



Department  
of Industry

# NSW DEPARTMENT OF INDUSTRY Annual Report 2015 - 2016



# Letter of submission



Department  
of Industry

Office of the Secretary

SECO16/259  
INT16/125196

The Hon. Anthony Roberts MP  
Minister for Industry, Resources & Energy  
GPO Box 5341  
SYDNEY NSW 2001

Dear Minister Roberts

## **Submission of NSW Department of Industry 2015-16 Annual Report**

In accordance with the *Annual Reports (Departments) Act 1985*, the *Public Finance and Audit Act 1983*, and the Regulations under these Acts, I am submitting to you the 2015-16 annual report of the NSW Department of Industry, Skills and Regional Development, for tabling in Parliament.

The annual report outlines achievements for the 2015-16 financial year in the context of the department's strategic priorities and responsibilities. These achievements were made possible by the expertise and commitment of staff and I thank them for their dedication and hard work.

Yours sincerely

A handwritten signature in black ink that reads 'Simon A Y Smith'.

Simon A Y Smith  
**Secretary**

31 October 2016

# Contents

<b>Letter of submission</b>	<b>Inside front cover</b>
<b>Message from the Secretary</b>	<b>2</b>
<b>NSW Department of Industry</b>	<b>3</b>
Organisational structure	5
Meeting key challenges	6
Achieving positive results	6
<b>Priority 1 - Act to enable job creation and opportunities for economic growth</b>	<b>6</b>
<b>Priority 2 - Transform the delivery of vocational education and training services</b>	<b>9</b>
<b>Priority 3 - Create a positive business environment</b>	<b>10</b>
<b>Priority 4 - Engage and collaborate, facilitating mutually beneficial relationships</b>	<b>13</b>
<b>Priority 5 - Foster an innovative, commercially focused and collaborative department</b>	<b>14</b>
<b>Our results</b>	<b>16</b>
<b>Financial overview</b>	<b>17</b>
<b>Appendices</b>	<b>19</b>
<b>Financial statements</b>	<b>97</b>
<b>Index</b>	<b>162</b>
<b>Access</b>	<b>163</b>

# Message from the Secretary

The 2015-16 financial year marks the NSW Department of Industry's first year of operation, and I am pleased to report significant achievements.

In creating the department, the NSW Government has brought together many of the key services and capabilities that will contribute to strong employment growth in NSW – vocational education and training, economic and regional development, resources and energy and primary industry.

Premier Baird has made job creation his number one priority, and you will see highlights of our contribution toward this goal in this report. It is an exciting time for us in this department because job numbers are growing strongly in the cities and in the regions.

We understand that jobs play a vital role in improving the lives of individuals and their families, enabling rewarding lives and the development of human potential. We see our role as helping to ensure that NSW is fertile ground for investment and business activity, which is the source of new employment.

This report also records the department's achievements against the additional strategic priorities articulated in our [Corporate Plan 2015-19](#)<sup>1</sup>:

1. Act to enable job creation and opportunities for economic growth
2. Transform the delivery of vocational education and training services
3. Create a positive business environment
4. Engage and collaborate, facilitating mutually beneficial relationships
5. Foster an innovative, commercially focused and collaborative department.

The department's achievements have been made possible through the clear leadership from our three portfolio ministers (Hon. Anthony Roberts MP, Hon. John Barilaro MP and Hon. Niall Blair MP) and the dedicated work of all our staff. I thank them all for their contribution.

The future is bright for the NSW Department of Industry. In 2016-17 we expect to be able to further increase the benefits that we provide for the state, reaping the harvest of the significant internal efforts we have made to build our capabilities.

We will continue to create and leverage new opportunities for industry, business and the community; ensure job creation is kept at the heart of government decision-making and work hard to generate more wins for New South Wales.

**Simon A Y Smith**

**Secretary, NSW Department of Industry**

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<sup>1</sup> <http://www.industry.nsw.gov.au/about/our-business/our-priorities/corporate-plan>

# NSW Department of Industry

**Purpose:** *Lead the state government's contribution to making NSW a fertile place for business growth, in order to create jobs and opportunities for citizens.*

**Vision:** *NSW – A place where the skills of its people, management of its natural resources and the quality of its government services make it a globally attractive location to live, learn, work, invest and to produce goods and services.*

**Values:** *Integrity – Trust – Service – Accountability.*

## Overview

The NSW Department of Industry, Skills and Regional Development (known as the NSW Department of Industry) was established 1 July 2015 to lead the state government's contribution to making NSW a fertile place:

- to invest and to produce goods and services; and thereby
- to create jobs and opportunities for our citizens.

We support all areas of economic activity where NSW has competitive strengths. We also have responsibilities for:

- skill formation and development to match industry demand
- partnering with stakeholders in stewardship and sustainable use of the state's natural resources; and
- supporting economic growth in the regions.

Our strategies are built on understanding the needs of industry and the community. We help to secure efficient and dependable government decision-making that contributes to business confidence and we deliver a wide range of services.

We measure our success by the:

- growth in quantity of employment and the value of output; and the
- competitiveness and sustainability of industries in NSW.

# NSW Department of Industry

## Services

The NSW Department of Industry provides a broad range of services to industry and the community, including training, education and specialist advisory services, regulatory and compliance, research and development, business development, mine safety, food safety, grant provision, policy development and advice, migration, Crown lands management, biosecurity and emergency services, as well as commercial services through the Soil Conservation Service.

## Priorities

The [NSW Department of Industry Corporate Plan 2015-19](#)<sup>2</sup> sets our direction and focus for the next four years. It articulates our vision, purpose and values, and is driven by five strategic priorities:

1. Act to enable job creation and opportunities for economic growth
2. Transform the delivery of vocational education and training services
3. Create a positive business environment
4. Engage and collaborate, facilitating mutually beneficial relationships
5. Foster an innovative, commercially focused and collaborative department.

Our corporate plan underpins our successful delivery of [NSW state priorities](#)<sup>3</sup>. A key goal is to create at least 150,000 new jobs by supporting economic activity that strengthens the state's competitive advantage and promotes regional growth.

## Structure

During 2015-16, the department had three operational divisions delivering to our industries:

1. Department of Primary Industries
2. Economic, Skills and Regional Development
3. Resources & Energy

A single central division, Finance, Strategy & Operations, provided departmental services and coordination across a wide range of operational and strategic functions.

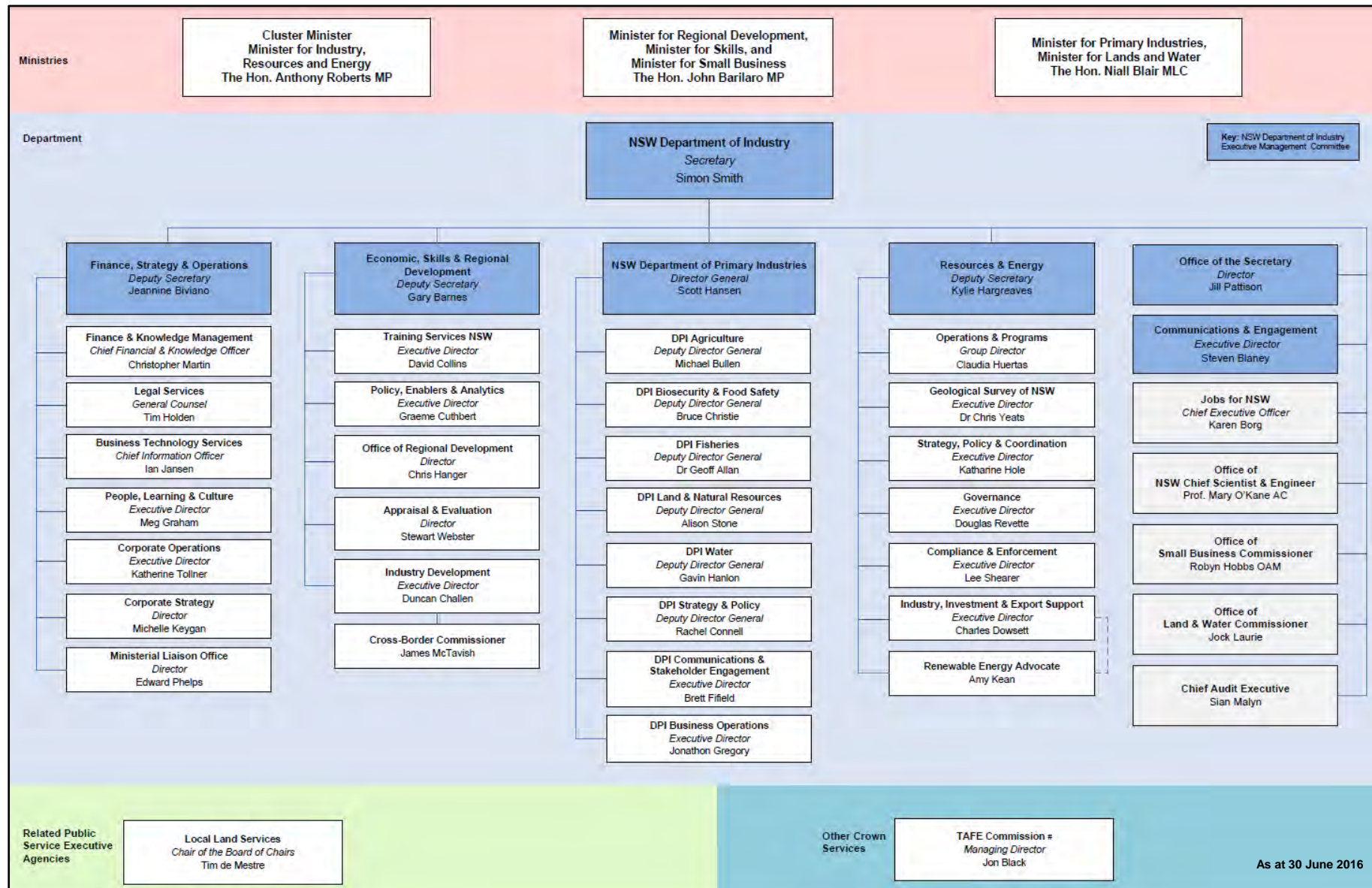
The Office of the NSW Chief Scientist and Engineer, Jobs for NSW, the Cross-Border Commissioner, Land & Water Commissioner and Small Business Commissioner are aligned with the NSW Department of Industry.

TAFE NSW and Local Land Services are also aligned with the department. As statutory bodies these agencies undertake annual reporting separate from the department's process.

<sup>2</sup> <http://www.industry.nsw.gov.au/about/our-business/our-priorities/corporate-plan>

<sup>3</sup> <http://www.nsw.gov.au/making-it-happen>

# Organisational structure



## Meeting key challenges

Throughout the 2015-16 financial year the department worked to achieve its vision of New South Wales being a place where the skills of people, the management of natural resources and the quality of government services make the state a globally attractive location to live, learn, work, invest in and to produce goods and services.

Key challenges for the department have included:

- Renewal of industry policy and programs, including a primary focus on jobs growth, including establishing Jobs for NSW, an innovative 'start-up', and refocusing programs generally on the 6% of employers who have the capacity, capability and desire to grow rapidly.
- Improving the regulatory framework for gas and coal exploration and production, including implementing the NSW Gas Plan to reset previous expansion plans that did not secure broad based support, and establishment of a

dedicated Resource Regulator to demonstrate robust compliance and enforcement, conducted without fear or favour.

- Strengthening the implementation of Smart and Skilled, the Government's reforms to VET. A conservative approach had been adopted to avoid problems experienced in other jurisdictions. A new market stewardship capability was built and used to increase opportunities that government funding provided, leading to a rebound in enrolments.
- Modernisation and development of key natural resource management frameworks and activities, including for biosecurity, biodiversity, fisheries, land use and water. A significant biosecurity threat was addressed when a Red Fire Ant infestation was destroyed, with an intensive and coordinated rapid response containing a possible spread of the pest.

## Achieving positive results

### **Strategic Priority: *Act to enable job creation and opportunities for economic growth***

During the 2015-16 financial year the department worked hard to achieve economic growth through innovation in New South Wales, to improve the resilience of communities and the productivity of industries. We provided incentives and support for new and expanding businesses to create jobs in the state, fostered industry capabilities to reach new markets, and encouraged regional development. We worked hard to secure diverse, reliable and sustainable energy sources for New South Wales.

The department first delivered on the NSW Government's commitment to create 150,000 new jobs during 2015-16, well ahead of the expected 2019 deadline. New South Wales has the lowest unemployment rate of any Australian state at 5.2%, seasonally adjusted as at July 2016, and more than half of all jobs nationally were created in New South Wales during 2015-16. Of the 134,000 jobs created in the state in 2015-16, 59,000 were created in regional New South Wales (excluding the Central Coast and including Newcastle and the Illawarra).

## Achieving positive results (continued)

The NSW economy is strong, both in metropolitan and regional areas. New South Wales leads the country on a range of important measures:

- High-end jobs (New South Wales is the acknowledged Asia Pacific capital of FinTech)
- Contribution to GDP (\$513 billion in 2014-15)
- Business confidence (Number one nationally for both metropolitan and regional NSW)
- Growth in consumption of goods and services (fastest nationally)
- Start-ups and small business (46% of start-ups and 690,000 small businesses are based in New South Wales)
- Service exports (\$25 billion in 2014-15, or 40% of the national total)
- Business research and development (\$6.7 billion in 2013-14; which was more than \$2 billion higher than the second ranked state)
- Highest level of government investment in infrastructure.

The government has a key role to play in ensuring the environment for economic and jobs growth remains strong, and this is the department's number one priority. These enabling conditions include:

- A stable government with exemplary rule of law and a clear economic vision
- A government that works alongside and in support of (big, medium, small and emerging) industry
- Access to a skilled and competitive workforce
- Access to critical transport and other enabling infrastructure including water and power
- Problem-solving regulation and efficient and predictable decision-making
- Being a place – and a government – that is easy to do business with
- Being a desirable location to live, work and visit – a global destination.

The creation of the Economic, Skills and Regional Development division within the department was an important piece of work during the latter part of the 2015-16 financial year. It reflects our dedicated focus on the enablers of the state's economic development and jobs growth. As a result of the

creation of the Economic, Skills and Regional Development division, significant progress has been made during the 2015-16 financial year, including:

- Development of key programs including the Infrastructure Skills Legacy program and Smart, Skilled and Hired
- Establishment of an economic development committee for the whole of government
- Successful introduction of partial qualifications.

In addition, Jobs for NSW was established in August 2015. Jobs for NSW is the newest agency within the Industry cluster and is led by a board that includes exceptional business leaders. The board oversees the Jobs for NSW fund, created to meet the NSW Government's commitment to provide \$190 million over four years to attract and grow businesses. A minimum 30% of the fund will be allocated to regional and rural areas to support regional growth.

Jobs for NSW has made significant progress already both at an operational level, completing the assessment of 94 outstanding legacy projects from the Regional Investment and Infrastructure Fund and the State Investment Attraction Scheme, and at the strategic level, in:

- Developing a vision and roadmap toward the future of work in New South Wales, based on detailed analysis of the NSW economy and labour market
- Preparing a strategy with focus areas and priority segments
- Creating a project assessment framework to evaluate applications for incentives from the Jobs for NSW fund.

Jobs for NSW represents an innovative new approach to tap the insights and knowledge of leading private sector minds to help drive government policy to grow the economy and create jobs. Further information about the work of Jobs for NSW is available from the [department's website](http://www.industry.nsw.gov.au/invest-in-nsw/why-sydney-and-nsw/jobs-for-nsw)<sup>4</sup>.

<sup>4</sup> <http://www.industry.nsw.gov.au/invest-in-nsw/why-sydney-and-nsw/jobs-for-nsw>

## Achieving positive results (continued)

Through the Division of Resources & Energy, the department committed to an ambitious reform and community engagement agenda during 2015-16 to deliver better economic, environmental and social outcomes for New South Wales. The department's work in implementing the reform agenda; actively promoting resources and energy investment opportunities; and acquiring and sharing best-available geoscience information helped to create or maintain:

- 4,050 direct full-time equivalent positions
- 11,414 indirect full-time equivalent positions
- \$4,016 million in capital investment; in the mineral resources and energy sectors during 2015-16.

The department also supports innovation in renewable energy developed in support of a more balanced energy mix. Through the Division of Resources & Energy and in collaboration with the NSW Department of Finance, Services and Innovation, the department is working to offer a power purchasing agreement that will result in the purchase of 92 GWh of renewable energy, which equates to a project with up to 50 MW of capacity. This purchase will stimulate investment and jobs in regional NSW by ensuring successful projects can reach financial close.

Around 1.25 million people were employed in regional NSW (excluding the Central Coast and including Newcastle and the Illawarra) on average in 2015-16, an increase of 5% over the last financial year. In the last 12 months, regional NSW has generated 59,000 jobs. Business confidence in regional NSW is the highest of any regional area nationally.

The department is committed to sustained and strategic support for regional NSW. To ensure that the NSW Government's record infrastructure spend supports regional economic growth across all regions, the department has engaged experts to identify the best opportunities to use these public funds. To support this work, this department has generated modelling tools to better assess and report on the economic potential of regional locations.

The department is also providing significant initiatives, including implementing the Murray Darling Diversification Scheme, the Jobs for NSW regional program, the Resources for Regions program and the first tranche of a new \$300 million infrastructure program to support regional growth opportunities with an initial focus on the environment and tourism. This builds on recent upgrades that government has made to regional infrastructure such as airports.

