0%)	
Total Non-Current Assets	7,114,307	7,728,773	(614,466)	(8.0%)	
Total Assets	7,838,846	8,259,163	(420,317)	(5.1%)	
LIABILITIES					
Current Liabilities					
Payables	175,962	97,611	(78,351)	(80.3%)	Payment run deferred to July.
Borrowings	2,763	951	1,812	190.5%	
Provisions	151,203	151,827	624	0.4%	
Other	25,776	16,378	(9,398)	(57.4%)	Increase in Liability to Confund.
Total Current Liabilities	355,704	266,767	(88,937)	(33.3%)	
Non-Current Liabilities					
Payables	-	-	-		
Borrowings	6,204	10,562	4,358	41.3%	
Provisions	14,405	61,632	47,227	76.6%	Change in treatment of Aboriginal Land Claims to be an impairment of an Asset rather than a provision.
Other	7,302	575,089	567,787	98.7%	
Total Non-Current Liabilities	27,911	647,283	619,372	95.7%	
Total Liabilities	383,615	914,050	530,435	58.0%	
Net Assets	7,455,231	7,345,113	110,118	1.5%	
EQUITY					
Reserves	161,779	215,365	(53,586)	(24.9%)	
Accumulated funds	7,293,452	7,129,748	163,704	2.3%	
Total Equity	7,455,231	7,345,113	110,118	1.5%	

28. BUDGET REVIEW (continued)

Cash Flows	Actual 2013 \$000	Budget 2013 \$000	Variance 2013 \$000	Variance 2013 %	Comment
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments					
Employee related	(846,932)	(689,006)	(157,926)	22.9%	Primarily relates to provision of Personnel services to cluster entities.
Grants and subsidies	(526,203)	(657,368)	131,165	(20.0%)	Variance comprises various savings and timing differences against budget.
Finance costs	(824)	(1,639)	815	(49.7%)	
Other	(257,844)	(442,629)	184,785	(41.7%)	Cashflow in line with actual expenditure.
Total Payments	(1,631,803)	(1,790,642)	158,839		
Receipts					
Sale of goods and services	654,916	540,509	114,407	21.2%	Actual in line with Net result including Personnel services income and Fees and fines.
Interest received	23,948	15,085	8,863	58.8%	
Recurrent appropriation	987,851	1,054,690	(66,839)	(6.3%)	Actual Net of transfer payments.
Cash transfers to the Consolidated Fund	(12,117)	(67,952)	55,835	(82.2%)	Reallocation between items.
Grants and Contributions	94,521	-	94,521	100.0%	
Capital appropriation (excluding equity appropriation)	49,729	50,745	(1,016)	(2.0%)	
Other	70,091	255,859	(185,768)	(72.6%)	Less than expected, no improvement in Accounts Receivable days outstanding.
Total Receipts	1,868,939	1,848,936	20,003		
NET CASH FLOWS FROM OPERATING ACTIVITIES	237,136	58,294	178,842		
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of Land and Buildings, Plant and Equipment and Infrastructure Systems	51,094	25,027	26,067	104.2%	
Advance repayments received	2,243	50	2,193	4386.0%	
Purchases of Land and Buildings, Plant and Equipment and Infrastructure Systems	(37,892)	(44,708)	6,816	(15.2%)	Items carried over to 2014.
Purchases of investments	(17,872)	-	(17,872)	100.0%	Cash transferred to Joint Ventures.
Advances made / received	(2,081)	(165)	(1,916)	1161.2%	
Purchases of intangibles	(12,784)	(15,086)	2,302	(15.3%)	
NET CASH FLOWS FROM INVESTING ACTIVITIES	(17,292)	(34,882)	17,590		
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from borrowings and advances	-	-	-	-	
Repayment of borrowings and advances	(8,940)	(952)	(7,988)	3080.6%	
Other	-	-	-	100.0%	
NET CASH FLOWS FROM FINANCING ACTIVITIES	(8,940)	(952)	(7,988)		
NET INCREASE/(DECREASE) IN CASH	210,904	22,460	188,444	-	
Opening cash and cash equivalents	335,416	294,480	40,936	13.9%	
Cash transferred in / (out) as a result of administrative restructuring	(7,852)	-	(7,852)	100.0%	
CLOSING CASH AND CASH EQUIVALENTS	538,468	316,940	221,528		

29. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET RESULT

	Consolidated		Parent	
	2013	2012	2013	2012
	\$000	\$000	\$000	\$000
Net cash used on operating activities	237,136	127,639	237,153	127,763
Depreciation and amortisation	(75,185)	(75,184)	(75,185)	(75,184)
Non cash expenses	(152,559)	(16,745)	(152,559)	(16,745)
Non cash revenues	53,789	91,401	53,789	91,401
Impact of administrative restructures	-	3,226	-	3,226
Decrease / (Increase) in provisions	(13,784)	(51,572)	(13,784)	(51,572)
Increase / (Decrease) in receivables	(142,091)	32,510	(142,074)	32,510
Increase / (Decrease) in other financial assets	45	(3,270)	45	(3,270)
Increase / (Decrease) in inventories	170	108	170	108
Decrease / (Increase) in creditors	63,459	(2,769)	63,459	(2,794)
Decrease / (Increase) in other liabilities	(2,534)	17,007	(2,534)	17,007
Net gain / (loss) in sale of plant and equipment	(4,816)	5,816	(4,816)	5,816
Net result	(36,370)	128,167	(36,336)	128,266

30. TRUST FUNDS

Minerals Related Trust Funds are not consolidated within the Group.