There is an unrelenting focus on being better at supporting businesses and people in the regions. In the next financial year the department will work on new approaches to ensuring a more coordinated and cohesive government support service for businesses in regional NSW.

The NSW Government has so far committed \$39 million to Rounds One and Two of the Mobile Black Spot Program, delivering improved mobile network coverage to areas in regional New South Wales. The program will fix mobile black spots and improve coverage along major transport routes, as well as in small communities and locations that often experience natural disasters. The improved mobile network coverage will directly benefit emergency services, regional communities and businesses with digital technologies as well as those transitioning to automated processes.

## **Strategic Priority: *Transform the delivery of vocational education and training services***

New South Wales has the best training system in Australia and the department is working to make it even better.

During 2015-16 the department worked to improve the return from investment in skills, focusing on quality and alignment to labour demand. The department continued its efforts to prepare job seekers and businesses for the future of work. The location and nature of new jobs are changing and the department is changing how it works to meet the demand for jobs in New South Wales. The department is focused on supporting industries facing skill shortages and industries of the future.

Having a skilled workforce available in the right numbers and sufficient quality is emerging as the single biggest driver for economic prosperity.

The reform of the training system through the Smart and Skilled program is driving better outcomes for industry, employers and students.

Aligning expenditure on training to known areas of skill demand is critical. To this end, the department is developing new tools to help students (their parents), workers and unemployed people to understand where the opportunities are, and how to acquire the skills necessary to take advantage of these opportunities.

New South Wales needs both a strong public and private provider sector. Competition plays an important role in increasing training participation and supporting the needs of business and industry. It brings quality, choice and improved access to training. Key improvements include better and more flexible training models from both public and private Registered Training Organisation (RTOs) and increased choice for students.

Reviews into Smart and Skilled conducted during 2015-16 have provided an overwhelming endorsement of the model being pursued by government and delivered by the department. We have been proactively vigilant about quality assurance to ensure quality outcomes for students and employers alike.

The department is now seeing early signs of strong enrolment growth in the program, with upwards of a 40% improvement on last year.

The department is also being proactive where skills shortage areas require special attention. The new Smart Skilled and Hired program is focused on youth employment and building capability to support the National Disability Insurance Scheme, and the Infrastructure Skills Legacy program is focused on building skills to support construction.

NSW demographics are set to undergo a fundamental shift over the next two decades, with the working age population falling from 66% to 61%. The department is dedicated to working on solutions that will ensure that the job markets in Sydney – and more broadly across New South Wales – are diverse and inclusive, and that women, older people and regional youth have the chance to be active participants of an ever-changing workforce.

The department will take an active role in building demand for New South Wales jobs by nurturing our globally competitive growth sectors both in metropolitan and regional areas. This includes investing in geographic clusters to accelerate job growth in global sectors.

The department is dedicated to working with industry, the vocational education and training sector in New South Wales and other stakeholders to increase the skills of the workforce, to help them navigate future jobs and build a resilient and agile employment market.

Regional development remains an important priority for the department. It was very pleasing that towards the end of 2015-16 more jobs were created in regional areas on an annual basis than in the Sydney metropolitan area.

Pre-apprenticeship and pre-traineeship programs are being conducted across New South Wales. Training Services NSW is strengthening completion processes to identify employers with poor completion rates and new employers who will

## Achieving positive results (continued)

benefit from increased support. A review of legislation, policy and procedures for the administration of apprenticeships and traineeships will ensure the NSW system remains relevant and is able to meet industry needs.

The department is delivering the Reskilling NSW and Jobs of Tomorrow programs. Through the Jobs of Tomorrow program, students training in high-level science, technology, engineering and maths (STEM) related courses through Smart and Skilled are eligible for one of 25,000 scholarships valued at \$1,000 each. More than 20 peak industry bodies and some of Australia's most innovative companies have partnered with the NSW Government to support scholarship recipients. Since the program started in March 2016, 853 scholarships have already been approved (as at 28 June 2016).

Each year 50,000 fee-free scholarships will be available. The scholarships became available on 1 July 2015. As of 30 June 2016, a total of 24,197 people have received a scholarship. Fee-free scholarships target 15 to 30-year-olds, who are welfare eligible with priority for those in social housing. It has since been expanded to include those affected by domestic violence.

## Strategic Priority: *Create a positive business environment*

The department strives to support government decision-making for infrastructure, regulation and priorities with information about economic opportunities and challenges. During 2015-16 the department continued to lead the government's contribution to making New South Wales a fertile place for business growth, in order to create jobs and opportunities for citizens.

In 2015-16, the department commenced a legislative and regulatory reform agenda in the resources and energy sector, unprecedented in the state for many years. Passed by Parliament in October 2015, the purpose of these reforms was to set out a transparent and balanced approach to managing the state's biosecurity, mineral and coal resources; and to provide a strong and certain regulatory framework that will benefit industry, community and the government. Helping business and the community understand their performance standards included reforms such as:

- Reform to the land access arbitration framework: offering a more fair, efficient, consistent and transparent land access arbitration process

- Bringing the *Mining Act 1992* and the *Petroleum (Onshore) Act 1991* into closer alignment in matters to do with the administration of titles, conditions, and compliance and enforcement
- Updated codes and guidelines including a new community consultation code; enforceable undertakings and prosecution guidelines; drilling guidelines; work program guidelines; annual activity reporting guidelines and geoscientific reporting guidelines.

These reforms were complemented by significant improvements in approvals-related processes for mineral resources to create a positive business environment. For example, 88% of Titles applications were processed within the required performance standard during quarter four of the 2015-16 financial year, representing the best level of overall performance since the standards were introduced in August 2013.

The reforms will also clarify the department's goal of fair, transparent and balanced resource management to the public. Consistent with this approach, we also made other significant reforms during 2015-16 to improve productivity and sustainability of the state's agricultural and fisheries sector.

## Achieving positive results (continued)

The Commercial Fisheries Business Adjustment Program will secure the industry's future in New South Wales. It aims to ensure a steady, future supply of locally caught, high-quality seafood. Key changes will result in the NSW Government helping fishers invest in their business, provide tools for better business management, and ensure they operate in a sustainable fashion, which in turn will also help to increase fishing and aquaculture's economic contribution.

Over the 2015-16 financial year, the department announced a new 270-kilometre pipeline from the Murray River to secure the long-term water supply for Broken Hill and the surrounding communities. Water, financial, engineering and infrastructure experts consulted on 19 possible project options before presenting this solution to the department.

The pipeline is part of a \$500 million investment strategy to ensure Broken Hill's water supply. It is the largest investment into regional water on record, and will ensure homes and businesses can access a reliable, clean and sustainable water source.

In order to deliver greater certainty for business, industry and the community, quality regulatory and operational frameworks – including robust compliance and enforcement – were implemented over the past financial year.

The department has continued to work on making state biodiversity and environmental laws less complex and more effective, to improve both environmental outcomes and agricultural productivity. Under this new system, the department will help farmers plan to improve their future productivity, and provide incentives to conserve native plants and trees. Routine farm work will be exempt from some regulation.

The reforms will also protect and enhance the environment with:

- \$240 million investment over five years in private land conservation
- \$70 million investment in each following year
- \$100 million investment over five years to the Saving our Species program.

In implementing these reforms, the department aimed to improve natural resource management, underpinning sustainable food and fibre production.

During 2015-16, the department has worked to mitigate and manage risks to community and industry confidence through the new *Biosecurity Act 2015*, which will help secure the future of the state's \$12 billion primary industries sector. The Act, passed by NSW Parliament in September 2015, provides for better management of biosecurity risks to the economy, environment and community. The Act will commence once supporting regulation, policies and procedures are developed, following consultation with community, industry and our partners on how to achieve a regulatory framework that can best respond to and manage biosecurity risks. This process is underway and it is anticipated that the new framework will be ready to commence in early 2017.

In July 2015, DPI Water replaced the former NSW Office of Water. This renewed the focus and created new opportunities for the future of water management in the state. DPI Water will focus on water planning and policy in urban and rural areas, and work to ensure the state's interests are progressed at the national level. It will also oversee government-funded water infrastructure programs and develop more information on water for the community.

As part of the NSW Government's five year \$16 million Shark Management Strategy, the department has increased aerial shark surveillance as well as trials of new technologies. This new integrated multi-faceted approach to the issue of detecting and deterring sharks was developed following consultation with experts who attended the 2015 Shark Summit in Sydney, and with communities including those on the north coast of New South Wales.

The Shark Management Strategy has also allowed for evidence-based, timely and targeted decision-making through an update to the NSW Shark Smart application in March 2016 which provides real time data of tagged sharks' movements. NSW Shark Smart now has key information about the movement of tagged sharks along our coastline.

## Achieving positive results (continued)

Small Biz Connect is another way the department is delivering on the commitment to create a positive business environment in New South Wales. In 2015-16 Small Biz Connect provided close to 48,000 hours of practical face-to-face business support, assisting over 10,800 small businesses in New South Wales, and held 470 workshops on a range of topics including business planning and start-ups. The Small Biz Bus visited over 300 communities during 2015-16.

The Office of the NSW Small Business Commissioner has, in partnership with Service NSW and the NSW Department of Premier and Cabinet, continued to strengthen and improve the Easy to do Business project. This initiative helps small businesses navigate government licenses and other approvals by providing an accurate and clear outline of the steps involved and associated timeframes and costs. Comprehensive online 'How-to' guides are available on the Service NSW website for small businesses in the following industry sectors: cafes, restaurants and small bars; housing construction; road freight; clothing retail; and printing.

During 2015-16, a 'digital by design' trial commenced in the City of Parramatta, whereby current and potential business owners accessed a single online portal to set up or expand a cafe, restaurant or small bar. This represents a far easier and more efficient process for small businesses, saving time and reducing duplication across different tiers of government. Under the standard process, customers currently have to navigate up to 75 government regulations, 13 agencies, 48 forms, 30 phone numbers and 13 different government agencies. These will be progressively reduced to one phone number and one form through roll out of the new portal. The success of the trial in the City of Parramatta will see the project implemented across new sectors and local government areas in the future.

New South Wales continues to have an aggressive program of reform, to position the state globally to attract business, investor and skilled migrants. The department has operationalised the NSW Migration Strategy driving increased applications that support industry skill demands and jobs growth.

NSW Department of Industry provides co-funding through the NSW Knowledge Hubs Initiative to support the development of industry-led projects to drive collaboration and innovation in five key business sectors. The NSW Knowledge Hubs Initiative builds collaborative partnerships centred on existing NSW industry strengths, helping local industry to increase its competitiveness at a national and international level. Knowledge Hubs bring businesses, research organisations and industry associations together to share information, direct research and collaborate through shared projects to drive innovation and create shared value.

The department supported five Smart Work Hubs in areas with large commuter populations to investigate demand from workers who would otherwise commute to the city. The Hubs started under the initial pilot are located in Western Sydney and on the NSW Central Coast, at Rouse Hill, Oran Park, Wyong, Penrith, and Gosford. The objective of the 12-month Smart Work Hub Pilot Program was to determine whether successful operating models and market demand could be established that would attract further private sector investment. The Smart Work Hub Pilot was completed in June 2016. The final report on the Smart Work Hub Pilot Program will be delivered by the University of Newcastle in September 2016.

## **Strategic Priority: *Engage and collaborate, facilitating mutually beneficial relationships***

The department strives to reach out to industry, the community and other parts of government to deepen understanding and strengthen collaboration. In the 2015-16 financial year, the department worked to accelerate opportunities and maximise benefits through productive partnerships with:

- Business
- Industry
- Community
- Research institutions.

One such example was the department working with industry, the community and other NSW Government agencies to design and implement the Voluntary Surrender Scheme for Lightning Ridge, and deliver on the NSW Government's election commitment to address the issue of land use conflict in the area. Leaseholders of Western Lands Lease in Opal Prospecting Areas 1, 2 or 3, that were impacted by opal mining were able to lodge an Expression of Interest to surrender some or all of their property lots in exchange for compensation. The once-off offer resulted in acceptance of offers for property lots that hosted more than 800 mineral claims, or around 25% of all mineral claims in Lightning Ridge. Surrendered ridge land will be added to the Lightning Ridge and Surrounding Opal Fields Management Reserve. Portions that are suitable for farming will be subdivided and resold.

During 2015-16 the department enhanced customer experience through digital innovation and improved service delivery. The [department's social media channels and mobile applications](http://www.industry.nsw.gov.au/contact-us/social-media)<sup>5</sup> continue to be maintained, updated and improved, offering an effective mechanism for industry and the community to access information and real-time data.

The Department of Primary Industries assisted the Environmental Protection Authority (EPA), NSW Health and Hunter Water as part of a multi-agency response following a contamination incident caused

by fire-fighting foams at the Williamstown Royal Australian Air Force (RAAF) Base, near Newcastle.

The Office of the NSW Small Business Commissioner continued its valuable work for small business during 2015-16, with the Dispute Resolution Unit encouraging stronger business relationship management amongst small business operators in all sectors of the economy, as well as with other businesses, landlords and government agencies they deal with. During 2015-16, 16,448 small businesses contacted the Office of the NSW Small Business Commissioner to discuss a business relationship and were provided with procedural and strategic advice to help them look at their relationship commercially in order to both prevent and resolve disputes. Mediation officers helped the parties to 762 disputes work towards an early resolution, and held 275 formal mediations where an expert mediator worked with the parties toward an out-of-court resolution. Overall, the Office of the NSW Small Business Commissioner assisted 20,560 small businesses in 2015-16.

The Chief Scientist & Engineer provides leadership on science, engineering and research matters in New South Wales.

In response to requests from the Premier and other Ministers, she provided formal advice on a range of issues including, among others, extraction of water from "Water Veins"; rail coal dust emissions management practices in the NSW coal chain; the Ballina by-pass koala plan; State Insurance Regulatory Authority and Safework NSW research programs; and Lord Howe Island Rodent Eradication.

The Chief Scientist & Engineer chairs a range of special-purpose committees involving officers from various portfolios and co-opted external experts. Some examples are:

- Williamstown Contamination Expert Panel
- NSW Air Quality in Tunnels Committee
- NSW Medical Devices Fund.

<sup>5</sup> <http://www.industry.nsw.gov.au/contact-us/social-media>

## Achieving positive results (continued)

The Office of the Chief Scientist & Engineer supports the Chief Scientist & Engineer in this work, along with secretariats drawn from the portfolios who commission the various reviews and assistance. The office also manages the Research Attraction and Acceleration Program which funded support for Data61; NSW research infrastructure managed under the National Collaborative Research Infrastructure Strategy in fields such as groundwater, marine science, e-Research, fabrication, and microscopy; and for the new Garvan-Weizmann Centre for Cellular Genomics announced by the Premier when visiting Israel in April 2016. The Research Attraction and Acceleration Program also supports science outreach activities in the state, with support for National Science Week; a number of research conferences held in New South Wales and a Science and Engineering Student Competition Sponsorship Program, which funds participation of New South Wales research students attending domestic and international conferences.

The Chief Scientist & Engineer is also the Director of the Centre of Medicinal Cannabis Research and Innovation which provides support for the introduction of an evidence-based system for

access to medicinal cannabis in New South Wales and is working with other Australian jurisdictions on the introduction of medicinal cannabis nationally. The Chief Scientist & Engineer is currently undertaking a Review of Medicinal Cannabis Compassionate Use Scheme formerly known as the Terminal Illness Cannabis Scheme.

New South Wales universities and other public research organisations are home to a vast array of highly skilled people and cutting-edge technology. The department is seeking to unlock access to technology, equipment, research and expertise to build an innovation ecosystem and stimulate economic growth, by working with 11 New South Wales universities and the Commonwealth Scientific and Industrial Research Organisation (CSIRO). The Boosting Business Innovation Program accelerates innovation in the state by fostering collaboration between NSW research organisations and their business communities. It will support small and medium enterprises (SMEs) who want to scale up and innovate using new university partnerships. It will also grow the regional start-up sector and it will help create innovation clusters across the state.

## Strategic Priority: *Foster an innovative, commercially focused and collaborative department*

A key goal for the department is to be responsive and engaged, and to continue to be driven by a culture of innovation and collaboration.

During 2015-16 the department championed change, diversity and inclusion, and empowered staff to collaborate, innovate and to embrace change. We sought to increase employee engagement and to improve strategic decision-making and business performance through insights and data analysis. We worked to improve our systems' security, procurement processes and the recruitment, retention and accommodation of our employees.

Our department solidified its commitment to gender equality in the workplace by setting a target of a 6%

increase in the number of women in clerk grades 9/10, 11/12, and Band 1 senior executives by 2019.

In 2015-16 our teams delivered:

- A department-wide survey to benchmark the department's performance in gender equality
- Three networking forums to facilitate networking and discussion around gender diversity in the workplace
- A flexible working arrangements package for all employees
- A diversity tagline for all recruitment advertisements
- Metropolitan and regional workshops on career development opportunities for women
- A blind recruitment pilot to test unconscious bias in recruitment in the workplace.

## Achieving positive results (continued)

A comprehensive leadership pathway curriculum was created as the department endeavours to champion change, diversity and inclusion. It includes a Pulse Survey, two Senior Executive Leadership Forums, coaches, a pilot 'Leadership Ready' program, a pilot 'Leading High Performance Teams' program and a Senior Executive Induction event with the Public Service Commissioner.

The department wants staff to feel engaged, accountable and empowered to innovate and change. The staff participation rate of 73% in the 2016 People Matter Employee Survey (increased from 37.7% in 2014) shows the department is succeeding in this regard. Performance discussions have been encouraged, and included 15 new two-hour refresher Performance Development Program sessions, with various other staff training sessions, and redesigned templates.

A number of initiatives have been implemented across the department to improve strategic decision-making and business performance. These have included creating a knowledge assets register, as well as rolling out a strategic planning and performance reporting framework across the department, the results of which are monitored against a performance scorecard and reported to senior management on a quarterly basis. Business areas have been provided with customer satisfaction reports, and the department has implemented a Customer Satisfaction Measurement Framework with a baseline satisfaction score.

Improved procurement processes continue to deliver significant financial savings to the department, and in 2015-16 the department also built upon the success of the social procurement program in previous years. The department's social procurement program facilitates the purchase of goods and services from disability providers via National Disability Services. New contracts were established during 2015-16 with disability providers for services to the department's research stations.

The department achieved excellent health and safety results again in 2015-16. Most importantly, there were no workplace fatalities, and serious personal injuries are at the lowest level ever. The combination of positive workplace safety improvements and effective workers' compensation case management have resulted in a saving of \$816,000 in workers' compensation premiums and a hindsight refund of over \$1.6 million. In 2015-16 the department reduced the number of lost time injuries from 30 during 2014-15 to 23. There was a subsequent reduction in lost time injury frequency rate from 3.35 in June 2015 to 2.69 at June 30 2016. These statistics highlight the department's commitment to the welfare of staff and success in implementing professional standards.

The department is committed to improving corporate systems, infrastructure, policies and standards to ensure secure foundations from which to realise its potential as New South Wales' leading job and economic development agency.

# Our results

The NSW Department of Industry is the lead Cluster for the following Premier's Priorities and State Priorities:

Priority	Type	Headline indicator (definition)	2015-16 actual*	Data source
<b>150,000 new jobs by 2019</b>	Premier's (top 12) priority	NSW job growth	<b>154,000</b>	Australian Bureau of Statistics
<b>Be the leading state in business confidence</b>	State Priority	Average ranking among Australian states in major business confidence indicators	<b>1</b>	Composite (NAB Monthly business survey; ANZ - Roy Morgan business index; Sensis Business index)
<b>Increase the proportion of people completing apprenticeships and traineeships to 65% by 2019.</b>	State Priority	Percentage of the apprentices and trainees successfully completing their apprenticeship or traineeship	<b>62.2%</b>	NSW Department of Industry's Integrated Vocational Education and Training System (IVETS)

\* As at 30 June 2016

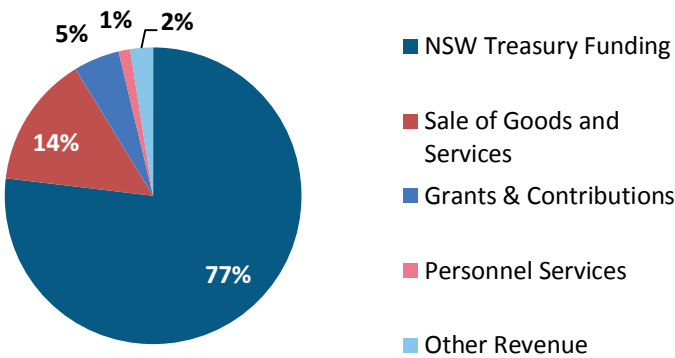
# Financial overview 2015-16

## Budget structure

The NSW Department of Industry is an entity (for the purpose of financial reporting) for the entire 2015-16 year. This overview presents information on NSW Department of Industry (the Parent entity) excluding controlled entities. For consolidated financial information, please refer to the financial statements at page 97.

### Revenue (\$2,003 million)

Total revenue for the NSW Department of Industry for the year ending 30 June 2016 was \$2,003 million. The main sources of revenue were NSW Treasury funding \$1,540 million, sale of goods and services \$288 million, personnel services income \$25 million and \$100 million in grants and contributions received from external parties.

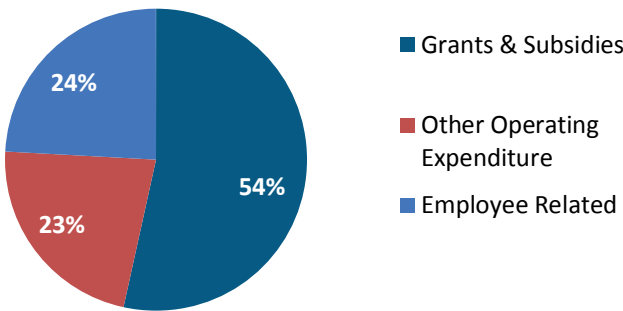


### Expenses excluding losses (\$2,234 million)

Expenses excluding losses for the year ending 30 June 2016 was \$2,234 million. Of this total, \$542 million was for employee related costs including personnel services provided to entities within the NSW Department of Industry cluster.

Grants and subsidies of \$1,189 million included the following payments:

- \$427.2 million for Industry Training Services
- \$187.7 million for the Low Income Household Rebate
- \$165.6 million for Sydney Water Corporation
- \$36.5 million for Water NSW
- \$25.0 million for the Sydney School of Entrepreneurship
- \$24.7 million for Murray Darling Basin Authority
- \$23.6 million for the Country Towns Water Supply and Sewerage Scheme
- \$18.3 million for the Research Attraction & Acceleration Program
- \$16.3 million for the NSW Gas Rebate for Low Income Households
- \$16.2 million for Surface Water Management
- \$15.5 million for Forestry Corporation of NSW
- \$14.4 million for Hunter Water Corporation
- \$14.1 million for Sustain the Basin.



# Financial overview 2015-16 (continued)

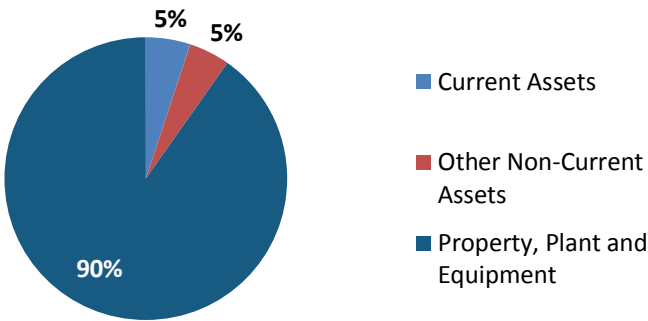
## Expenses excluding losses (continued)

Other operating expenditure of \$503 million includes:

- \$156.9 million for contractors and other fees
- \$85.2 million for depreciation and amortisation of the department's fixed assets
- \$38.9 million adjustments to value of Crown Land held by Government Agencies and in relation to granted Aboriginal Land Claims
- \$35.8 million for operating lease rental expenses – minimum lease payments.

## Assets (\$7,873 million) and liabilities (\$381 million)

The department's net assets at 30 June 2016 were \$7.5 billion, comprised of total assets of \$7.9 billion and total liabilities of \$0.4 billion. The largest component of the asset base relates to the value of Crown Lands and infrastructure.



# Appendices

1 - Principal officers	20
2 - Legislation and legal change	21
3 - Significant judicial decisions	25
4 - Evaluation and improvement	28
5 - Risk management and insurance	29
- Attestation	30
6 - Digital information security policy attestation	32
7 - Work health and safety	33
8 - Human resources	34
9 - Workforce diversity	36
10 - Overseas travel	38
11 - Requirements from employment arrangements	45
12 - Credit card use	45
13 - Consultants	46
14 - Payment of accounts	49
15 - Land disposal	51
16 - Capital works	51
17 - Disclosure of controlled entities	52
18 - Disclosure of subsidiaries	53
19 - Implementation of price determinations	54
20 - Funds granted to non-government community organisations	55
21 - Fisheries trust fund reports	69
22 - Mineral resources fund reports	73
23 - Annual report production cost	73
24 - Research and development	74
25 - Native game birds	80
26 - Implementation of recovery and threat abatement plans	81
27 - Multicultural Policies and Services Program	84
28 - Consumer response	87
29 - Volunteer Program	89
30 - <i>Government Information (Public Access) Act 2009</i>	90
31 - Public interest disclosures	94
32 - Privacy management	95
33 - Response by department head	96

# Appendix 1 – Principal officers (as at 30 June 2016)

**Simon Smith BA (Economics) Hons**

Secretary, Department of Industry, Skills & Regional Development

**Gary Barnes BEd Cert (Early Childhood) Dip Teaching (Primary)**

Deputy Secretary, Economic, Skills & Regional Development

**Jeannine Biviano FCA MEc BBus GAICD**

Deputy Secretary, Finance Strategy & Operations

**Jill Pattison BA DipLaw**

Director, Office of the Secretary

**Jock Laurie**

NSW Land and Water Commissioner

**Karen Borg BA**

Chief Executive Officer, Jobs for NSW

**Kylie Hargreaves B International Business (Hons)**

Deputy Secretary, Resources & Energy

**Emeritus Professor Mary O’Kane AC BSc PhD FTSE Hon FIEAust**

NSW Chief Scientist & Engineer

**Robyn Hobbs OAM MMgmt JP**

NSW Small Business Commissioner

**Sian Malyn BBus CPA**

Chief Audit Executive

**Scott Hansen BRurSc Grad Cert Comms GAICD**

Director General, NSW Department of Primary Industries

**Steven Blaney Dip Fin Mkts (Banking and Finance)**

Executive Director Communication & Engagement

# Appendix 2 - Legislation and legal change

## Acts administered

### Minister for Industry, Resources and Energy

*AGL Corporate Conversion Act 2002 No 16*  
*Coal Acquisition Act 1981 No 109*  
*Coal Industry Act 2001 No 107*  
*Coal Innovation Administration Act 2008 No 50*  
*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, the Minister for Innovation and Better Regulation)*  
*Innovation and Productivity Council Act 1996 No 77*  
*Jobs for NSW Act 2015 No 25 (assented 28.9.15)*  
*Mine and Petroleum Site Safety (Cost Recovery) Act 2005 No 116*  
*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 Lands and Water)*  
*Snowy Hydro Corporatisation Act 1997 No 99 (except section 57, the Minister for Lands and Water)*  
*Snowy Mountains Cloud Seeding Act 2004 No 19*  
*Uranium Mining and Nuclear Facilities (Prohibitions) Act 1986 No 194*  
*Work Health and Safety (Mines and Petroleum Sites) Act 2013 No 54*

### Minister for Regional Development

*Regional Development Act 2004 No 58*  
*Regional Relocation Grants (Skills Incentive) Act 2011 No 26, section 26A (remainder, the Minister for Finance, Services and Property)*  
*Very Fast Train (Route Investigation) Act 1989 No 44*

### Minister for Small Business

*Retail Leases Act 1994 No 46*  
*Small Business Commissioner Act 2013 No 22*

### Minister for Skills

*Apprenticeship and Traineeship Act 2001 No 80*  
*Skills Board Act 2013 No 99*  
*Technical and Further Education Commission Act 1990 No 118*  
*Technical Education Trust Funds Act 1967 No 95*  
*Vocational Education and Training (Commonwealth Powers) Act 2010 131*

### Minister for Primary Industries

*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*  
*Biological Control Act 1985 No 199*  
*C.B. Alexander Foundation Incorporation Act 1969 No 61*  
*Deer Act 2006 No 113*  
*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 2012 No 96 (except parts, the Minister for the Environment)*  
*Forestry (Darling Mills State Forest Revocation) Act 2005 No 2 (repealed 5 Nov 2015)*  
*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*  
*Hemp Industry Act 2008 No 58*  
*Local Land Services Act 2013 No 51*  
*Marine Estate Management Act 2014 No 72 (jointly with the Minister for the Environment)*  
*Meat Industry Act 1978 No 54*  
*Non-Indigenous Animals Act 1987 No 166*  
*Noxious Weeds Act 1993 No 11*  
*Plant Diseases Act 1924 No 38*

## Appendix 2 - Legislation and legal change (continued)

*Plantations and Reafforestation Act 1999 No 97*  
*Prevention of Cruelty to Animals Act 1979 No 200*  
*Rice Marketing Act 1983 No 176*  
*Rural Adjustment Scheme Agreement Act 1993 No 107*  
(repealed 8 July 2015)  
*Rural Assistance Act 1989 No 97*  
*States and Northern Territory Grants (Rural Adjustment) Agreement Ratification Act 1985 No 113* (repealed 8 July 2015)  
*States Grants (Rural Adjustment) Agreement Ratification Act 1977 No 104* (repealed 8 July 2015)  
*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 Market Authority (Dissolution) Act 1997 No 62*  
*Veterinary Practice Act 2003 No 87*  
*Visy Mill Facilitation Act 1997 No 139*  
*Wild Dog Destruction Act 1921 No 17* (jointly with the Minister for Lands and Water)

### Minister for Lands and Water

*Australian Oil Refining Agreements Act 1954 No 34*  
*Botany Bay National Park (Helicopter Base Relocation) Act 2004 No 27*  
*Cemeteries and Crematoria Act 2013 No 105*  
*Central Coast Water Corporation Act 2006 No 105*  
*Commons Management Act 1989 No 13*  
*Crown Lands Act 1989 No 6* (except parts, the Premier, parts, the Minister for Finance, Services and Property, and parts, the Minister for Sport)  
*Crown Lands (Continued Tenures) Act 1989 No 7*  
*Dams Safety Act 1978 No 96*  
*Googong Dam Catchment Area Act 1975 No 4*  
*Hay Irrigation Act 1902 No 57*  
*Hunter Water Act 1991 No 53*  
*Irrigation Areas (Reduction of Rents) Act 1974 No 83*  
*Murrumbidgee Irrigation Areas Occupiers Relief Act 1934 No 52*  
*New South Wales—Queensland Border Rivers Act 1947 No 10*  
*Pipelines Act 1967 No 90*, jointly with the Minister for Industry, Resources and Energy  
*Public Reserves Management Fund Act 1987 No 179*  
*Public Works and Procurement Act 1912 No 45*, section 34 (3) and (4) (remainder, the Minister for Finance, Services and Property)

*Roads Act 1993 No 33*, Parts 2, 4 and 12 (section 178 (2) excepted), section 148 and the remaining provisions of the Act so far as they relate to Crown roads (remainder, parts, the Minister for Roads, Maritime and Freight, parts, the Minister for the Environment, and parts, the Minister for Local Government)  
*Snowy Hydro Corporatisation Act 1997 No 99*, section 57 (remainder, the Minister for Industry, Resources and Energy)  
*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 and 4, jointly with the Minister for the Environment)  
*Sydney Water Act 1994 No 88*  
*Trustees of Schools of Arts Enabling Act 1902 No 68*  
*Tweed River Entrance Sand Bypassing Act 1995 No 55*  
*Wagga Wagga Racecourse Act 1993 No 109*, sections 4 and 5 (remainder, the Minister for Racing)  
*Water Act 1912 No 44*  
*Water (Commonwealth Powers) Act 2008 No 69*  
*Water Efficiency Labelling and Standards (New South Wales) Act 2005 No 12*  
*Water Industry Competition Act 2006 No 104* (except Part 3, the Premier)  
*Water Management Act 2000 No 92*  
*Water NSW Act 2014 No 74*  
*Wentworth Irrigation Act 1890 54 Vic No 7*  
*Western Lands Act 1901 No 70*  
*Wild Dog Destruction Act 1921 No 17* (jointly with the Minister for Primary Industries)

## Appendix 2 - Legislation and legal change (continued)

### Legal change

#### New legislation

*Jobs for NSW Act 2015 No 25*

*Dams Safety Act 2015 No 26*

#### Amending legislation

*Courts and Crimes Legislation Amendment Act 2015*

*Electricity Supply Amendment (Advanced Meters) Act 2016*

*Electricity Supply Amendment (Energy Savings Scheme) Act 2015*

*Energy Legislation Amendment (Retail Electricity and Gas Pricing) Act 2015*

*Fines Amendment Act 2016*

*Fisheries Management Amendment Act 2015*

*Mining and Petroleum Legislation Amendment (Grant of Coal and Petroleum Prospecting Titles) Act 2015*

*Mining and Petroleum Legislation Amendment (Harmonisation) Act 2015*

*Mining and Petroleum Legislation Amendment (Land Access Arbitration) Act 2015*

*Protection of the Environment Operations Amendment (Enforcement of Gas and Other Petroleum Legislation) Act 2015*

*Regulatory Reform and Other Legislative Repeals Act 2015*

*State Insurance and Care Governance Act 2015*

*Water NSW Amendment (Staff Transfers) Act 2016*

*Work health and Safety (Mines and Petroleum) Legislation Amendment (Harmonisation) Act 2015*

#### New Regulations

*Agricultural Industry Services Regulation 2015*

*Food Regulation 2015*

*Hunter Water Regulation 2015*

*Mining Regulation 2016*

*Rice Marketing Regulation 2015*

#### Amending Regulations

*Electricity Supply Amendment (Advanced Meters) Regulation 2016*

*Electricity Supply (General) Amendment (Delta Electricity) Regulation 2015*

*Electricity (Consumer Safety) Amendment (Fees) Regulation 2016*

*Electricity Supply (General) Amendment Regulation 2015*

*Electricity Supply (Safety and Network Management) Amendment (Codes and Standards) Regulation 2015*

*Exhibited Animals Protection Amendment (Standards for Exhibiting Animals) Regulation 2015*

*Fisheries Management Legislation Amendment Regulation 2015*

*Game and Feral Animal Control Amendment (Native Game Birds) Regulation 2015*

*Gas Supply (Consumer Safety) Amendment (Fees) Regulation 2016*

*Mining Amendment (Licences for Operational Allocation Purposes) Regulation 2015*