	2013	2012
	\$000	\$000
Minerals Related Trust Funds – Deposits under the Mining Acts		
Cash deposits are received in respect of various forms of titles issued under the provisions of the State's mining legislation. Such cash deposits are held by NSW Trade & Investment during the currency of titles and are normally refunded to registered holders upon cessation, providing certain title conditions have been observed. These monies are excluded from the financial statements as NSW Trade & Investment cannot use them for the achievement of its objectives.		
The following is a summary of the transactions in the trust account.		
Balance at the beginning of the Financial Year	19,106	16,974
Add: Receipts	4,093	3,865
Less Expenditure	(1,859)	(1,733)
Balance at the end of the reporting period	21,340	19,106

31. FISHERIES MANAGEMENT ACT – SPECIAL FISHERIES TRUST FUNDS

Trusts under the Fisheries Management Act are not consolidated within the Group

32. ADMINISTERED ASSETS AND LIABILITIES**Mining Royalties and Exploration Licences**

NSW Trade & Investment administers certain activities on behalf of other bodies. The assets and liabilities associated with these activities are listed below:

	2013 \$000	2012 \$000
Administered Assets		
Bank	111	92
Receivables – Royalties/Mining lease	6,625	4,422
Less Provision for Doubtful Debts	(926)	(761)
	<u>5,810</u>	<u>3,753</u>
Administered Liabilities		
Current		
Payables – Royalties	385	533
Income received in Advance, Watermark and Ridgeland	42,515	79,355
Non Current		
Income received in Advance, Ridgeland	<u>30,941</u>	<u>73,456</u>
	<u>73,841</u>	<u>153,344</u>

Retail Tenancy Trust Fund

Under the administrative restructure the Retail Tenancy Trust Fund was transferred to NSW Trade & Investment. NSW Trade & Investment holds money in the Retail Leases Security Bonds Trust and Interest Accounts with NSW Treasury Corporation. Retail lease Security Bonds are lodged with the Director-General in accordance with Section 16C of the Retail Leases Act 1994. These monies are excluded from the financial statements of NSW Trade & Investment as NSW Trade & Investment cannot use them for the achievement of its objectives other than the recovery of expenses relating to administration of the Retail Leases Act.

	Interest Account \$000	Trust Account \$000	Total \$000
Cash Balance at 30 June 2012	6,675	129,396	136,071
Add:			
Bonds Lodgements	-	6,800	6,800
Transfer between Interest and Trust Account	9,200	-	9,200
Interest Revenue	159	4,892	5,051
Less:			
Transfer between Interest and Trust Account	-	(9,200)	(9,200)
Bonds Released	(1,742)	-	(1,742)
Transfer to the Crown Entity	(4,000)	-	(4,000)
Balance at 30 June 2013	10,292	131,888	142,180
	Interest Account \$000	Trust Account \$000	Total \$000
Cash Balance at 30 June 2011	9,385	119,258	128,643
Add:			
Bonds Lodgements	1,376	5,176	6,552
Transfer between Interest and Trust Account	990	(990)	-
Interest Revenue	491	5,952	6,443
Less:			
Bonds Released	(1,367)	-	(1,367)
Transfer to the Crown Entity	(4,200)	-	(4,200)
Balance at 30 June 2012	6,675	129,396	136,071

33. ADMINISTERED EXPENSES & INCOME**EXPENSES****NSW Cellar door Subsidy**

During the period \$1.454m (2012 \$2.836m) was paid by the NSW Office of Liquor, Gaming and Racing on behalf of Treasury to suppliers and producers in response to their claims for this liquor subsidy.

INCOME

	2013	2012
	\$000	\$000
The following monies have been collected on behalf of the Crown Entity and forwarded to NSW Treasury:		
Fees	3,357	5,658
Fines	306	870
Licences	3,745	686
Revenue Accrued	-	2,230
Unclaimed monies	31	-
Exploration licences	46,290	79,355
Royalty on Minerals	1,318,444	1,466,738
	1,372,173	1,555,537

34. JOINT VENTURES

In July 2001, the Treasurer of NSW granted approval for the former Department of Mineral resources to enter into a joint venture with the Commonwealth and nine other participants, entitled the Cooperative Research Centre for Landscape Environments and Mineral Exploration (CRC LEME).

The joint venture is a non commercial, non profit entity established to conduct strategic research, education and training in regolith geoscience and its applications in mineral exploration and environmental issues.

There are no assets arising from NSW Trade & Investment's participation in the joint venture or any liabilities arising from its interest in the joint venture. NSW Trade & Investment does not have a percentage share in the output or assets of the joint venture and no revenue is probable.

NSW Trade & Investment is also engaged with several other joint ventures.

As at the financial year ended 30 June 2013, NSW Trade & Investment had an interest in the following joint ventures:

- 50% share in the joint venture entity Dumaresq-Barwon border Rivers Commission
- 26.67% share in the joint venture entities Living Murray initiative and the River Murray Operations. These assets are administered by the Murray-Darling Basin Authority.

INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD

	Note	2013	2012
		\$000	\$000
Non-current Investments accounted for under the equity method			
Murray-Darling Basin Authority – Living Murray and River Murray Operations Joint Venture	34(a)	792,834	790,589
Dumaresq – Barwon Border Rivers Commission	34(b)	70,587	71,933
		863,421	862,522

34. JOINT VENTURES (continued)**(a) Murray-Darling Basin Authority – Living Murray and River Murray Operations**

Upon transition of the former Murray-Darling Basin Commission (MDBC) to the Murray Darling Basin Authority two joint ventures were established to hold the jurisdictional assets previously held by the MDBC on behalf of the jurisdictions. The joint ventures were established through agreements called "Asset Agreement for River Murray Operations Assets" (River Murray Operations Joint Venture) and the "Further Agreement on Addressing Water Overallocation and Achieving Environmental Objectives in the Murray-Darling Basin – Control and Management of Living Murray Assets" (Living Murray Joint Venture)