*Mining Legislation Amendment (Harmonisation) Regulation 2016*

*Mining Legislation Amendment (Saving of Existing Conditions) Regulation 2016*

*National Energy Retail Law (Adoption) Amendment (Delta Electricity) Regulation 2015*

*Petroleum (Onshore) Amendment (Saving of Assessment Lease Conditions) Regulation 2016*

*Petroleum (Onshore) Legislation Amendment (Harmonisation) Regulation 2016*

*Water Industry (General) Amendment (Licencing Exemption) Regulation 2015*

*Water Management (General) Amendment (Anabranch Water) Regulation 2014*

*Water Management (General) Amendment (Anabranch Water) Regulation 2015*

*Water NSW Amendment (Delegation) Regulation 2014*

#### **Statute Law (Miscellaneous Provisions) Act (No 2) 2015**

Amendments made to:

*Agricultural Industry Services Act 1998*

*Agricultural Livestock (Disease Control Funding) Act 1998*

*Agricultural Scientific Collections Trust Act 1983*

*Animal Diseases and Animal Pests (Emergency Outbreaks) Act 1991*

*Animal Research Act 1985*

*Cemeteries and Crematoria Act 2013*

*Commons Management Act 1989*

*Crown Lands Act 1989*

*Electricity Supply Act 1995*

*Electricity (Consumer Safety) Regulation 2015*

*Exhibited Animals Protection Act 1986*

*Fisheries Management Act 1994*

*Food Act 2003*

*Hunter Water Act 1991*

*Innovation and Productivity Council Act 1996*

*Local Land Services Act 2013*

*Prevention of Cruelty to Animals Act 1979*

*Rice Marketing Act 1983*

*Skills Board Act 2013*

*Small Business Commissioner Act 2013 No 22*

*Water Management Act 2000*

*Western Lands Act 1901*

## Appendix 2 - Legislation and legal change (continued)

### **Statute Law (Miscellaneous Provisions) Act 2016**

Amendments made to:

*Agricultural and Veterinary Chemicals (New South Wales) Act 1994*

*Biological Control Act 1985*

Fisheries Management (General) Regulation 2010

*Fisheries Management Amendment Act 2015*

*Forestry Act 2012*

*Hemp Industry Act 2008*

*Marine Estate Management Act 2014*

*Mine and Petroleum Site Safety (Cost Recovery) Act 2005*

*Mining Act 1992*

*Petroleum (Onshore) Act 1991*

*Public Works and Procurement Act 1912*

Water Sharing Plan for the Greater Metropolitan Region  
Unregulated River Water Sources 2011

Water Sharing Plan for the Gwydir Regulated River Water  
Source 2016

Water Sharing Plan for the Macquarie and Cudgegong  
Regulated Rivers Water Source 2016

Water Sharing Plan for the Macquarie Bogan Unregulated and  
Alluvial Water Sources 2012

*Water Management Act 2000*

*Work Health and Safety (Mines and Petroleum Sites) Act 2013*

### **New and Amending Water Sharing Plans**

Water Sharing Plan for the Richmond River Area Unregulated,  
Regulated and Alluvial Water Sources Amendment Order 2016

Water Sharing Plan for the Upper Namoi and Lower Namoi  
Regulated River Water Sources 2016

## Appendix 3 – Significant judicial decisions

### Mineral Resources Law

The department successfully defended several challenges to Ministerial decisions made in the Mineral Resources area.

In *SHCAG Pty Ltd v Hume Coal Pty Ltd and Minister for Resources and Energy* the Land and Environment Court dismissed a challenge to the validity of a decision approving exploration activity by Hume Coal Pty Ltd. SHCAG brought a challenge on the basis that the Minister had failed to make required inquiries under s111 of the *Environmental Assessment and Planning Act 1979* as to environmental impacts and had made an error in determining that the activity would not significantly affect the environment. The Court found that SHCAG had not established that there was a likelihood of the approved exploration program significantly affecting the environment. The Court upheld the Minister's decision and dismissed SHCAG's proceedings with costs.

In *Minister for Resources and Energy v Gold and Copper Resources Pty Ltd* the Minister successfully appealed a decision of the Land and Environment Court which had required the Minister to provide of a Statement of Reasons for a decision to renew an exploration licence. The Court of Appeal held that it was not a proper exercise of the Court's discretion to order the Minister to provide a Statement of Reasons as the challenge to the Minister's decision constituted an abuse of process.

### Mine Safety Law

The department brought several successful prosecutions against mining operators that breached their work health and safety obligations resulting in death or serious injury to workers. Significant penalties were ordered together with costs orders and moieties (a moiety is an order which requires payment of a percentage of an imposed fine to the Prosecutor). The Court of Criminal Appeal also dismissed an appeal by a Defendant against a sentence and imposed an increased penalty and costs order sought by the Attorney General and Prosecutor.

In *Nash v Daracon Mining Pty Ltd* the Industrial Court fined the Defendant \$80,000 following a

guilty plea to an offence under the *Occupational Health and Safety Act 2000* (OHS Act). The offence related to an incident at the Ravensworth Underground Mine near Singleton, New South Wales, where a truck driver was killed when ten tonnes of material was dropped onto the cabin of his truck from a loading bin. The Court also ordered that the Defendant pay the Prosecutor's costs and a moiety.

In *Nash v Integra Coal Operations Pty Ltd* and *Nash v Glennies Creek Coal Management* the Industrial Court fined Integra Coal Operations \$195,000 and Glennies Creek Coal Management \$204,000 following guilty pleas to offences under the OHS Act. The offences related to a fatal incident at the Integra Coal Underground Mine near Bridgman, NSW where a worker was killed while attempting to replace a coal shearer shaft. The Court ordered that the Defendants pay the Prosecutor's costs and awarded moieties.

In *Attorney General for the State of NSW v Bulga Underground Operations Pty Ltd* the Court of Criminal Appeal dismissed the Defendant's appeal against a sentence imposed for an OHS Act offence which resulted in serious injury to a worker. As sought by the Attorney General and Prosecutor, the Court of Criminal Appeal increased the original sentence imposed by the District Court from \$50,000 to \$100,000 and the costs order from 20% to 50% of the cost incurred in the prosecution.

### Water Law

The department successfully defended an appeal against a judgment which had dismissed a civil law suit seeking damages from the department. The department was also involved in an appeal under the *Water Management Act 2000* which clarified the application of time periods for appeals under that Act.

In *Bailey v Director-General, Department of Natural Resources NSW* the Court of Appeal upheld a decision of the Supreme Court in favour of the Director General, Department of Natural Resources and other defendants. The proceedings concerned a claim (estimated to be worth several million dollars) for damages relating to allegations of

## Appendix 3 – Significant judicial decisions (continued)

malicious prosecution arising from an unsuccessful prosecution undertaken in 2002-2003 for native vegetation clearing. The Supreme Court dismissed the plaintiffs' malicious prosecution claim. The Court of Appeal upheld that finding and dismissed the appeal.

In *Rural Funds Management v Minister administering the Water Management Act 2000 and Rosella Sub TC* the Land and Environment Court held that an appeal was made out of time as a result of delay in informing the Applicant of the decision to grant a water supply work approval. Due to the delay involved, the Court ordered that the Minister pay the other parties' costs.

### Fisheries Law

The department successfully prosecuted a variety of fisheries offences, as well as assisting to defend a challenge to the validity of fisheries legislation.

In *Babington & Ors v Commonwealth of Australia & State of NSW* the Applicants (four abalone fishers) brought a constitutional challenge to the validity of the *Fisheries Management Act 1994* (NSW) and the *Marine Estate Management Act 2014* (NSW). On 21 July 2016, the Full Court of the Federal Court unanimously found in favour of the Commonwealth and the State of NSW, holding that the legislation in question was valid. The Applicants' claim for compensation was dismissed with costs. The Applicants have filed an Application in the High Court of Australia for Special Leave to Appeal the Federal Court's decision, which is yet to be heard.

A number of successful prosecutions were brought in relation to offences under the *Fisheries Management Act 1994*. Significant prosecutions included:

- One person was sentenced and fined \$78,000 in relation to 28 offences relating to the taking of fish for sale without a duly endorsed commercial fishing licence; taking fish for sale with the use of an unlicensed fishing boat; failing to make appropriate records in relation to the taking of fish; failing to submit a record to the department; failing to make records of sale

for fish; making false and misleading records; and failing to comply with a requirement to produce a record;

- One person was convicted of charges of possessing prohibited size blue swimmer crabs and possessing blue swimmer crabs carrying ova externally. The Local Court sentenced the Defendant to a suspended sentence of 9 months imprisonment, as well as fines of \$2,000 in relation to each of the charges. The sentences were partially successfully appealed before the District Court.
- Four persons were convicted and sentenced in relation to charges of jointly possessing prohibited sized blue swimmer crabs; possessing fish in excess of the possession limit and possessing blue swimmer crabs carrying ova externally. Each Defendant was fined \$9,000 each in relation to the charges of possession of prohibited sized blue swimmer crabs, \$9,000 each in relation to the charges of possession of fish in excess of the possession limit and \$2,000 each in relation to the charges of possession of blue swimmer crabs carrying ova externally. The sentences were reduced on appeal by the District Court at Wollongong to sentences totalling \$3,000 for two of the Defendants and \$5,000 for the remaining two Defendants. A moiety was awarded to the department.

### Biosecurity Law

The department successfully prosecuted a matter under the *Non-Indigenous Animals Act 1987* involving the keeping of exotic, high risk animals without the appropriate licence. On 13 July 2016 the Local Court at Port Kembla sentenced the Defendant to six months imprisonment in relation to ten charges of keeping high risk, exotic animals without the requisite licence. The Defendant's sentence of imprisonment was suspended on the condition that the Defendant enter into a six month good behaviour bond.

## Appendix 3 – Significant judicial decisions (continued)

### Aboriginal Land Rights

The department was involved in several challenges to refusals of Aboriginal Land Claims under the *Aboriginal Land Rights Act* (ALRA).

In *New South Wales Aboriginal Land Council v The Minister Administering the Crown Lands Act (Moir Park Road No 1 and Moira Park Road No 2 claims)* the New South Wales Aboriginal Land Council (NSWALC) successfully appealed against a refusal of an Aboriginal Land Claim. The Land and Environment Court held that while the relevant land could be said to be needed or likely to be needed for the purpose of residential lands, that purpose was not an essential public purpose, within the meaning of the relevant section of the ALRA. The Minister has appealed the decision of the Court.

In *New South Wales Aboriginal Land Council v Minister Administering the Crown Lands Act* the Minister successfully defended an appeal to the Court of Appeal by the NSWALC, which challenged whether Berrima Gaol was lawfully occupied by the State, for the purposes of s. 36(1)(b) of the ALRA. The NSWALC has appealed to the High Court, and special leave to appeal was granted on 17 June 2016.

## Appendix 4 – Evaluation and improvement

Internal audit and risk management systems are a critical part of the NSW Department of Industry's corporate governance and internal control systems and a requirement of Treasury Policy Paper *TPP 15-03 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. The NSW Department of Industry 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 2015-16. 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) and the senior management advised of high risk findings. The implementation of all recommendations is monitored and particular emphasis given to those rated as high to very high risk.

The ARC had four members during the year including an independent chair, two independent members and one internal member.

The ARC met on seven occasions and the following internal reviews were completed during 2015-16:

- Common Ground Project Procurement and Project Governance Processes Review
- Healthy Flood Plains Review
- Implementation of the Safety and Wellbeing Strategy Review
- Mine Safety Levy Review
- Emergency Management Function in the Department of Primary Industries Review
- Management of Conflicts of Interest Review
- Reviews of Administration of the following grant and rebate programs:
  - Cap and Pipe – The Bores Program
  - Family Energy Rebate
  - Fisheries Habitat Action Grants
  - Funding from Recreational Fishing Trust Grants including Habitat Action Grants and Native Fish Stocking Grants
  - Life Support Rebate
  - Low Income Household rebate
  - Medical Energy Rebate
  - Native Fish Stocking Dollar for Dollar Program
  - New Frontiers Co-operative Drilling Program
  - Observation Tower Grant Program
  - Public Reserves Management Funding Program
  - Rescuing our Waterways (phases 2 and 3).

## Appendix 5 – Risk management and insurance

### Risk management

Risk management principles are incorporated into the department, including in:

- work health and safety
- program and project management
- procurement and purchasing
- business continuity and emergency management planning
- environmental management systems
- fraud and corruption prevention, and
- internal audit

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* (TPP 15-03). The ERM framework provides a systematic approach for implementing, monitoring, reviewing and continually improving our risk management processes in support of service and program delivery.

As part of the ERM framework, the department maintains corporate and divisional risk registers which consider strategic risks, as well as those risks inherent in the department's day to day business activities. Current controls and proposed additional treatments aimed at minimising uncertainty, as well as for pursuing opportunities to enhance our programs and services are identified and monitored.

Corporate and divisional risks registers are also key inputs which help to inform the department's Internal Audit program, which is overseen by the Audit and Risk Committee.

To gain more from its risk management arrangements, the department initiated an independent review of its ERM framework to help identify further areas for enhancement. The review, completed in early 2016, identified a number of opportunities the department could pursue to gain greater benefits from its investment in risk management. One of the key findings is the opportunity to pursue increasing integration of risk management with other business management systems such as the new strategic planning and performance framework implemented by the department.

The department has adopted a structured approach to addressing the review findings through the staged implementation of a 3 year strategic roadmap. It is anticipated that the ongoing commitment to, and emphasis on enhancing organisational governance capabilities, will help foster greater operational agility, more meaningful interactions, and increased adaptability across the department. This will allow the department to better prepare for, and meet the challenges in the evolving Industry Portfolio.

## Appendix 5 – Risk management and insurance (continued)

### Internal Audit and Risk Management Attestation Statement for the 2015-2016 Financial Year for the NSW Department of Industry, Skills and Regional Development

I, Simon Smith, Secretary, am of the opinion that the NSW Department of Industry, Skills and Regional Development (department) has internal audit and risk management processes in operation that are, excluding the transitional arrangement described below, materially compliant with the eight core requirements set out in the *Internal Audit and Risk Management Policy for the NSW Public Sector*, specifically:

Core Requirements	Compliant, non-compliant, or in transition
<b>Risk Management Framework</b>	
1.1 The agency head is ultimately responsible and accountable for risk management in the agency	Compliant
1.2 A risk management framework that is appropriate to the agency has been established and maintained and the framework is consistent with AS/NZS ISO 31000:2009	Compliant
<b>Internal Audit Function</b>	
2.1 An internal audit function has been established and maintained	Compliant
2.2 The operation of the internal audit function is consistent with the International Standards for the Professional Practice of Internal Auditing	Compliant
2.3 The agency has an Internal Audit Charter that is consistent with the content of the 'model charter'	Compliant
<b>Audit and Risk Committee</b>	
3.1 An independent Audit and Risk Committee with appropriate expertise has been established	In transition
3.2 The Audit and Risk Committee is an advisory committee providing assistance to the agency head on the agency's governance processes, risk management and control frameworks, and its external accountability obligations	Compliant
3.3 The Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'	Compliant

#### Membership

The chairs and members of the Audit and Risk Committee during the 2015-2016 financial year were:

- Mr Ken Barker, appointed as Independent Chair from 18 January 2016 until 17 January 2019, and as an Independent Member from 13 October 2014 until 17 January 2016
- Mr Ian Neale, appointed as Independent Chair from 8 April 2013 until his retirement on 1 December 2015
- Ms Victoria Weekes, initially appointed as an Independent Member from 8 April 2013 until 7 April 2016 and subsequently re-appointed until 7 April 2021
- Mr Arthur Butler, appointed as an Independent Member from 25 November 2015 until 26 November 2018
- Mr Michael Bullen, Deputy Director General Agriculture NSW, appointed as a Non-independent Member from 18 February 2013 until 30 June 2017.

#### Departures from Core Requirements

I, Simon Smith, Secretary, advise that the internal audit and risk management processes for the department depart from the following core requirement set out in the *Internal Audit and Risk Management Policy for the NSW Public Sector*:

Departure	Reason for departure and description of practicable alternative measures being implemented
<b>In Transition</b>	
<b>Core Requirement 3.1</b> An independent Audit and Risk Committee with appropriate expertise has been established	The Audit and Risk Committee have appropriate expertise and comprise three Independent Members including the Chair, and one Non-Independent member. The membership of the Non-Independent Member will cease on or before 30 June 2017, consistent with permitted transitional arrangements.



Simon A Y Smith  
Secretary  
NSW Department of Industry, Skills and Regional Development

## Appendix 5 – Risk management and insurance (continued)

### Insurance

The department is insured through the Treasury Managed Fund (TMF), 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 TMF during the 2015–16 financial year is contained in Table 1.