	2013	2012
Ownership Interest	26.67%	26.67%
Reporting date	30 June	30 June
	2013	2012
	\$000	\$000
Net assets (2013 unaudited (At date of completion, final audited statements unavailable), 2012 audited)	2,972,755	2,964,335

Summarised financial information

Statement of Financial Position	2013	2012
	\$000	\$000
ASSETS		
Non-current assets		
Infrastructure assets	2,517,439	2,444,750
Property, plant and equipment	9,502	10,183
Intangibles	434,408	497,996
Other	11,406	11,406
Net assets	2,972,755	2,964,335
Statement of Comprehensive Income	2013	2012
	\$000	\$000
Revenues	89,829	232,841
Expenses	98,062	40,412
Surplus / (Deficit) for the year	(8,233)	192,429
Aggregate asset revaluation increment for the financial year	16,858	165,126
Share of operating surplus / (deficit)	(2,196)	51,323
Adjustment for prior year correction	(623)	-
Share of operating result	(2,819)	51,323

34. JOINT VENTURES (continued)**(b) Dumaresq – Barwon Border Rivers Commission**

The Dumaresq-Barwon Border Rivers Commission is established by the New South Wales – Queensland Border Rivers Agreement and is responsible for sharing the waters of the rivers and streams which either form or intersect the boundary between the two States and the associated groundwater resources. The Commission undertakes the investigation, construction and operation of works to conserve and regulate those waters where considered desirable.

	2013	2012
Ownership Interest	50%	50%
Dumaresq – Barwon Border Rivers Commission reporting date	30 June	30 June
	2013	2012
	\$000	\$000
Net assets (2013 unaudited (At date of completion, final audited statements unavailable), 2012 audited)	141,173	143,863

Summarised financial information

Statement of Financial Position	2013	2012
	\$000	\$000
ASSETS		
Current assets		
Cash and cash equivalents	4,011	3,563
Receivables	215	42
Non-current assets		
Property, plant and equipment	137,697	140,526
Total assets	141,923	144,131
LIABILITIES		
Current liabilities		
Payables	750	268
Total liabilities	750	268
Net Assets	141,173	143,863

Statement of Comprehensive Income	2013	2012
	\$000	\$000
Revenues	2,385	2,432
Expenses	3,969	3,964
Surplus / (Deficit) for the year	(1,584)	(1,532)
Aggregate asset revaluation increment for the financial year	2,475	3,437
Share of operating surplus / (deficit)	(792)	(766)
Adjustment for prior year correction	(73)	-
Contribution for the financial year	(1,100)	(1,100)
Share of operating result	(1,965)	(1,866)

35. FINANCIAL INSTRUMENTS

NSW Trade & Investment's principal financial instruments are outlined below. These financial instruments arise directly from NSW Trade & Investment's operations or are required to finance NSW Trade & Investment's operations. NSW Trade & Investment does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

NSW Trade & Investment's main risks arising from financial instruments are outlined below, together with NSW Trade & Investment's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Director General has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by NSW Trade & Investment, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the audit committee on a continuous basis.

(a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount 2013 \$'000	Carrying Amount 2012 \$'000
Class:				
Cash and cash equivalents	11	N/A	538,468	335,416
Receivables ¹	12	Loans and receivables (at amortised cost)	316,609	411,327
Financial Assets at fair value	14	Available for sale Net Assets	3,797	4,404
Other Financial Assets	17	Loans and receivables (at amortised cost)	122	26
			858,996	751,173

Financial Liabilities	Note	Category	Carrying Amount 2013 \$'000	Carrying Amount 2012 \$'000
Class:				
Payables ²	21	Financial liabilities measured at amortised cost	162,804	83,960
Borrowings	22	Financial liabilities measured at amortised cost	8,967	15,361
Other ³	24	Financial liabilities measured at amortised cost	15,022	8,902
			186,793	108,223

Notes

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).
2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7).
3. Excludes Liability to Consolidated Fund.

(b) Credit Risk

Credit risk arises when there is the possibility of NSW Trade & Investment's debtors defaulting on their contractual obligations, resulting in a financial loss to NSW Trade & Investment. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of NSW Trade & Investment, including cash, receivables, authority deposits and advances receivable. No collateral is held by NSW Trade & Investment. NSW Trade & Investment has not granted any financial guarantees.

Credit risk associated with NSW Trade & Investment's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards.

Cash

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate, adjusted for a management fee to NSW Treasury.

Receivables – trade debtors

All trade debtors are recognised as amounts at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectable are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Sales are made on 30 day terms.

NSW Trade & Investment is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due \$16,974 (2012: \$44,284) and past due \$15,051 (2012: \$7,746) but not considered impaired together represent 84% (2012: 85%) of the total trade debtors. There are no debtors which are currently not past due or impaired whose terms have been renegotiated.

35. FINANCIAL INSTRUMENTS (continued)

The only financial assets that are past due or impaired are 'sales of goods and services' in the 'receivables' category of the balance sheet.

	Total^{1,2}	Past due but not impaired^{1,2}	Considered impaired^{1,2}
	\$'000	\$'000	\$'000
2013			
< 3 months overdue	8,593	8,593	-
3 months – 6 months overdue	4,725	929	3,796
> 6 months overdue	4,507	-	4,507
2012			
< 3 months overdue	9,282	8,804	478
3 months – 6 months overdue	4,671	4,190	481
> 6 months overdue	8,572	3,973	4,599

Notes

1. Each column in the table reports "gross receivables".
2. The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the "total" does not reconcile to the receivables total recognised in the statement of financial position.

Authority Deposits

NSW Trade & Investment has no funds placed on deposit with TCorp.