**Table 1. Summary of claims paid by the TMF during 2015-16**

Insurance category	Policy #	Policy name	No. of claims	Amount paid (\$)	Recovered to date (\$)	Reserve balance (\$)	Net incurred (\$)
Motor vehicles	MF100196	NSW Dept of Industry	0	-	-	-	-
	MF100028	Primary Industries	53	220,729	68,267	135,487	351,350
	MF100907	Crown Lands	8	16,074	-	10,818	26,892
	MF101139	DPI Water	27	125,326	12,227	17,519	130,618
Property	MF100198	NSW Dept of Industry	0	-	-	-	-
	MF100030	Primary Industries	24	35,582	20,167	208,620	244,202
	MF100908	Crown Lands	35	663,072	-	9,045,248	9,708,320
	MF101143	Crown Lands – Coastal Assets	0	-	-	-	-
	MF101120	Crown Lands – Reserve Trust	28	88,417	72,285	151,415	236,298
	MF101140	DPI Water	9	41,495	32,083	42,112	68,607
Public liability	MF100197	NSW Dept of Industry	6	6,628,817	-	2,681,183	9,310,000
	MF100029	Primary Industries	1	-	-	8,200	8,200
	MF100906	Crown Lands	5	40,430	-	163,621	204,051
	MF101138	DPI Water	0	-	-	-	-
Miscellaneous	MF100199	NSW Dept of Industry	0	-	-	-	-
	MF100031	Primary Industries	2	850	-	-	850
	MF100909	Crown Lands	0	-	-	-	-
	MF101141	DPI Water	0	-	-	-	-
TOTAL			198	7,860,792	205,029	12,464,223	20,289,388

# Appendix 6 – Digital information security policy attestation

## NSW Digital Information Security Policy


### Compliance Attestation Statement 2015-16 Financial Year

I, **Simon Smith**, am of the opinion that the security controls in place to mitigate risks to the digital information of the NSW Department of Industry as part of its ICT Service delivery are adequate. There has been a concerted effort and targeted investment in Digital Information Security and significant progress has occurred over the past 12 months.

Given the scale and complexity of the NSW Department of Industry's systems, risks to the digital information have been assessed with an independent Information Security Management System being developed in accordance with the NSW Digital information Security Policy and ISO 27001 Standard.

Effort and investment will be ongoing as the NSW Department of Industry continues to manage evolving threats and improve its security posture.

Specific work to address these areas is to be led by the NSW Department of Industry Chief Information Officer and the Digital Information Security Manager.



Simon A Y Smith

**Secretary**

NSW Department of Industry

## Appendix 7 – Work health and safety

In 2015-16 the department commenced a new three year Health and Safety Strategy that was designed to continue where the previous strategy left off. The new strategy maintained the objective of *'Every person home safe and well every day'*. Over the first year of this strategy the department delivered a range of programs that have underpinned the ongoing improvements in not only workplace safety but the broader focus on employee wellbeing.

Again in 2015-16 all major health and safety indicators showed improvement on the previous year. Most importantly there were no workplace fatalities. Lost Time Injury Frequency Rates (LTIFR) improved on the 2014-15 result of 3.35 with the achievement of an LTIFR of 2.69 for the 2015-16 reporting period.

Workers Compensation outcomes from the improved safety environment also benefited with further improvements to case management process that resulted in a reduction on the 2016-17 premiums of approximately \$816,000 as well as a hindsight refund of over \$1.6 million.

During the year the department's Safety and Wellbeing Team continued to provide a range of services to employees aimed at improving overall health and resilience. Employees benefited in savings from gym memberships through the Fitness First program, Corporate Health Insurance discounts and targets health monitoring initiatives.

The combination of all this work over the 2015-16 year has positioned the department well to meet the challenges and targets of the newly released NSW Government's *Work Health and Safety Roadmap for NSW 2022*.

### Combined workplace incident statistics 2015-16

Frequency Rate *		2.69
Lost Time Incident Rate #		0.4859
Average Lost Time Rate †		9.61
No. Lost Time Incidents (LTIs)		23
Lost Time Severity Rate Δ		25.88

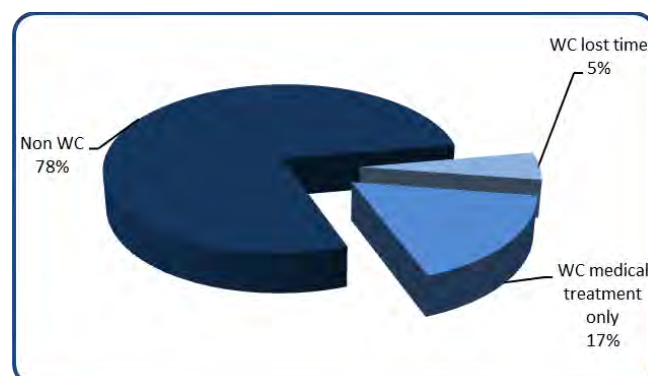
\* The number of Lost Time Incidents (LTIs) 1,000,000 hours worked

# The number of LTIs per 100 employees

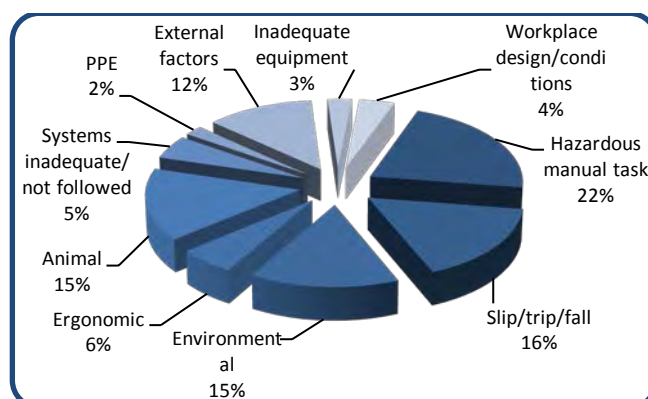
† Average lost time rate is time lost in days divided by the number of lost time injuries

Δ The number of days lost per 1,000,000 hours worked

**Figure 1: Distribution of injuries reported to the health and safety unit 2015-16**



**Figure 2: Mechanism of all injuries reported to the health and safety unit 2015-16**



## Appendix 8 – Human resources

The department had an equivalent full-time (EFT) workforce of 4,273.8 for 2015-16, compared with 4,179.5 for 2014-15. All NSW Department of Industry staff are subject to the *Government Sector Employment Act 2013* and associated regulations.

All statistics in the following tables are expressed in EFT unless otherwise stated. It should be noted that shifts in EFT in 2015-16 occurred due to a machinery of government change which saw

functions related to trade, liquor and gaming, hospitality and the arts leave the department, and functions relating to vocational education and training absorbed into the department.

The percentage of senior executive-related costs over total employee-related costs for the department is 6.8% for 2015-16, compared with 6.8% for 2014-15. This includes applicable on-costs for both Senior Executive Service and Senior Officer employees.

### Staff numbers

	2011-12	2012-13	2013-14	2014-15	2015-16
Permanent	4,036	3,385	2,874	3,180.24	3,126.69
Other	742	1,120	1,306.27	999.25	1,147.06
<b>Total</b>	<b>4,778</b>	<b>4,505</b>	<b>4,180.27</b>	<b>4,179.49</b>	<b>4,273.75</b>

### Number of female and male staff within salary levels

#### 2015-16

Salary Level	\$0-\$44682	\$44683-\$58687	\$58688-\$66608	\$65609-\$83022	\$83023-\$107361	\$107362-\$134202	\$134203> (Non SE & SES)	\$134203> (SE & SES)	Total
Female	72.88	162.82	238.67	418.97	615.78	386.77	12.6	66.12	1974.61
Male	69.89	198.48	88.6	353.25	743.99	639.7	102.93	102.3	2299.14
Indeterminate/Intersex	0	0	0	0	0	0	0	0	0
<b>Totals</b>	<b>142.77</b>	<b>361.30</b>	<b>327.27</b>	<b>772.22</b>	<b>1359.77</b>	<b>1026.47</b>	<b>115.53</b>	<b>115.53</b>	<b>4273.75</b>

#### 2014-15

Salary Level	\$0-\$41679	\$41679-\$54742	\$54742-\$61198	\$61198-\$77441	\$77441-\$100145	\$100145-\$125181	\$125181> (Non SES)	\$125181> (SES)	Total
Female	31.34	104.71	134	444.49	657.52	281.92	126.01	55.11	1,835.1
Male	26.74	144.29	105.6	318.4	792.81	534.84	340.21	81.5	2,344.39
<b>Totals</b>	<b>58.08</b>	<b>249</b>	<b>239.6</b>	<b>762.89</b>	<b>1,450.33</b>	<b>816.76</b>	<b>466.22</b>	<b>136.61</b>	<b>4,179.49</b>

#### 2013-14

Salary Level	\$0-\$41679	\$41679-\$54742	\$54742-\$61198	\$61198-\$77441	\$77441-\$100145	\$100145-\$125181	\$125181> (Non SES)	\$125181> (SES)	Total
Female	92	117.51	219.81	408.96	562.58	266.8	93.41	43.71	1,804.78
Male	106	161.8	125.7	328.5	777.23	513.06	298.2	65	2,375.49
<b>Totals</b>	<b>198</b>	<b>279.31</b>	<b>345.51</b>	<b>737.46</b>	<b>1,339.81</b>	<b>779.86</b>	<b>391.61</b>	<b>108.71</b>	<b>4,180.27</b>

#### 2012-13

Salary Level	\$0-\$41679	\$41679-\$54742	\$54742-\$61198	\$61198-\$77441	\$77441-\$100145	\$100145-\$125181	\$125181> (Non SES)	\$125181> (SES)	Total
Female	108	222	215	479	586	335	33	45	2,023
Male	113	257	110	346	806	613	177	60	2,482
<b>Totals</b>	<b>221</b>	<b>479</b>	<b>325</b>	<b>825</b>	<b>1,392</b>	<b>948</b>	<b>210</b>	<b>105</b>	<b>4,505</b>

## Appendix 8 – Human resources (continued)

### Number of female and male staff within salary levels (continued)

2011-12

Salary Level	\$0- \$39670	\$39670- \$52104	\$52104- \$58249	\$58249- \$73709	\$73709- \$95319	\$95319- \$119149	\$119149> (Non SES)	\$119149> (SES)	Total
<b>Female</b>	406	162	197	433	426	251	164	16	2,055
<b>Male</b>	82	127	276	366	918	543	385	26	2,723
<b>Totals</b>	488	289	473	799	1,344	794	549	42	4,778

### Number and level of executive staff

The *Government Sector Employment Act 2013* (GSE Act) requires that all senior executives transition to the new Public Service Senior Executive employment arrangements contained in the GSE Act, before 23 February 2017. The department is well advanced in completing this transition. The following table shows the number, level and average remuneration both of senior executives who are still transitioning and therefore employed under the previous senior executive classifications, and of executives who have already transitioned and are now employed in the new Senior Executive Bands.

The total number of equivalent full-time executives employed at the end of the 2015-16 financial year

was 168.4. The total number of executives employed at the end of the 2013-14 financial year was 136.6. The increase in executive numbers is attributable to old Senior Officer roles (which are not counted in the figures below) being removed as part of the transition to new Senior Executive employment arrangements and replaced with new Public Service Senior Executive employment. It also reflects machinery of government changes which saw functions related to trade, liquor and gaming, hospitality and the arts leave the department, and functions relating to vocational education and training absorbed into the department.

### Number, level and average remuneration of senior executives

	2015-16			2014-15		
	Female	Male	Average Remuneration (\$)	Female	Male	Average remuneration (\$)
New Executive Bands						
1	53.7	79.6	212,868.30	23.9	29.1	198,171.40
2	7.82	16	279,323.65	8.81	12.8	268,009.40
3	3	2	403,638.40	2	2	404,562.50
4	0	1	495,000	0	0	n/a
Totals	64.52	98.6		34.71	43.9	
	163.12			78.61		
Previous Senior Executive Service (SES) Levels						
1	0	0	n/a	9	13	179,098.70
2	0	0	n/a	2.8	7	202,218.40
3	1	2.7	242,216.76	4	13.6	228,597.40
4	0	1	248,851	1	4	241,000
5	0	0	305,400	1	0	305,400
6	0	0	n/a	0	0	n/a
7	0.6	0	396,850	0.6	0	387,150
8	0	0	n/a	0	1	544,455
Statutory				1	0	272,000
Totals	1.6	3.7		19.4	38.6	
	5.3			58		
	168.42			136.61		

## Appendix 9 – Workforce diversity

NSW Department of Industry is committed to actively developing and maintaining a diverse workforce which is free of discrimination and reflects the New South Wales community.

Workforce diversity initiatives are designed to:

- build positive workplaces and provide support for all employees
- strengthen workforce planning capability to integrate workforce diversity strategies, and
- build a workforce which reflects the diversity of the wider community as identified in NSW Public Sector benchmarks and targets.

The *Government Sector Employment Act 2013* (GSE Act) preserves the focus on existing diversity groups, being:

- Aboriginal people
- Women
- People from culturally and linguistically diverse backgrounds, and
- People with disability.

The GSE Act also provides flexibility to encompass a broader spectrum of diversity, including mature workers, young people and carers.

In 2015-16 the department commenced development of an overarching Diversity and Inclusion Strategy to encompass programs addressing existing diversity groups. The strategy will be used to identify activities which address the diverse needs of all staff.

A key to achieving workforce diversity objectives is integrating workforce diversity strategies and programs into the department's workforce planning. This ensures a direct link between business needs and the benefits of a diverse workforce.

As part of the department's *Plan for Preventing and Responding to Bullying in the Workplace*, Respectful Workplace Behaviour training for non-supervisory staff and managers has been rolled out across the department. The training covered discrimination, harassment and bullying. This initiative will be strengthened in 2016-17 as Respectful Workplace Behaviour training will continue to be incorporated into a range of team development, supervisor and management training.

### Women's employment and development

The department remains committed to actively providing opportunities for the employment and development of women. A key focus is supporting women to identify and achieve career goals and to encourage potential women leaders and managers to participate in leadership and management programs both within the department and in programs provided externally.

The Premier has set a target of 50% representation level of women in senior executive roles across the NSW Government sector.

A Gender Equality Steering Committee was active during 2015-16, with representation from across the department and a Deputy Secretary as executive sponsor. A number of working groups were set up to address key issues affecting gender equality, and a series of forums were run to provide development and networking opportunities.

The Gender Equality Working Groups worked on strategies and activities in the following areas:

- Structured Development and Career Progression
- Addressing Conscious and Unconscious Bias, and
- Promoting Flexible Working Arrangements.

In addition, an overarching plan for gender equality was developed during 2015-16. This plan will continue to be implemented in 2016-17.

### Aboriginal employment

The department continued to progress work that supports employment and retention of Aboriginal staff during 2015-16.

A key factor has been the Aboriginal Support Network (ASN) which has continued to grow during this period. ASN members have also participated in a number of sector-wide development and networking activities. A new ASN Strategic Plan has been developed to align to the department's Corporate Plan.

## Appendix 9 – Workforce diversity (continued)

In 2016-17 a focus for the department will be development of an Aboriginal Employment Plan including inclusive and culturally appropriate recruitment options. The department will also be expanding an Aboriginal Cultural Capability Program.

### People from culturally and linguistically diverse (CALD) backgrounds

The NSW Public Sector target that relates to people from CALD backgrounds is 'people whose first language was not English'. The sector benchmark is 19% representation. The department achieved 6.1% in 2015-16 compared to 7.7% in 2014-15. The department's Multicultural Plan 2014-16 identifies a range of strategies to improve CALD representation. Appendix 27 contains more detailed information on the department's multicultural programs and services.

### People with a disability

Employment of people with a disability remains a priority strategy area for the department. The NSW Public Sector aimed to increase the employment of people with a disability requiring workplace adjustment to 1.5%.

### Trends in the representation of workforce diversity groups

Workforce Diversity Group	Benchmark/Target	2014	2015	2016
Women	50.0%	45.1%	47.2%	48.1%
Aboriginal People and Torres Strait Islanders	2.6%	0.1%	0.5%	0.3%
People whose First Language Spoken as a Child was not English	19.0%	7.2%	7.7%	6.1%
People with a Disability	N/A	2.3%	2.3%	1.1%
People with a Disability Requiring Work-Related Adjustment	1.5%	0.5%	0.6%	0.4%

### Trends in the distribution of workforce diversity groups

Workforce Diversity Group	Benchmark/Target	2014	2015	2016
Women	100	91	91	92
Aboriginal People and Torres Strait Islanders	100	N/A	104	N/A
People whose First Language Spoken as a Child was not English	100	107	106	108
People with a Disability	100	103	101	102
People with a Disability Requiring Work-Related Adjustment	100	N/A	101	N/A

Note 1: A Distribution Index of 100 indicates that the centre of the distribution of the Workforce Diversity group across salary levels is equivalent to that of other staff. Values less than 100 mean that the Workforce Diversity group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the Workforce Diversity group is less concentrated at lower salary levels.

Note 2: The Distribution Index is not calculated where Workforce Diversity group or non-Workforce Diversity group numbers are less than 20.

### National Disability Strategy

The department continued its participation in the development of a whole-of-government National Disability 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 government departments and which have designated lead agencies.

The department developed and implemented a Disability Inclusion Action Plan (DIAP) from the NSW Disability Inclusion Plan (NSW DIP). The DIAP aligns to a four year cycle to comply with the revised guidelines. The DIAP is integrated into departmental business planning and strategic directions.

The department will be forming an internal disability employee group to provide advice and contribute to the ongoing development and implementation of the department's DIAP. In addition, the department will be developing guidelines and resources for hiring managers, to ensure equitable access through recruitment.

## Appendix 10 – Overseas travel

Staff undertook overseas travel during 2015-16 to progress key business and research programs, to promote investment in New South Wales and to facilitate export development opportunities.