Other Facilities

NSW Trade & Investment has access to the following banking facilities:

	2013	2012
	\$'000	\$'000
MasterCard Limit	7,000	7,000
Guarantee	15	15

(c) Liquidity risk

Liquidity risk is the risk that NSW Trade & Investment will be unable to meet its payment obligations when they fall due. NSW Trade & Investment continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of loans and other advances.

During the current year and prior year, there were no defaults or breaches on any loans payable. No assets have been pledged as collateral. NSW Trade & Investment's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Director-General may automatically pay the supplier simple interest.

The table below summarises the maturity profile of NSW Trade & Investment's financial liabilities, together with the interest rate exposure.

35. FINANCIAL INSTRUMENTS (continued)**Maturity analysis and interest rate exposure of financial liabilities**

	Weighted Average Effective Int. Rate	Nominal Amount ¹ \$'000	Interest Rate Exposure			Maturity Dates		
			Fixed Int. Rate \$'000	Variable Int. Rate \$'000	Non- interest bearing \$'000	< 1 yr	1 – 5 yrs	> 5 yrs
2013								
Payables	0.0%	162,804	-	-	162,804	162,804	-	-
Borrowings:								
Treasury Advance Repayable	6.5%	7,052	7,052	-	-	2,239	4,813	-
Locust Loan	0.0%	-	-	-	-	-	-	-
Finance Lease	0.0%	1,915	-	-	1,915	943	972	-
		171,771	7,052	-	164,719	165,986	5,785	-
2012								
Payables	0.0%	84,326	-	-	84,326	84,326	-	-
Borrowings:								
Fish Loan	6.5%	10,530	10,530	-	-	2,000	6,000	2,530
Locust Loan	0.0%	-	-	-	-	-	-	-
Finance Lease	0.0%	2,766	-	-	2,766	1,119	1,647	-
Other	8.8%	2,918	2,065	-	853	2,240	656	22
		100,540	12,595	-	87,945	89,685	8,303	2,552

Notes:

- The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which NSW Trade & Investment can be required to pay. The tables include both interest and principal cash flows and therefore will not reconcile to the statement of financial position.

(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. NSW Trade & Investment's exposures to market risk are primarily through interest rate risk on NSW Trade & Investment's new borrowings. NSW Trade & Investment has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which NSW Trade & Investment operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposure in existence at the Financial Position date. The analysis assumes that all other variables remain constant.

Interest rate risk

Exposure to interest rate risk arises primarily through NSW Trade & Investment's interest bearing liabilities. This risk is minimised by undertaking mainly fixed rate borrowings, primarily with NSW TCorp. NSW Trade & Investment does not account for any fixed rate financial instruments at fair value through profit or loss or as available-for-sale. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of + / - 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. NSW Trade & Investment's exposure to interest rate risk is set out below.

35. FINANCIAL INSTRUMENTS (continued)

	Carrying Amount \$'000	1% Result \$'000	Equity \$'000	1% Result \$'000	Equity \$'000
2013					
<i>Financial assets</i>					
Cash and cash equivalents	538,468	(5,385)	(5,385)	5,385	5,385
Receivables	316,609	(3,166)	(3,166)	3,166	3,166
Financial Assets at fair value	3,797	(38)	(38)	38	38
Other Financial Assets	122	(1)	(1)	1	1
<i>Financial liabilities</i>					
Payables	162,804	(1,628)	(1,628)	1,628	1,628
Borrowings	8,967	(90)	(90)	90	90
Other	15,022	(150)	(150)	150	150
2012					
<i>Financial assets</i>					
Cash and cash equivalents	335,416	(3,354)	(3,354)	3,354	3,354
Receivables	411,327	(4,113)	(4,113)	4,113	4,113
Financial Assets at fair value	4,404	(44)	(44)	44	44
Other Financial Assets	26	(0)	(0)	0	0
<i>Financial liabilities</i>					
Payables	83,960	(840)	(840)	840	840
Borrowings	15,361	(154)	(154)	154	154
Other	8,902	(89)	(89)	89	89

Other price risk – TCorp Hour Glass Investment facilities

NSW Trade & Investment holds no units in Hour-Glass investment trusts.

(e) Fair value compared to carrying amount

The carrying value of receivables less any impairment provision and payables is a reasonable approximation of their fair value due to their short term nature.

(f) Fair value recognised in the statement of financial position

The department uses the following hierarchy for disclosing the fair value of financial instruments by valuation technique:

- Level 1 – Derived from quoted prices in active markets for identical assets / liabilities.
- Level 2 – Derived from inputs other than quoted prices that are observable directly or indirectly.
- Level 3 – Derived from valuation techniques that include inputs for the asset / liability not based on observable market data (unobservable inputs).

	2013			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value				
Share	3	55	-	58
Gold	-	3,739	-	3,739
	3	3,794	-	3,797
	2012			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value				
Share	8	73	-	81
Gold	-	4,323	-	4,323
	8	4,396	-	4,404

There were no transfers between Level 1 and 2 during the period ended 30 June 2013.

36. CHANGES TO PRIOR YEAR COMPARATIVES

NSW Trade & Investment has detected a number of adjustments to be made to the prior year comparatives.

Leased Land: Property, Plant and Equipment in 2012 includes \$78m (2011: \$78m) of Finance Leased Land which was incorrectly included in Land and Buildings. Land which has been leased under a Finance Lease is not recognised as Land and Buildings as substantially all the risks and rewards incidental to ownership of an asset are transferred from the Lessor to the Lessee. This adjustment had the effect of understating the net result by \$2m for the year ended 30 June 2012, overstating accumulated funds as at 30 June 2012 by \$43m (2011: \$44m) and understating Receivables by \$35m (2011: \$34m). Restated financial information for 2012 and 2011 is presented as if the error had not been made. Refer Note 12 for more information on the finance lease receivables.

Aboriginal Land Claims: Property, Plant and Equipment in 2012 includes \$628m (2011: \$631m) of Land which is subject to an Aboriginal Land Claim and Provisions included \$628m for aboriginal land claims. As the granting of an Aboriginal Land Claim impacts on the estimated future cash flows of the land, then the Land should have been fully impaired as would be transferred to an Aboriginal Land Council in the future at no cost. The original accounting treatment had the effect of overstating Land and Buildings by \$628m for the year ended 30 June 2012 (2011: \$631m) and overstating Provisions by \$628m (2011: \$631m). Restated financial information for 2012 and 2011 is presented as if the error had not been made.

Public Reserve Management Fund: Net Assets in 2012 includes \$53m (2011: \$46m) of Assets and Liabilities of Public Reserve Management Fund (PRMF) which was incorrectly included in the Financial Statements. Where an entity is not controlled, the Operating Result, nor the Assets and Liabilities should be reflected in an Entities Financial Statements. This adjustment had the effect of overstating Net Assets by \$53m for the year ended 30 June 2012 (2011: \$46m), Equity \$53m (2011: \$46m) and Net Result by \$7m (2011: understated by \$655,000). Restated financial information for 2012 and 2011 is presented as if the error had not been made.

The detailed outcome of these adjustments is as per the following tables:

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2012 - Consolidated

	Notes	2012 As Reported \$000	Leased Land \$000	Aboriginal Land Claims \$000	PRMF \$000	2012 Revised \$000
Expenses excluding losses						
Operating expenses						
Employee related	2(a)	755,180	-	-	(34)	755,146
Other operating expenses	2(b)	232,416	-	23,523	(2,704)	253,235
Depreciation and amortisation	2(c)	75,184	-	-	(2)	75,182
Grants & subsidies	2(d)	587,279	-	(23,523)	(3,876)	559,880
Finance Costs	2(e)	1,435	-	-	(62)	1,373
Other expenses	2(f)	54,423	-	-	(86)	54,337
Total expenses excluding losses		1,705,917	-	-	(6,764)	1,699,153
Revenue						
Recurrent appropriation (net of transfer payments)	7	962,835	-	-	-	962,835
Capital appropriation (net of transfer payments)	7	41,944	-	-	-	41,944
(Transfers to the Crown Entity)		-	-	-	-	-
Sale of goods and services	3(a)	175,468	-	-	(3,837)	171,631
Investment revenue	3(b)	77,909	3,044	-	(2,152)	78,801
Fees and fines	3(c)	19,691	-	-	(5,734)	13,957
Grants and contributions	3(d)	118,493	-	-	(1,128)	117,365
Acceptance by the Crown Entity of employee benefits and other liabilities	8(a)	66,609	-	-	-	66,609
Transfers to NSW Treasury	8(b)	(58,186)	-	-	-	(58,186)
Other revenue	3(e)	30,628	-	-	(1,303)	29,325
Personnel services revenue	3(f)	346,701	-	-	-	346,701
Total Revenue		1,782,092	3,044	-	(14,154)	1,770,982
						-
Gain / (loss) on disposal	4	5,816	-	-	-	5,816
Other Gains / (losses)	5	543	-	-	522	1,065
Increase in share of jointly controlled assets in joint ventures		-	-	-	-	-
Impairment – Intangible – Water Entitlements - MDBA		-	-	-	-	-
Share of operating result of joint ventures accounted for under the equity accounting method		49,457	-	-	-	49,457
						-
Net Result	29	131,991	3,044	-	(6,868)	128,167
Other comprehensive income						
Items that will not be reclassified subsequently to net result						
Net increase / (decrease) in property, plant and equipment asset revaluation reserve		103,316	(1,903)	-	-	101,413
Items that may be reclassified subsequently to net result						
Available for sale financial assets		-	-	-	-	-
Valuation gains / losses		-	-	-	-	-
Transferred to net result on disposal		-	-	-	-	-
Net change in the asset revaluation reserve arising from a change in the restoration liability		-	-	-	-	-
Superannuation actuarial gains / (losses)		(92,208)	-	-	-	(92,208)
Net increase / (decrease) on revaluation of investments accounted for under the equity method		-	-	-	-	-
Net increase / (decrease) on revaluation of share of jointly controlled assets in joint ventures		-	-	-	-	-
Other net increases / (decreases) in equity		-	-	-	-	-
Total other comprehensive income		11,108	(1,903)	-	-	9,205
TOTAL COMPREHENSIVE INCOME		143,099	1,141	-	(6,868)	137,372