Overseas travel related to international trade missions, delegations and business events is important in strengthening the department's global business relationships and attracting investment into the state. Staff provide on-the-ground support to NSW companies at international tradeshows or on trade missions, with the goal of securing new customers or strengthening market access. On occasions, staff accompany Ministerial delegations on overseas travel, providing industry and market specialist advice and making connections that are important to the business of the department and the state in priority trade and investment markets.

The department is fortunate that a number of research staff lead their field internationally. Overseas travel facilitates the partnerships and collaboration that enhances the department's capacity to deliver research projects that underpin productivity growth in the state's primary industries and address related social and environmental issues.

All overseas travel costs incurred by staff travelling in relation to Australian Centre for International Agricultural Research (ACIAR) projects are met by ACIAR. ACIAR funds research projects that reflect the priorities of Australia's aid program and national research strengths, as well as the agricultural research and development priorities of partner countries.

All staff travel is subject to the requirements of the department's travel policy.

**Table 1. Overseas travel undertaken by staff during 2015-16**

Name and position of officer	Country visited	Purpose of visit	Date travel from	Date travel to
Jamie Ayton Oils Chemist	Canada and USA	Attend the International Rapeseed Conference in Canada and visit the University of Georgia in the USA	01/07/15	17/07/15
Rohan Brill Research & Dev Agronomist Dryland	Canada	Present research finding at 14th International Rapeseed Congress	2/07/2015	16/07/2015
Malcolm McPhee Research Officer	USA	Attend the American Dairy Science Association / American Society of Animal Science annual meeting	9/07/2015	24/07/2015
Matthew Taylor Senior Research Scientist	Canada	Present at the International Conference on Fish Telemetry; networking opportunities	9/07/2015	18/08/2015
Tony Vancov Research Officer	Thailand	Attend the inaugural Alcohol School workshop on the sciences of alcohol production in fuel ethanol	13/07/2015	18/07/2015
Ashley Webb Leader Soils North	China	Speaker at the International Conference on Forest Water Management in arid regions under climate change	16/07/2015	29/07/2015
Kevin Dodds Development Officer Temperate Fruits	USA	Traveling as a part of the "Batlow Hops Diversification Project"	31/07/2015	11/08/2015
Olivia Reynolds Research Scientist	Mexico and Guatemala	One of 25 individuals worldwide selected to attend a training course on "Sterile Insect Techniques"	1/08/2015	31/08/2015
Craig Maddox Technical Officer	South Africa	Attend and present at the Macadamia Symposium 2015	4/08/2015	17/08/2015
Jeremy Bright Development Officer Macadamias	South Africa	Attend and present at the Macadamia Symposium 2015	4/08/2015	17/08/2015
Ruth Huwer Entomologist	South Africa	Attend and present at the Macadamia Symposium 2015	4/08/2015	17/08/2015

## Appendix 10 – Overseas travel (continued)

Name and position of officer	Country visited	Purpose of visit	Date travel from	Date travel to
Sandra McDougall Leader Southern Irrigated Systems	Philippines	Mid-term review of ACIAR project & annual ACIAR Horticultural program meetings	5/08/2015	19/08/2015
Donald Fielder Research Scientist	Indonesia	To complete a mid-term review of a major Marine Fish Hatchery Health project in Indonesia	9/08/2015	13/08/2015
Helen Chen Project Officer Mission & Delegations	Hong Kong	To support the Dept of Premier and Cabinet's trade mission to the Hong Kong Trade Development Council Food Expo	11/08/2015	17/08/2015
Julia Davis Regional Manager Western	USA & UK	Attend and present at American Fisheries Society Conference and the Society for Ecological Restoration Conference	14/08/2015	28/08/2015
Warwick Badgery Research Scientist	China	Complete work on the ACIAR project examining sustainable livestock grazing systems on Chinese temperate grasslands	14/08/2015	30/08/2015
Craig Boys Fisheries Scientist	USA	Attend and present at American Fisheries Society Conference	15/08/2015	31/08/2015
Gavin Butler Research Scientist	USA	Attend and present at American Fisheries Society Conference	15/08/2015	31/08/2015
Cathleen Waters Research Officer	UK	Attend and present at 6th World Conference on Ecological Restoration	18/08/2015	4/09/2015
Benjamin Holman Research Officer (Meat Science & Supply)	France	Attend and present at 61st International Congress Of Meat Science and Technology	21/08/2015	31/08/2015
Nicolas Lyons Development Officer, Dairy	Europe	Attend and present at the European Federation of Animal Science	22/08/2015	11/09/2015
Katharina Schneebeil Project Officer Cottonseed Market Assur	USA	Travel to learn techniques for isolation & characterisation of <i>Aspergillus</i> spp	25/08/2015	23/10/2015
Fay Haynes Project Officer Industry Development	China & Hong Kong	NSW Cherry Exporter's Study Tour	30/08/2015	5/09/2015
Tahir Khurshid Research Horticulturist	Pakistan	Participation in the end of project review organised by ACIAR / DFAT	1/09/2015	13/09/2015
Steven Falivene Development Officer Citrus	Pakistan	Complete the final stages of contracted work and review on a project with ACIAR co-investment	1/09/2015	13/09/2015
Karen Astles Research Scientist	UK	Attend and present at Estuarine Coastal Sciences Association Conference	4/09/2015	11/09/2015
Jamie Ayton Oils Chemist	China	Travel with representatives from Australian Olive Association to identify a laboratory partner in China	4/09/2015	13/09/2015
Jeffrey Hammond Director of Science & Research	France & England	Attend meeting of the Scientific Commission of the World Organisation for Animal Health	5/09/2015	19/09/2015
Bruno Holzapfel Research Physiologist	Papua New Guinea	Collect background information on coffee based production systems and on current research efforts	6/09/2015	16/09/2015
Myles Parker Leader Horticulture Development	Papua New Guinea	Collect background information on coffee based production systems and on current research efforts	6/09/2015	16/09/2015

## Appendix 10 – Overseas travel (continued)

Name and position of officer	Country visited	Purpose of visit	Date travel from	Date travel to
Steven Bentham Inspector Electrical Engineering	New Zealand	Attendance at the International Electrotechnical Commission management meetings, forums and workshops	10/09/2015	20/09/2015
Peter Gillespie Curator Scientific Collections	Malaysia	Convene a workshop on the Diagnostics of SE Asian pest whiteflies	11/09/2015	21/09/2015
Gunasekhar Nachimuthu Professional Officer	China	Attend and present at the 20th International Soil And Tillage Research Organisation Conference	12/09/2015	23/09/2015
Scott Hansen Director General Dept Primary Industries	China	Participate in the Australia New Zealand School of Government 2015 China Reciprocal Program	12/09/2015	26/09/2015
Wayne O'Connor Research Leader - Aquaculture Research	Vietnam	Attend scientific and industry workshops organised by the Regional Institute for Aquaculture	13/09/2015	20/09/2015
Bhupinderpal Singh Research Officer Soils	Germany	Attend and present at the high impact 2015 international scientific conference "Soil Organic Matter"	18/09/2015	27/09/2015
Matthew U'Brien Snr Mine Safety Officer	New Zealand	Participation in various national-level multi-agency mining emergency exercises	21/09/2015	30/09/2015
John Piltz Research Officer	China	Travel to meet commitments for the project on development of integrated dairy-crop enterprises in Tibet - China	26/09/2015	2/10/2015
Peter Sunol Senior Inspector Mechanical Engineering	Italy	Attendance at International Electrotechnical Commission meetings which have important outcomes for mine safety	26/09/2015	4/10/2015
Rodney Davis Technical Officer	Germany	Travel to Germany for the evaluation of a high throughput assay for Foot and Mouth Disease	28/09/2015	14/10/2015
Peter Kirkland Team Leader Virology	Germany	Travel to Germany for the evaluation of a high throughput assay for Foot and Mouth Disease	28/09/2015	14/10/2015
Malem McLeod Research Officer	Indonesia	Second scheduled visit (of 10 trips planned) to Aceh for the ACIAR project SMCN 2012/103	6/10/2015	15/10/2015
Gavin Tinning Project Officer ACIAR	Indonesia	Second scheduled visit (of 10 trips planned) to Aceh for the ACIAR project SMCN 2012/103	6/10/2015	15/10/2015
Steven Bentham Inspector Electrical Engineering	Belarus	Participate in the development of IEC standard 60069.19 Explosive Atmospheres - Equipment Repair, Overhaul & Reclamation	7/10/2015	14/10/2015
Annette Cowie Tech Special Climate Policy	Turkey, Sweden & Germany	Attend the 12th conference of the parties of the UNCCD and associated meetings of the Committee on Science and Technology	10/10/2015	2/11/2015
Gregory Vakaci Manager Compliance Investigation	New Zealand	Attend a food protection forum in New Zealand organised by New Zealand Ministry for Primary Industries	11/10/2015	13/10/2015
Peter Day Director Biosecurity & Food Safety Compliance	New Zealand	Attend a food protection forum in New Zealand organised by New Zealand Ministry for Primary Industries	11/10/2015	14/10/2015

## Appendix 10 – Overseas travel (continued)

Name and position of officer	Country visited	Purpose of visit	Date travel from	Date travel to
Charles Dowsett Exec Director Industry Investment & Export Services	China, South Korea & Japan	To promote opportunities for resource investment in NSW	13/10/2015	24/10/2015
Christopher Yeats Exec Director Geological Survey of NSW	China, South Korea & Japan	To promote opportunities for resource investment in NSW	13/10/2015	24/10/2015
Melinda Frost Technical Officer	USA	Attend the 58th American Association of Veterinary Laboratory Diagnosticians Symposium and the 119th US Animal Health Association Annual Meeting	21/10/2015	30/10/2015
Ania Deutscher Professional Officer (Plant Biosecurity)	Guatemala	Attend workshops coordinated by the International Atomic Energy Agency and the Food and Agriculture Organisation of the United Nations	22/10/2015	30/10/2015
Michael Sissons Cereal Chemist	China	Conference attendance and University visit investigating funding opportunities	3/11/2015	11/11/2015
Jamie Ayton Oils Chemist	China	Identify a laboratory which can undertake quality analysis of olive oil exported from Australia to China	8/11/2015	14/11/2015
Hongjuan Fang Technical Officer	China	Identify a laboratory which can undertake quality analysis of olive oil exported from Australia to China	8/11/2015	14/11/2015
Simon Smith Secretary	USA	Meet with representatives from the Ohio Jobs and Skills Policy Program and attend the Next Economy: What's the Future of Work Summit	9/11/2015	15/11/2015
Leonard Tesoriero Industry Leader	Vietnam	Survey crops and train ACIAR project collaborators	11/11/2015	24/11/2015
Hugh Goold Senior Processing Officer	Brazil & Chile	Bolster engagement between the Australian node of the International Synthetic Biology project and world leaders	16/11/2015	28/11/2015
Warwick Badgery Research Scientist	India	Participate in a pre-congress workshop held at the 23rd International Grassland Congress	18/11/2015	21/11/2015
Bhupinderpal Singh Research Officer Soils	India	Attend and present at the 23rd International Grassland Congress	18/11/2015	29/11/2015
Russell Harrison Director Monitoring Investigations	New Zealand	Final residential required for completion of Executive Masters in Public Administration with the Australia New Zealand School of Government	21/11/2015	25/11/2015
Mark Hickey Leader Northern Horticulture	Cambodia	Project visit to fulfil requirements of the ACIAR funded "Cambodia Mango Project"	29/11/2015	11/12/2015
William Cuddy Plant Pathologist Rust Diseases	New Zealand	Conducting pathotype analysis of New Zealand cereal rusts as a contracted output of PBCRC project	1/12/2015	4/12/2015
Michael Dove Research Scientist	Vietnam	Project visit to work with Regional Institute for Aquaculture No1 staff on project FIS/2010/100	12/12/2015	19/12/2015
Leonard Tesoriero Industry Leader	Philippines	To deliver plant disease recognition and management components in a masterclass led by NSW DPI	16/01/2016	24/01/2016
Sukhvinder Pal Singh Research Horticulturist	Philippines	To deliver plant disease recognition and management components in a masterclass led by NSW DPI	16/01/2016	24/01/2016

## Appendix 10 – Overseas travel (continued)

Name and position of officer				
Robert Hoogers Irrigation Dev. Officer Sthn Broadacre	Cambodia & Laos	Participate in the first team project meeting for the Cambodian Lao component of an ACIAR funded project	16/01/2016	31/01/2016
Gavin Hanlon Deputy Director General Water	USA	Attend and present at international workshop "Water Pricing in Australia: Unbundled Politics"	31/01/2016	6/02/2016
Jeffrey Hammond Director of Science & Research	France	Attend meeting of the Scientific Commission of the World Organisation for Animal Health	5/02/2016	15/02/2016
Sandra McDougall Leader Southern Irrigated Systems	Philippines	Project team planning meetings, pesticide use workshops & trial report writing	17/02/2016	27/02/2016
Joshua Gordon Project Officer Industry Development	South Korea	To support NSW hard wheat traders in an effort to supply NSW Hard wheat to South Korea	21/02/2016	28/02/2016
Toni Chapman Research Scientist	New Zealand	This travel is to fulfil project milestones in the Plant Biosecurity CRC funded research project PBCRC2156	21/02/2016	28/02/2016
Kevin Dodds Development Officer Temperate Fruits	New Zealand	The travel forms part of a larger overall project with the aim of developing a Hops Industry at Batlow, NSW	22/02/2016	27/02/2016
Angus Carnegie Principal Research Scientist	New Zealand	Strengthen networks with industry and forest biosecurity experts	22/02/2016	25/02/2016
Charles Dowsett Exec Director Industry Investment & Export Services	Canada	Promote opportunities for resource investment in NSW	2/03/2016	11/03/2016
Christopher Yeats Exec Director Geological Survey of NSW	Canada	Promote opportunities for resource investment in NSW	2/03/2016	11/03/2016
Brett Fifield Exec Director Comms & Stakeholder Engagement	USA & UK	Australian Centre for Corporate Public Affairs study tour	11/03/2016	26/03/2016
Steven Bentham Inspector Electrical Engineering	United Kingdom	Continuation of involvement with IEC TC31-SC31 technical meetings as technical expert for Group 1 Mining	11/03/2016	19/03/2016
Malem McLeod Research Officer	Indonesia	Third scheduled visit (of 10 trips) planned to Aceh for the ACIAR project SMCN 2012/103	14/03/2016	23/03/2016
Gavin Tinning Project Officer ACIAR	Indonesia	Third scheduled visit (of 10 trips) planned to Aceh for the ACIAR project SMCN 2012/103	14/03/2016	23/03/2016
Julie White Team Leader, E- extension & Publications	USA	Attendance at the eXtensionUS i-Three Event (conference)	19/03/2016	2/04/2016
Jeffrey Hammond Director of Science & Research	New Zealand	Collaboration with NZ Government Department of Agriculture, Fisheries & Forestry Biosecurity experts	20/03/2016	24/03/2016
Wayne O'Connor Research Leader - Aquaculture Research	Vietnam	Project visit to work with Regional Institute for Aquaculture No 1 staff on project FIS/2010/100	28/03/2016	1/04/2016
Andrew Milgate Cereal Pathologist	France	Attend and present at 9th International Symposium on Septoria Diseases of Cereals	31/03/2016	12/04/2016

## Appendix 10 – Overseas travel (continued)

Name and position of officer				
Annette Cowie Tech Special Climate Policy	USA	Attend and present at the 30th Annual Conference of the U.S. Regional Association of the International Association for Landscape Ecology	3/04/2016	17/04/2016
Matthew McLellan Hatchery Manager Fisheries Technician	China	Visit commercial and government aquaculture enterprises in China	5/04/2016	12/04/2016
Melinda Simpson Development Officer Blueberries	USA	Attend XI International Vaccinium conference in Orlando Florida	8/04/2016	17/04/2016
Phillip Wilk Development Officer Blueberries	USA	Attend XI International Vaccinium conference in Orlando Florida	8/04/2016	17/04/2016
Malik Hussain Senior Technical Officer	China	Attend Food Safety Workshops in China as an invited Speaker	9/04/2016	17/04/2016
	China	Attend the 20th International Organisation of Citrus Virologists (IOCV) Conference		
	China	Attend the 20th International Organisation of Citrus Virologists (IOCV) Conference		
	South Africa	Attend and present at the "TEAM2016" 3rd International Symposium		
	USA	Present at the XI International Blueberry Symposium & present at the International Banana Congress		
	Bhutan	This is the seventh scheduled trip to Bhutan of NSW DPI staff for ACIAR project HORT/2010/089		
	USA	Conduct independent research on wide hybridisation in developing perennial grains and related intercropping with legume experiments		
	Bhutan	This is the seventh scheduled trip to Bhutan of NSW DPI staff for ACIAR project HORT/2010/089		
	Cambodia	This project visit is a contract requirement for ACIAR Cambodia Mango Project HORT/2012/003		
	New Zealand	This travel is required to satisfy project milestones and deliver contracted outputs of PBCRC project		
	Cambodia	This project visit is a contract requirement for ACIAR Cambodia Mango Project HORT/2012/003		
Mui-Keng Tan Senior Research Scientist	Turkey	Present a research paper on "Tilletia Indica" at the XIX International Bunt and Smut Workshop 2016	29/04/2016	9/05/2016
Geoffrey Campbell Veterinary Officer Policy	Nepal	European Commission for the Control of Foot & Mouth Disease preparedness and response training	30/04/2016	9/05/2016
Jeannine Biviano Deputy Secretary FSO	USA	Course attendance "Leadership Academy Program" Harvard Kennedy Business School Executive Education	6/05/2016	15/05/2016
Carolyn Lenehan Director Industry Connect	Israel	Participate in the Australia-Israel Chamber of Commerce Women Leaders Trade mission	11/05/2016	21/05/2016