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2012 - Parent

	Notes	2012 As Reported \$000	Leased Land \$000	Aboriginal Land Claims \$000	PRMF \$000	2012 Revised \$000
Expenses excluding losses						
Operating expenses						
Employee related	2(a)	755,180	-	-	(34)	755,146
Other operating expenses	2(b)	232,292	-	23,523	(2,704)	253,111
Depreciation and amortisation	2(c)	75,184	-	-	(2)	75,182
Grants & subsidies	2(d)	587,279	-	(23,523)	(3,876)	559,880
Finance Costs	2(e)	1,435	-	-	(62)	1,373
Other expenses	2(f)	54,423	-	-	(86)	54,337
Total expenses excluding losses		1,705,793	-	-	(6,764)	1,699,029
Revenue						
Recurrent appropriation (net of transfer payments)	7	962,835	-	-	-	962,835
Capital appropriation (net of transfer payments)	7	41,944	-	-	-	41,944
(Transfers to the Crown Entity)		-	-	-	-	-
Sale of goods and services	3(a)	175,468	-	-	(3,837)	171,631
Investment revenue	3(b)	77,884	3,044	-	(2,152)	78,776
Fees and fines	3(c)	19,691	-	-	(5,734)	13,957
Grants and contributions	3(d)	118,493	-	-	(1,128)	117,365
Acceptance by the Crown Entity of employee benefits and other liabilities	8(a)	66,609	-	-	-	66,609
Transfers to NSW Treasury	8(b)	(58,186)	-	-	-	(58,186)
Other revenue	3(e)	30,628	-	-	(1,303)	29,325
Personnel services revenue	3(f)	346,701	-	-	-	346,701
Total Revenue		1,782,067	3,044	-	(14,154)	1,770,957
Gain / (loss) on disposal	4	5,816	-	-	-	5,816
Other Gains / (losses)	5	543	-	-	522	1,065
Increase in share of jointly controlled assets in joint ventures		-	-	-	-	-
Impairment – Intangible – Water Entitlements - MDBA		-	-	-	-	-
Share of operating result of joint ventures accounted for under the equity accounting method		49,457	-	-	-	49,457
Net Result	29	132,090	3,044	-	(6,868)	128,266
Other comprehensive income						
Items that will not be reclassified subsequently to net result						
Net increase / (decrease) in property, plant and equipment asset revaluation reserve		103,316	(1,903)	-	-	101,413
Items that may be reclassified subsequently to net result						
Available for sale financial assets		-	-	-	-	-
Valuation gains / losses		-	-	-	-	-
Transferred to net result on disposal		-	-	-	-	-
Net change in the asset revaluation reserve arising from a change in the restoration liability		-	-	-	-	-
Superannuation actuarial gains / (losses)		(92,208)	-	-	-	(92,208)
Net increase / (decrease) on revaluation of investments accounted for under the equity method		-	-	-	-	-
Net increase / (decrease) on revaluation of share of jointly controlled assets in joint ventures		-	-	-	-	-
Other net increases / (decreases) in equity		-	-	-	-	-
Total other comprehensive income		11,108	(1,903)	-	-	9,205
TOTAL COMPREHENSIVE INCOME		143,198	1,141	-	(6,868)	137,471

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012 - Consolidated

	Notes	2012 As Reported \$000	Leased Land \$000	Aboriginal Land Claims \$000	PRMF \$000	2012 Revised \$000
ASSETS						
Current Assets						
Cash and cash equivalents	11	335,416	-	-	-	335,416
Receivables	12	169,566	2,214	-	(29,097)	142,683
Inventories	13	26,800	-	-	-	26,800
Other financial assets	17	5,777	-	-	(5,751)	26
Non-Current Assets held for sale	18	9,376	-	-	-	9,376
Total Current Assets		546,935	2,214	-	(34,848)	514,301
Non-Current Assets						
Receivables	12	249,778	32,491	-	-	282,269
Inventories	13	18,324	-	-	-	18,324
Financial assets at fair value	14	4,404	-	-	-	4,404
Property Plant and Equipment	15					-
- Land and buildings		6,278,309	(77,955)	(627,765)		5,572,589
- Plant and Equipment		47,092	-	-	(4)	47,088
- Infrastructure						
Systems		456,136	-	-		456,136
- Leased Assets (Buildings)		97,103	-	-		97,103
- Work in progress - PPE		17,717	-	-		17,717
Total Property Plant and Equipment		6,896,357	(77,955)	(627,765)	(4)	6,190,633
Intangible assets	16					-
- Intangible assets		28,595	-	-		28,595
- Work in progress - Intangible assets		8,000	-	-		8,000
Total Intangible assets		36,595	-	-	-	36,595
Investments accounted for under the equity method	34					-
Biological assets	19	862,522	-	-		862,522
Other financial assets	17	6,440	-	-	-	6,440
		19,423	-	-	(19,423)	-
Total Non-Current Assets		8,093,843	(45,464)	(627,765)	(19,427)	7,401,187
Total Assets		8,640,778	(43,250)	(627,765)	(54,275)	7,915,488
LIABILITIES						
Current Liabilities						
Payables	21	106,523	-	-	(366)	106,157
Borrowings	22	7,012	-	-	(175)	6,837
Provisions	23(a)	133,153	-	-	-	133,153
Other	24	6,223	-	-	(251)	5,972
Total Current Liabilities		252,911	-	-	(792)	252,119
Non-Current Liabilities						
Payables	21	-	-	-	-	-
Borrowings	22	9,202	-	-	(678)	8,524
Provisions	23(a)	773,336	-	(627,765)		145,571
Other	24	7,713	-	-	-	7,713
Total Non-Current Liabilities		790,251	-	(627,765)	(678)	161,808
Total Liabilities		1,043,162	-	(627,765)	(1,470)	413,927
Net Assets		7,597,616	(43,250)	-	(52,805)	7,501,561
EQUITY						
Reserves	25	177,708	(1,903)	-		175,805
Accumulated funds		7,419,908	(41,347)	-	(52,805)	7,325,756
Total Equity		7,597,616	(43,250)	-	(52,805)	7,501,561

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012 - Parent

	Notes	2012 As Reported \$000	Leased Land \$000	Aboriginal Land Claims \$000	PRMF \$000	2012 Revised \$000
ASSETS						
Current Assets						
Cash and cash equivalents	11	334,915	-	-	-	334,915
Receivables	12	169,547	2,214	-	(29,097)	142,664
Inventories	13	26,800	-	-	-	26,800
Other financial assets	17	5,777	-	-	(5,751)	26
Non-Current Assets held for sale	18	9,376	-	-	-	9,376
Total Current Assets		546,415	2,214	-	(34,848)	513,781
Non-Current Assets						
Receivables	12	249,778	32,491	-	-	282,269
Inventories	13	18,324	-	-	-	18,324
Financial assets at fair value	14	4,404	-	-	-	4,404
Property Plant and Equipment	15					
- Land and buildings		6,278,309	(77,955)	(627,765)		5,572,589
- Plant and Equipment		47,092	-	-	(4)	47,088
- Infrastructure						
Systems		456,136	-	-		456,136
- Leased Assets						
(Buildings)		97,103	-	-		97,103
- Work in progress - PPE		17,717	-	-		17,717
Total Property Plant and Equipment		6,896,357	(77,955)	(627,765)	(4)	6,190,633
Intangible assets	16					
- Intangible assets		28,595	-	-		28,595
- Work in progress - Intangible assets		8,000	-	-		8,000
Total Intangible assets		36,595	-	-	-	36,595
Investments accounted for under the equity method	34	862,522	-	-		862,522
Biological assets	19	6,440	-	-	-	6,440
Other financial assets	17	19,423	-	-	(19,423)	-
Total Non-Current Assets		8,093,843	(45,464)	(627,765)	(19,427)	7,401,187
Total Assets		8,640,258	(43,250)	(627,765)	(54,275)	7,914,968
LIABILITIES						
Current Liabilities						
Payables	21	106,505	-	-	(366)	106,139
Borrowings	22	7,012	-	-	(175)	6,837
Provisions	23(a)	133,153	-	-	-	133,153
Other	24	6,223	-	-	(251)	5,972
Total Current Liabilities		252,893	-	-	(792)	252,101
Non-Current Liabilities						
Payables	21	-	-	-		
Borrowings	22	9,202	-	-	(678)	8,524
Provisions	23(a)	773,336	-	(627,765)		145,571
Other	24	7,713	-	-	-	7,713
Total Non-Current Liabilities		790,251	-	(627,765)	(678)	161,808
Total Liabilities		1,043,144	-	(627,765)	(1,470)	413,909
Net Assets		7,597,114	(43,250)	-	(52,805)	7,501,059
EQUITY						
Reserves	25	177,708	(1,903)	-		175,805
Accumulated funds		7,419,406	(41,347)	-	(52,805)	7,325,254
Total Equity		7,597,114	(43,250)	-	(52,805)	7,501,059

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2011 - Parent

	Notes	2011 As Reported \$000	PRMF \$000	2011 Revised \$000
Expenses excluding losses				
Operating expenses				
Employee related	2(a)	441,270	(21)	441,249
Other operating expenses	2(b)	177,920	(891)	177,029
Depreciation and amortisation	2(c)	43,347	(1)	43,346
Grants & subsidies	2(d)	382,816	(793)	382,023
Finance Costs	2(e)	(352)	(35)	(387)
Other expenses	2(f)	129,133	(87)	129,046
Total expenses excluding losses		1,174,134	(1,828)	1,172,306
Revenue				
Recurrent appropriation (net of transfer payments)	7	728,980	-	728,980
Capital appropriation (net of transfer payments)	7	63,865	-	63,865
(Transfers to the Crown Entity)		-	-	-
Sale of goods and services	3(a)	95,804	(499)	95,305
Investment revenue	3(b)	22,488	(637)	21,851
Fees and fines	3(c)	13,351	(530)	12,821
Grants and contributions	3(d)	96,978	-	96,978
Acceptance by the Crown Entity of employee benefits and other liabilities	8(a)	25,494	-	25,494
Transfers to NSW Treasury	8(b)	(10,346)	-	(10,346)
Other revenue	3(e)	21,246	-	21,246
Personnel services revenue	3(f)	104,961	-	104,961
Total Revenue		1,162,821	(1,666)	1,161,155
Gain / (loss) on disposal	4	(16,963)	-	(16,963)
Other Gains / (losses)	5	1,012	(493)	1,505
Increase in share of jointly controlled assets in joint ventures		69,871	-	69,871
Impairment – Intangible – Water Entitlements - MDBA		(46,236)	-	(46,236)
Share of operating result of joint ventures accounted for under the equity accounting method		(1,606)	-	(1,606)
Net Result	29	(5,235)	655	(4,580)
Other comprehensive income				
Items that will not be reclassified subsequently to net result				
Net increase / (decrease) in property, plant and equipment asset revaluation reserve		22,516	-	22,516
Items that may be reclassified subsequently to net result				
Available for sale financial assets		-	-	-
Valuation gains / losses		(220)	-	(220)
Transferred to net result on disposal		-	-	-
Net change in the asset revaluation reserve arising from a change in the restoration liability		-	-	-
Superannuation actuarial gains / (losses)		3,175	-	3,175
Net increase / (decrease) on revaluation of investments accounted for under the equity method		35,342	-	35,342
Net increase / (decrease) on revaluation of share of jointly controlled assets in joint ventures		10,952	-	10,952
Other net increases / (decreases) in equity		1,136	-	1,136
Total other comprehensive income		72,901		72,901
TOTAL COMPREHENSIVE INCOME		67,666	655	68,321