## Appendix 10 – Overseas travel (continued)

Name and position of officer				
Scott Hansen Director General Dept Primary Industries	New Zealand	Attend the 4th meeting of the Agriculture Minister's Forum and participate in the Study Tour hosted by New Zealand Minister for Primary Industries	18/05/2016	20/05/2016
Jeffrey Hammond Director of Science & Research	France	Attend General Session, World Organisation for Animal Health as Vice President of the Scientific Commission	20/05/2016	30/05/2016
Dominica Nelson Director Business Migration	China	NSW Business and Investor migration roadshow	20/05/2016	29/05/2016
Suzanne Gillham Senior Manager Migration Services	China	NSW Business and Investor migration roadshow	20/05/2016	29/05/2016
Melinda Gabor Principal Veterinary Pathologist	France	Attend the 841 General Session of the World Assembly of the World Organisation for Animal Health	21/05/2016	29/05/2016
Michael Lowry Research Leader, Fisheries Resource Asst	China	Attend and present at the International Forum on Marine Fishery resources Conservation and Artificial Reefs	21/05/2016	28/05/2016
Heath Folpp Mgr Fisheries Enhancement & Occ Diving	China	Attend and present at the International Forum on Marine Fishery resources Conservation and Artificial Reefs	21/05/2016	28/05/2016
Toni Chapman Research Scientist	USA	Attend and present at a course in Plant Biosecurity in Theory and Practice	21/05/2016	1/06/2016
Olivia Reynolds Research Scientist	China	Visit the Institute of Applied Ecology, Fujian Agriculture and Forestry University	22/05/2016	29/05/2016
Joshua Gordon Project Officer Industry Development	Iran	Attend 23rd Iran International Agricultural Trade Fair & work with Austrade MENA to ensure market access	24/05/2016	6/06/2016
Robyn Hobbs OAM NSW Small Business Commissioner	USA	Attend Harvard Business School - The Women's Leadership Forum	2/06/2016	16/06/2016
Craig Boys Research Leader, Freshwater Ecosystems	Laos	Attending Lao PDR as project leader of a ACIAR funded downstream fish passage project	6/06/2016	13/06/2016
Hanwen Wu Senior Research Scientist	Czech Republic	Keynote presentation at the 7th International Weed Science Congress (2016)	17/06/2016	27/06/2016
Nicolas Lyons Development Officer, Dairy	The Netherlands	Participate and represent NSW DPI in the first International Precision Dairy Farming Conference	19/06/2016	26/06/2016

## Appendix 11 – Requirements arising from employment arrangements

The NSW Department of Industry provided personnel services to the NSW Food Authority, New South Wales Rural Assistance Authority and Wild Dog Destruction Board in 2015-16.

Detailed information on personnel services employees, including workforce diversity, is disclosed in the annual reports of each entity.

Agency	Staff numbers (EFT) at 30 June 2016
NSW Food Authority	96.81
New South Wales Rural Assistance Authority	21.00
Wild Dog Destruction Board	11.00

## Appendix 12 – Credit card use

The department has an appropriate control framework in place to support purchase card program administration and management. This framework is underpinned by the department's purchase card policy and procedures, and is consistent with Premier's Memoranda and Treasurer's Directions.

Implementation of the framework is supported through the provision of training material and user accreditation prior to the issue of purchase cards. The department utilises a software-as-a-service expense management system to support the recording and approval of transactions.

### Credit card use certification

Credit card use in the NSW Department of Industry during the 2015-16 financial year has been in accordance with the Premier's Memoranda and Treasurer's Directions.



**Simon A Y Smith**  
**Secretary**

# Appendix 13 - Consultants

## Consultant engagements costing \$50,000 or more

Consultant	Cost (\$)	Title/nature
360 Engineering P/L	58,081	Upper Darling Salt Interception Scheme (SIS) - data telemetry works
Abalone Council of NSW Ltd	54,050	Abalone Share Management Fishery
AccessUTS Pty Ltd	200,000	TechShop Evaluation
Acil Allen Consulting P/L	144,299	Sector Strategy Development - Advanced Manufacturing
AGECONPLUS P/L	63,327	Regional Economic Growth Enablers Project
Alphabeta Advisors P/L	136,000	Review of Alignment of Industry Policy Assistance
Alphabeta Advisors P/L	269,700	Identify focus segments that Jobs for NSW should prioritise when addressing barriers and gaps to jobs growth
Angry Koala P/L	96,690	Financial modelling & Forecasting
Artas Architects	59,970	Architectural design & advice for Rozelle Public School Library & Home Bases
Australian Energy Market Commission	52,651	6 month staff secondment from AEMC to provide resources with specialist knowledge and expertise in National Electricity Law.
Australian Institute of Management Education & Training	76,344	Capability Calendar
Australian Rural Leadership Foundation Ltd	74,000	Providing senior Department of Primary Industries (DPI) executives with leadership programs
Bay Consulting Group P/L	63,257	Leadership Capability
Biosis P/L	102,930	Nimmie Caira Project
Blue Chilli Technology P/L	30,000	Strategic insights report on the Startups and Digital Innovation focus segment to guide the development of a strategy for driving job creation.
BSR Solutions	66,000	Review of DPI Research & Development (R&D) Project management system
Commonwealth Scientific and Industrial Research Organisation (CSIRO)	99,664	Grains Research Development Corporation - Strategic Tillage Project
Community and Patient Preference Research P/L	132,890	Conduct a Choice Modelling Study - Regional Tourism Projects
Cosgraves Property ADvisers	93,750	Caravan Park Valuations
Crowe Horwath (Aust) P/L	51,379	Develop an integrated Outcome Based Management framework to align Strategic, Operational and Tactical decision making and resourcing and provide a process for continuous improvement and benchmarking.
CSIRO	111,000	Hendra virus report
Danu Consulting P/L	343,980	IPART – preparation for Water Pricing Determination
Deloitte Access Economics P/L	135,335	Identifying Employment Growth Segments in the NSW Economy
Deloitte Access Economics P/L	51,191	Map the key DPI sectors of responsibility and update previous modelling of NSW agribusiness opportunities
Deloitte Touche Tohmatsu	147,231	Shared Services Delivery Model Review
Deloitte Touche Tohmatsu	158,051	Identify and Evaluate Strategies to support the NSW Gazelle Segment
Deloitte Touche Tohmatsu	457,940	Advice on the development of business case for Broken Hill Long Term Water Supply
Deloitte Touche Tohmatsu	102,505	Secretary's Leadership Framework and Forum - Organisation Review
Department of Agriculture & Water	120,216	Metropolitan Water Strategy Management
Department of Finance, Services and Innovation	73,932	State Priority Projects - Program Administration Management, External Overhead Recovery
Department of Finance, Services and Innovation	173,464	State Priority Projects - Menindee Lakes Redevelopment
Department of Finance, Services and Innovation	127,342	Project management and scoping of Broken Hill Long Term Water Supply project
Department of Finance, Services and Innovation	101,597	State Priority Projects - Program Administration Management, External Overhead Recovery
ECOPROJECTS Australia P/L	214,627	Murray Darling Basin Authority (MDBA) - Murray River Channel Management
Elton Consulting Group P/L	51,727	Communication and Engagement Strategy
Energetics P/L	101,100	Renewable energy procurement Sydney metro business case
Ernst & Young	559,310	Change Management Project
Ernst & Young	57,500	Scoping project for new computer system for Jobs for NSW
EWATER LTD	179,333	Godavari - water modelling and analysis
Galvin & Associates P/L	55,289	Safety Investigations

## Appendix 13 – Consultants (continued)

### Consultant engagements costing \$50,000 or more (continued)

GHD P/L	69,796	Crown Land Urunga Contaminated Works Containment Cell for waste
GPS and Hydrographic Services P/L	57,500	Navigational Dredging
ATF Jon Pike Family Trust		
Greythorn P/L	162,900	Resource Regulator analytical software review
Hazmat Services P/L	303,330	Crown Land Urunga Contaminated Works Containment Cell for waste
Henry Davis York	54,062	Land Access Cost cap framework
Henry Davis York	83,078	Gas Plan Project
Hiller Parry P/L	77,000	Research - Using Government Spending to Grow Jobs in NSW
Independent Pricing & Regulatory Tribunal	200,000	IPART Market Monitoring review
Independent Pricing & Regulatory Tribunal	719,000	IPART Regulated Gas Price Review
Intersect Australia LTD	56,549	NSW Drought Information System
Ironstone Capital Advisory P/L	85,000	Financial analysis and advisory services
JMW Consultants Australia P/L	260,000	Leadership development
KPMG	66,000	Financial modelling for sustainability of Public Reserve Management Fund (PRMF) - policy & levy options
KPMG	66,780	Defence Strategy
L.E.K. Consulting	720,000	Identifying Regional Economic Opportunities and Infrastructure Priorities
Launch Recruitment	196,009	Advice on Mining Systems
Marsden Jacob Associates Pty Ltd	54,400	Advice on accelerating uptake of public lighting
McKinsey Pacific Rim Inc T/A McKinsey & Company	285,000	Greater Western Sydney Economic Development Strategy
McKinsey Pacific Rim Inc T/A McKinsey & Company	425,000	Jobs for the future project. Creating a long-term roadmap for job creation through to 2036
Minerva Consulting Group	89,111	Work Place Health & Safety Audit
Murray Darling Basin Authority	114,372	Buronga Salt Interception Scheme (SIS)
Nation Partners P/L	65,289	Crown Lands - Contaminated Land Strategy
Noetic Solutions P/L	85,739	Program Performance & Measurement
Norton Rose Fulbright	95,584	Legal services and advice on a review of procurement
Nous Group P/L	127,475	Management consulting for strategy, public policy, organisational capability
Nous Group P/L	52,792	Program Performance & Measurement
Nous Group P/L	52,047	National Primary Industries Research and Innovation Committee - Future Research Models review
Oxford Economics Australia P/L	318,182	Review of Industry Development Programs
Parsons Brinckerhoff Australia P/L	106,819	Project management for Broken Hill Long Term Water Supply Project
Potency P/L	87,000	Change Management Capability
PriceWaterhouse Coopers	93,937	Enterprise Risk Management Framework review
Property Beyond P/L	74,861	Accommodation Strategy
Pulse Australia Ltd	60,000	Review of existing and development of new training materials on NSW broad leaf crop capability
RJA P/L	99,000	Specialist energy legal advice
RJA P/L	77,000	Specialist energy legal services
Rogensi P/L	149,816	Staff Induction
Salt & Shein Services P/L	57,145	Communication services
Sevaly Sen	72,879	Commercial Reform Program
Shellack P/L	76,439	Commercial Reform Program
Sinclair Knight Merz	80,247	Treasury Gateway Team reviewing "Water Monitoring Strategy for Coal Basins in NSW"
Technische Universitaet Muenchen	55,000	Commercial Reform Program
Thalassa Consulting P/L	84,512	Commercial Reform Program
The Risorsa Group P/L	56,180	Constraints Management Strategy (CMS) Business case - Yarrawonga to Wakool. Murray Darling Basin Authority increase flows - community support.
The University of Sydney	54,600	Forestry remote sensing technology
Tony Forster International Consulting	99,423	Mine Safety Project
Tox Free Australia P/L	91,108	Chemical collection and disposal

## Appendix 13 – Consultants (continued)

### Consultant engagements costing \$50,000 or more (continued)

Consultant	Cost (\$)	Title/nature
Umwelt (Australia) P/L	63,160	Analysis of current showground management arrangements and sustainable management options
University of Tasmania	75,000	Forestry remote sensing technology
UoM Commercial LTD	55,000	Management consulting for strategy, public policy, organisational capability
Urbis Pty Ltd	57,000	Sector Strategy Development - Urban Services
Vanguard Business Services P/L	76,546	Strategic Skills & Aboriginal Rural Training Program (ARTP)
Victoria University	162,273	Computable General Equilibrium (CGE) Modelling Capacities at Regional Level
Wood Mackenzie (Australia) P/L	180,000	World coal demand and NSW coal production analysis
WorleyParsons Services P/L	303,883	Design of Eden Break Water Wharf extension
<b>Total</b>	<b>12,638,475</b>	

### Consultant engagements costing less than \$50,000

Category		Number of engagements
Administration	618,880	128
Building Services Design Consultancy	122,628	12
Economics	263,956	15
Energy Geoscience	93,962	6
Engineering	356,627	36
Environmental	1,756,770	179
Finance	134,485	11
Information Technology	730,891	34
Investigative Services	169,825	18
Legal	152,830	28
Management Services	2,484,138	188
Organisational Review	501,155	31
Policy	68,000	4
Records Management	32,762	7
Recruitment	50,497	5
Safety	15,223	2
Social Media Monitoring	52,255	3
Training	962,774	35
<b>Total</b>	<b>8,567,658</b>	<b>742</b>

## Appendix 14 – Payment of accounts

In 2015-16, 91.9% of all accounts were paid on time, compared to 93.3% for 2014-15. Based on value of payments 97.6% of the amount due was paid on time in 2015-16 compared to 96.9% in 2014-15.

Strategies to promote the transfer of low value payments to purchase card have resulted in an increase in the value paid to suppliers by purchase card of 24.8% in 2015-16 compared to the previous financial year. Approximately 160,000 supplier transactions were paid by purchase card in 2015-16. While this payment method results in immediate payment to suppliers, it is not included in the analysis of payments made through our accounts payable system.

The department routinely provides advice to suppliers to promote the correct procedure to follow to ensure payments are made in a timely manner, including provision of an induction letter to each new supplier.

### Small business payment performance

Pursuant to the NSW Government policy related to the payment of small businesses, the department has a registration process to allow small businesses to be identified. If the department fails to pay a compliant small business supplier invoice within 30 days, penalty interest is automatically calculated and paid to the supplier. Payment performance for registered small businesses in

2015-16 significantly improved over the previous financial year with 98.1% of suppliers paid on time, compared to 94.4% for 2014-15. Based on value of payments, 98.6% of the amount was paid on time in 2015-16, compared with 94.2% in 2014-15.

### Penalty interest payments

There have been no interest penalty payments made during 2015-16.

Initiatives to improve payment performance include:

- Continued focus on the transfer of suitable payments to Purchase Cards for low value purchases reducing the volume of payments that need to be manually entered.
- Working with the Small Business Commissioner to modify how small businesses are identified and removing the onus on small businesses to register. The rates of registration remain very low, despite promotion to suppliers.
- Continued communication with suppliers and internal staff to ensure they are familiar with our current procedures.
- Review of accounts payable process with the aim of implementing increased automation to further reduce the volume of manual processes.

### Aged Analysis of payments made by payment quarter

Below is a schedule of the dollar amount of payments made during 2015–16 by the NSW Department of Industry. Also included is the time these documents were paid, in relation to the due date.

#### All suppliers

Quarter	Current within date (\$)	Less that 30 days overdue (\$)	Between 30 and 60 days overdue (\$)	Between 60 and 90 days overdue (\$)	Greater than 90 days overdue (\$)
September 2015	515,698,703	8,581,074	1,169,738	40,138	184,571
December 2015	691,359,750	13,911,017	4,205,075	90,046	2,064,931
March 2016	587,284,284	13,495,087	1,472,552	657,145	3,033,860
June 2016	1,164,705,037	11,301,501	9,381,448	1,085,001	766,158

## Appendix 14 – Payment of accounts (continued)

### Small Business

Quarter	Current within date (\$)	Less that 30 days overdue (\$)	Between 30 and 60 days overdue (\$)	Between 60 and 90 days overdue (\$)	Greater than 90 days overdue (\$)
September 2015	679,967	3,823	0	0	0
December 2015	530,886	35,572	0	0	0
March 2016	986,920	0	0	419	0
June 2016	725,189	2,128	0	0	0

### Accounts paid on time each quarter

Below is a schedule indicating the age of payments paid 'on time' as compared to the department's target.

#### All suppliers

Measure	September 2015	December 2015	March 2016	June 2016	Full year
Invoices due for payment (number)	20,724	17,120	14,620	19,955	72,419
Invoices paid on time (number)	20,077	15,833	13,313	17,342	66,565
Percentage paid on time (%)	96.9	92.5	91.1	86.9	91.9
Amount due for payment (\$)	525,674,225	711,630,819	605,942,929	1,187,239,145	3,030,487,117
Amount paid on time (\$)	515,698,703	691,359,750	587,284,284	1,164,705,037	2,959,047,774
Percentage paid on time (%)	98.1	97.2	96.9	98.1	97.6
Number of payments of interest on overdue accounts (number)	0	0	0	0	0
Interest paid on late accounts (\$)	0	0	0	0	0

### Small business

Measure	September 2015	December 2015	March 2016	June 2016	Full year
Invoices due for payment (number)	63	118	96	143	420
Invoices paid on time (number)	61	114	95	142	412
Percentage paid on time (%)	96.8	96.6	99	99.3	98.1
Amount due for payment (\$)	683,789	566,457	987,339	727,317	2,964,903
Amount paid on time (\$)	679,967	530,886	986,920	725,189	2,922,961
Percentage paid on time (%)	99.4	93.7	100.0	99.7	98.6
Number of payments of interest on overdue accounts (number)	0	0	0	0	0
Interest paid on late accounts (\$)	0	0	0	0	0

## Appendix 15 – Land disposal

Crown Lands sold 29 properties returning \$4.1 million in the 2015-16 financial year. Sales supported growth of residential housing supply and resolved financial and management liabilities to government. A further 59 properties were acquired from Crown Lands by other agencies for government purposes, returning \$1.3 million to NSW Treasury. These acquisitions facilitated public sector investment in transport and service infrastructure and services for the people of New South Wales. Land and Property Information sites at Queens Square and Bathurst were also vested to Property NSW.