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011 - Parent

	Notes	2011 As Reported \$000	Leased Land \$000	Aboriginal Land Claims \$000	PRMF \$000	2011 Revised \$000
ASSETS						
Current Assets						
Cash and cash equivalents	11	281,482	-	-	-	281,482
Receivables	12	170,706	2,153	-	(20,815)	152,044
Inventories	13	29,596	-	-	-	29,596
Other financial assets	17	6,065	-	-	(6,015)	50
Non-Current Assets held for sale	18	913	-	-	-	913
Total Current Assets		488,762	2,153	-	(26,831)	464,085
Non-Current Assets						
Receivables	12	170,908	31,238	-	-	202,146
Inventories	13	14,985	-	-	-	14,985
Financial assets at fair value	14	4,124	-	-	-	4,124
Property Plant and Equipment	15					
- Land and buildings		6,253,712	(77,782)	(630,954)	-	5,544,976
- Plant and Equipment		48,429	-	-	(6)	48,423
- Infrastructure						
Systems		1,058,758	-	-	-	1,058,758
- Leased Assets (Buildings)		42,679	-	-	-	42,679
- Work in progress - PPE		45,228	-	-	-	45,228
Total Property Plant and Equipment		7,448,806	(77,782)	(630,954)	(6)	6,740,064
Intangible assets	16					
- Intangible assets		160,128	-	-	-	160,128
- Work in progress - Intangible assets		5,261	-	-	-	5,261
Total Intangible assets		165,389	-	-	-	165,389
Investments accounted for under the equity method	34	70,980	-	-	-	70,980
Biological assets	19	6,875	-	-	-	6,875
Other financial assets	17	22,685	-	-	(20,497)	2,188
Total Non-Current Assets		7,904,752	(46,544)	(630,954)	(20,503)	7,206,751
Total Assets		8,393,514	(44,391)	(630,954)	(47,333)	7,670,836
LIABILITIES						
Current Liabilities						
Payables	21	104,302	-	-	(229)	104,073
Borrowings	22	6,771	-	-	(175)	6,596
Provisions	23(a)	131,081	-	-	-	131,081
Other	24	19,605	-	-	(202)	19,403
Total Current Liabilities		261,759	-	-	(606)	261,153
Non-Current Liabilities						
Payables	21	-	-	-	-	-
Borrowings	22	13,385	-	-	(790)	12,595
Provisions	23(a)	693,508	-	(630,954)	-	62,554
Other	24	11,338	-	-	-	11,338
Total Non-Current Liabilities		718,231	-	(630,954)	(790)	86,487
Total Liabilities		979,990	-	(630,954)	(1,396)	347,640
Net Assets		7,413,524	(44,391)	-	(45,937)	7,323,196
EQUITY						
Reserves	25	74,392	-	-	-	74,392
Accumulated funds		7,339,132	(44,391)	-	(45,937)	7,248,804
Total Equity		7,413,524	(44,391)	-	(45,937)	7,323,196

37. EVENTS AFTER REPORTING DATE

The Game Council was, at balance date, a statutory body established under the Game and Feral Animal Control Act, on 5 July 2013 the Premier of NSW announced that the Game Council of NSW would be abolished. The functions of the Game Council are intended to be controlled and directed by the Director General, Department of Primary Industries in the future.

No other significant events to report.

End of the financial statements.

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Access

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Crown Lands

437 Hunter Street
Newcastle NSW 2300
PO Box 2185
Dangar NSW 2309
Tel: +61 2 4920 5000
Fax: +61 2 4925 3517
Email: enquiries@lands.nsw.gov.au
Web: www.crownland.nsw.gov.au
Business hours: Monday to Friday
8:30am–4:30pm

Soil Conservation Service

Level 12,
Macquarie Tower
10 Valentine Ave
Parramatta, NSW 2150
PO Box 3935
Parramatta NSW 2124
Tel: +61 2 8836 5350
Fax: +61 2 8836 5363
Web: www.scs.nsw.gov.au
Business hours: Monday to Friday
8:30am–4:30pm

Industry, Innovation, Hospitality & the Arts Division

Level 47, MLC Centre
19 Martin Place
Sydney NSW 2000
Tel: +61 2 9338 6600
Fax: +61 2 9338 6950
Web: www.trade.nsw.gov.au
Business hours: Monday to Friday
9:00am–5:00pm

Arts NSW

Level 5,
323 Castlereagh Street
Sydney NSW 2000
PO Box A226
Sydney South NSW 1235
Tel: +61 2 9995 0533
Fax: +61 2 9995 0532
Email: mail@arts.nsw.gov.au
Web: www.arts.nsw.gov.au
Business hours: Monday to Friday
9:00am–5:00pm

Office of Liquor, Gaming & Racing

Level 6,
323 Castlereagh Street
Sydney NSW 2000
GPO Box 7060
Sydney NSW 2001
Tel: +61 2 9995 0300
Fax: +61 2 9995 0669
Web: www.olgr.nsw.gov.au
Business hours: Monday to Friday
9:00am–4:00pm

Resources & Energy Division

Minerals Branch

516 High Street
Maitland NSW 2320
PO Box 344
Hunter Regional Mail Centre 2310
Tel: +61 2 4931 6666
Fax: +61 2 4937 6790
Web: www.resources.nsw.gov.au
Business hours: Monday to Friday
8:30am–4:30pm

Energy Branch

227 Elizabeth Street
Sydney NSW 2000
GPO Box 3889
Sydney NSW 2000
Tel: +61 2 8281 7777
Fax: +61 2 8281 7451
Web: www.energy.nsw.gov.au
Business hours: Monday to Friday
8:30am–4:30pm

NSW Office of Coal Seam Gas

516 High Street
Maitland NSW 2320
PO Box 344
Hunter Regional Mail Centre 2310
Tel: +61 2 4931 6666
Web: www.csg.nsw.gov.au
Email:
ocsg.enquiries@industry.nsw.gov.au

NSW Small Business Commissioner

Level 43, MLC Centre
19 Martin Place
Sydney NSW 2000
Tel: +61 2 8222 4800
Fax: 1300 795 644
Email:
we.assist@smallbusiness.nsw.gov.au
Web: www.smallbusiness.nsw.gov.au

NSW Chief Scientist & Engineer

Level 49, MLC Centre
19 Martin Place
Sydney NSW 2000
Tel: +61 2 9338 6786
Fax: +61 2 9338 6830
Email:
nswchiefscientist@chiefscientist.nsw.gov.au
Web: www.chiefscientist.nsw.gov.au

NSW Trade & Investment regional and international offices can be found through the relevant agency website above.

The NSW Trade & Investment Annual Report is available electronically at www.trade.nsw.gov.au

NSW Trade & Investment
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