Other NSW Department of Industry disposals include three surplus properties disposed via Property NSW to the total value \$267,000.

The Water Administration Ministerial Corporation disposed of three surplus properties valuing \$47,000.

Documents relating to land disposals can be obtained under the *Government Information Public Access) Act 2009*.

## Appendix 16 – Capital works

The following table contains details of major capital works in progress as at 30 June 2016, undertaken by NSW Department of Industry.

**Table 1. Capital works in progress (as at 30 June 2016)**

Capital Works in progress	Announced Completion Date	Announced estimate total cost (\$'000)	Expenditure in previous years (\$'000)	2015-16 expenditure (\$'000)	Total project expend to 30 June 2016 (\$'000)
Bethungra Dam Stabilisation	2017	3,935	332	1,991	2,323
Coastal Infrastructure	2019	41,400	-	11,812	11,812
Dredging of Priority Waterways on the North Coast	2018	9,973	1,500	2,396	3,896
Water Reform in the Murray Darling Basin	2019	7,330	250	843	1,093
Replacement of Fisheries Offshore Patrol Vessel	2017	2,507	-	14	14
Water Monitoring Framework	2020	22,810	-	207	207
Implementation of the Aquifer Interference Policy	2016	3,886	1,996	1,121	3,117
Construct Artificial Reefs	2017	2,800	-	894	894
Grains Research Development Corporation (GRDC) Research	2017	2,000	-	327	327
Port of Eden Breakwater Wharf Extension	2018	42,000	-	852	852
Eden Wave Attenuator Project	2017	1,788	-	478	478
Regional Office Accommodation Strategy	2018	8,369	1,732	1,702	3,434

## Appendix 17 - Disclosure of controlled entities

The department controls the following entities pursuant to the *Public Finance and Audit Act 1983* and Australian Accounting Standards Board 10 Consolidated Financial Statements:

- Water Administration Ministerial Corporation,
- Lands Administration Ministerial Corporation, and
- Fisheries Administration Ministerial Corporation.

### Water Administration Ministerial Corporation

The Water Administration Ministerial Corporation (WAMC) is constituted by the *Water Management Act 2000* as a Ministerial Corporation and has the following functions:

- to construct, maintain and the operate water management works, gauging stations and other monitoring equipment
- to conduct research, collect information and develop technology in relation to water management
- to acquire rights to water, whether within or beyond New South Wales, and
- to do anything for the purpose of enabling the objects of the *Water Management Act 2000* to be attained.

Via delegation, the Department undertakes these functions.

During the 2015-16 year, the NSW Department of Primary Industries – Water (DPI Water), undertook monopoly water management services on behalf of WAMC. The Independent Pricing and Regulatory Tribunal (IPART) reviews the prices that DPI Water can charge for the monopoly water management services it delivers

All customer transactional dealings and in-field services relating to groundwater and surface water were transferred to WaterNSW on 1 July 2016, with WAMC/DPI Water to continue responsibility for policy, water market regulation, and oversight of major water infrastructure projects.

### Lands Administration Ministerial Corporation

The Lands Administration Ministerial Corporation (LAMC) is constituted by the *Crown Lands Act 1989* and has the following functions:

- to enter into an agreement with a third party to undertake development or construction on Crown land
- to enter into an agreement with a third party to act as agent for the sale or lease of Crown land
- to enter into an agreement with a third party for the provision of services or information, and
- other functions as conferred by or under the *Crown Lands Act 1989* or any other Act.

Via delegation, the department undertakes these functions.

Under the *Crown Lands Act 1989*, LAMC can be appointed as a reserve trust manager, which enables staff from the department to undertake this role under delegation. At 30 June 2016, LAMC was the manager for Bondi Baths Trust, Yasmar Reserve Trust, Rawson Reserve Trust and Crown Lands Reserve Trust.

## Appendix 17 - Disclosure of controlled entities (continued)

### Fisheries Administration Ministerial Corporation

The Fisheries Administration Ministerial Corporation (FAMC) is constituted by the *Fisheries Management Act 1994* for the purpose of exercising the following functions:

- to acquire land for the purposes of the *Fisheries Management Act 1994*, (including an interest in land) by agreement or compulsory process in accordance with the *Land Acquisition (Just Terms Compensation) Act 1991*
- to acquire land for purposes of a future lease grant
- to carry out or assist research
- to accept gifts of Land, and
- other functions as conferred by or under the *Fisheries Management Act 1994* or any other Act.

Via delegation, the department undertakes these functions.

### Milk Marketing (NSW) Pty Ltd (deregistered 12 October 2015)

Milk Marketing (NSW) Pty Ltd was a wholly owned subsidiary of the department up to 12 October 2015. Refer to Appendix 18 for further information.

## Appendix 18 – Disclosure of subsidiaries

### Milk Marketing (NSW) Pty Limited

Milk Marketing (NSW) Pty Limited was deregistered on 12 October 2015. Milk Marketing (NSW) Pty Limited operating result for the 2015-16 financial year was nil.

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. Up to 12 October 2015, the department held 100% of the \$2 issued capital of Milk Marketing (NSW) Pty Limited.

Pursuant to Australian Accounting Standards Board 10 Consolidated Financial Statements, Milk Marketing (NSW) Pty Limited was assessed to be a subsidiary of the department.

# Appendix 19 – Implementation of price determinations

## Water

The Independent Pricing and Regulatory Tribunal of NSW (IPART) determines the maximum prices for the monopoly water management services provided by the Water Administration Ministerial Corporation (WAMC). IPART set prices from 1 July 2011 for three years (the 2011 Determination); this determination was carried forward for two years following two separate requests from the NSW Office of Water (NOW) that was then delivering monopoly water management services on WAMC's behalf.

DPI Water implemented the 2011 Determination in the 2015-16 financial year and will be submitting an Annual Information return as normal practice for 2015-16, as well as preparing an End of Determination Report.

IPART have recently made a new WAMC determination for the maximum prices over the 4-year period from 1 July 2016 to 30 June 2020 (the 2016 determination period). DPI Water and WaterNSW will jointly deliver the services on behalf of WAMC for this determination as a result of the NSW DPI Water Transformation.

## Crown lands

Section 151 of the *Crown Lands Act 1989* provides the Minister with the power to grant a rebate of the rent payable for prescribed classes of users.

In July 2013 the Independent Pricing and Regulatory Tribunal (IPART) released the final report of its *Review of rental arrangements for communication towers on Crown Land* (IPART report). The proposed approach recommended by IPART and adopted by the NSW Government is based on the principles of competitive neutrality, and the fees reflect fair, market-based commercial returns for the state.

In July 2014 the NSW Government accepted all 23 IPART recommendations on rental charges for telecommunications towers on Crown land. Rental adjustments will be phased in over five years from 1 July 2013.

The IPART report introduced one 'standard fee' for all sites based on four location categories which

resulted in increases and decreases of rent for existing licensed communication providers. The three NSW Government land management agencies responsible for management of these licences in 2015-16 are Crown Lands (within the Department of Primary Industries - DPI Lands), the NSW Office of Environment & Heritage - National Parks and Wildlife Service (NPWS), and the Forestry Corporation of NSW (Forests NSW). These three agencies have implemented the IPART recommendations under a tri-partite arrangement to develop a policy framework for the assessment of rebate applications. These arrangements apply to organisations occupying Crown land for communications purposes, administered under the *Crown Lands Act 1989* (CLA) and *Western Lands Act 1901* (WLA), managed by DPI Lands. Each agency has been responsible for the implementation of this framework.

Legal advice from the Crown Solicitors Office on the approach was obtained to ensure the implementation of the recommendations was based on the principles of competitive neutrality, and the fees reflected fair, market-based commercial returns for the state. Licences current at 1 July 2013 will have the new rents phased in over a 5 year period from 1 July 2013 to 30 June 2018. Decreases in rents have been applied from 1 July 2013.

In accordance with section 18(4) of the *Independent Pricing and Tribunal Act 1992*, it is hereby stated that NSW Department of Industry (through DPI Lands) has implemented the recommendations of the IPART *Review of rental arrangements for communication towers on Crown Land* (IPART final report). Relevant information has been made publicly available on the DPI Lands website. DPI Lands now bills all holders of telecommunication licences on the basis of the IPART fee schedule, associated rental rebate process, and DPI Lands' waivers policy. The work planned for 2015-16 has been completed as rental increases are being progressively phased in, in accordance with the IPART recommendations.

# Appendix 20 – Funds granted to non-government community organisations

## State Parks

Operations and plant/equipment grants provide funding support towards the development of State Parks as sustainable businesses that generate ongoing funding for activities that protect and enhance the social and environmental value of Crown Lands.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
NSW Crown Holiday Parks Trust	State Parks – Operations & Plant / Equipment Grants	450,000
Killalea State Park Trust	State Parks – Operations & Plant / Equipment Grants	325,000

## Financial Counselling Services

The department's funding to support financial counselling services for rural communities contributes to economic development in regional NSW.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Rural Financial Counselling Service	Education & Regional Services, AgNSW - Southern Region	127,920
Rural Financial Counselling Service	Education & Regional Services, AgNSW - Bourke Region	39,150
Rural Financial Counselling Service	Education & Regional Services, AgNSW - Northern Region	303,616
Rural Financial Counselling Service	Education & Regional Services, AgNSW - Central Region	248,994

## Animal Welfare

Animal welfare grants are provided to organisations for programs that promote the health and welfare of animals, and the prevention of cruelty to animals.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Animal Welfare League	Prevention of Cruelty to Animals - Animal Welfare Grant	75,000
Cat Protection Society	Prevention of Cruelty to Animals - Animal Welfare Grant	15,500
Domestic Animal Birth Control	Prevention of Cruelty to Animals - Animal Welfare Grant	3,000
RSPCA	Prevention of Cruelty to Animals - Animal Welfare Grant	424,000
NSW Wildlife Information Rescue and Education Service Inc	Prevention of Cruelty to Animals - Animal Welfare Grant	15,500
RSPCA	Companion Animals Breeding Practices Compliance & Education Program - Safe and ethical companion animal breeding practices	200,000
RSPCA	Prevention of Cruelty to Animals - RSPCA Education Centre	500,000

## Appendix 20 – Funds granted to non-government community organisations (continued)

### Recreational Fishing Programs

Recreational Fishing Trusts provide funding to organisations for projects to rehabilitate fish habitat in freshwater and saltwater areas of New South Wales. The Trusts also provide grants to organisations to improve local recreational fishing facilities and undertake research related to recreational fishing across New South Wales.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Barkindji Maraura Elders Environmental Team Ltd	Habitat Action Grant - Making More Fish Naturally 15-16	9,930
Barkindji Maraura Elders Environmental Team Ltd	Habitat Action Grant - Habitat Action Program 14-15	6,444
Big River Bass Fly Fishing Club Inc	Habitat Action Grant - Habitat Action Program 14-15	1,552
Boree Creek Landcare Group Inc	Habitat Action Grant - Making More Fish Naturally 14-15	2,159
Bourkes Aint Caught Nuffin Fishing Club Inc	Habitat Action Grant - Making More Fish Naturally 15-16	6,678
Capital Region Fishing Alliance	Habitat Action Grant - Habitat Action Program 11-12	3,325
Conservation Volunteers Australia	Habitat Action Grant - Habitat Action Program 15-16	22,360
Evans Head Fishing Classic Committee Inc	Habitat Action Grant - Habitat Action Program 14-15	1,130
Friends of Lane Cove National Park	Habitat Action Grant - Habitat Action Program 14-15	16,800
Friends of Lane Cove National Park	Habitat Action Grant - Habitat Action Program 15-16	5,000
Greening Australia Capital Region	Habitat Action Grant - Making More Fish Naturally 15-16	30,470
Gunnedah Urban Landcare Group	Habitat Action Grant - Making More Fish Naturally 11-12	4,080
Jiggi Catchment Landcare Group Inc	Habitat Action Grant - Habitat Action Program 14-15	2,688
Macleay Landcare Network Inc	Habitat Action Grant - Habitat Action Program 14-15	15,184
Macleay Landcare Network Inc	Habitat Action Grant - Habitat Action Program 15-16	50,338
Manning Entrance State Park Trust	Habitat Action Grant - Habitat Action Program 12-13	14,250
Manning Landcare Inc	Habitat Action Grant - Habitat Action Program 13-14	551
Manning River Oyster Farmer Association Inc	Habitat Action Grant - Habitat Action Program 13-14	28,000
Nambucca Valley Landcare Inc	Habitat Action Grant - Habitat Action Program 15-16	32,472
Robert Hunter Bellevue Park	Habitat Action Grant - Habitat Action Program 14-15	9,054
Robert Hunter Bellevue Park	Habitat Action Grant - Habitat Action Program 15-16	800
Roots Down Conservation	Habitat Action Grant - Habitat Action Program 15-16	1,464
Rylstone District Environment Society Inc	Habitat Action Grant - Making More Fish Naturally 14-15	2,391
Shoalhaven Riverwatch Inc	Habitat Action Grant - Habitat Action Program 15-16	5,553
Sydney Institute of Marine Science	Habitat Action Grant - Habitat Action Program 15-16	19,843
Underwater Research Group of NSW	Habitat Action Grant - Habitat Action Program 14-15	768

## Appendix 20 – Funds granted to non-government community organisations (continued)

### Recreational Fishing Programs (continued)

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Wetland Care Australia Pty Ltd	Habitat Action Grant - Habitat Action Program 14-15	3,829
Wilsons River Landcare Group Inc	Habitat Action Grant - Habitat Action Program 14-15	2,664
Bellinger Heads State Park Trust	Recreational Fishing Small Grants Program	2,840
Burringbar District Fishing Club	Recreational Fishing Small Grants Program	980
Capital Region Fishing Alliance	Recreational Fishing Small Grants Program	7,382
Hat Head Bowling & Recreation Club Ltd	Recreational Fishing Small Grants Program	2,000
Narooma Sport & Gamefishing Club Inc	Recreational Fishing Small Grants Program	4,500
Port Hacking Game Fishing Club Inc	Recreational Fishing Small Grants Program	1,000
Southern Cross University	Recreational Fishing Small Grants Program	3,875
Southern Cross University	Recreational Fishing Small Grants Program	3,875
Warrawong High School	Recreational Fishing Small Grants Program	4,300
Warrawong Intensive English Centre	Recreational Fishing Small Grants Program	3,200
Australian Fishing Trade Association Inc	Recreational Fishing General Grant Program - Large External Projects	90,000
Australian National Sportfishing Association NSW branch	Recreational Fishing General Grant Program - Large External Projects	37,800
Charles Sturt University	Australian Centre for International Agricultural Research: Flood Plain Fish Passage	46,255
Charles Sturt University	Environment Outcomes 16-20	28,806
Commonwealth Scientific and Industrial Research Organisation	Habitat Mapping & Statewide Priorities	24,000
Fish Habitat Partnership	Aquaculture & Aquatic Environment Director	12,240
Fish Habitat Partnership	Support NSW Fish Habitat Partnership	5,000
Fisheries Research & Development Corporation	Fisheries Research & Development Corporation Collaborative Support	122,500
Fisheries Research & Development Corporation	Collection of research data on the impact of charter boats on fish stock	127,800
Harris Research	Recreational Fishing General Grant Program - Large External Projects	9,637
National Agriculture and Forestry Research Institute	Fish-friendly designs MD/Mekong	19,546
National University of Laos	Fish-friendly designs MD/Mekong	44,714
National University of Laos	Fish-friendly designs MD/Mekong	54,714
Research Institute for Aquaculture no 1	Bivalve Production Vietnam & Aust.	231,900

## Appendix 20 – Funds granted to non-government community organisations (continued)

### Recreational Fishing Programs (continued)

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Solitary Islands Underwater Research Group Inc	Recreational Fishing General Grant Program - Large External Projects	22,970
Southern Cross University	Developing Mangrove Jack	5,483
Southern Cross University	Enhancement of Marine Stocking	20,000
Sydney Institute of Marine Science	Fisheries Research	5,000
Sydney Institute of Marine Science	Habitat Mapping & Statewide Priorities	29,000
Underwater Skindivers & Fisherman's Association	Distribution NSW Spear Fish Safety DVD	4,500
University of New South Wales	Tailor Fishery Assessment NSW	24,064
University of New South Wales	Estuarine Biodiversity & Habitat	5,000
University of New South Wales UNSW Business School	Fisheries Research	10,000
University of New South Wales UNSW Business School	Stock & resource assessment of Eastern Rock Lobster	20,000
University of Newcastle	Camden Haven School Prawn Project	21,136
University of Queensland	Habitat Mapping & Statewide Priorities	14,000
University of Queensland	Shark Futures NSW	15,000
University of Tasmania	Habitat Mapping & Statewide Priorities	20,000
University of Technology Sydney	Monitoring cold water pollution projects	13,636
University of Wollongong	Fisheries Scientific Committee	3,000
University of Wollongong	Understanding Recreational Fisheries NSW	80,000

Note: Amounts in the above table are unaudited results. Whilst the operations of the Recreational Fishing Trusts are undertaken by the Department, the Trusts are not controlled by the Department, and are reported and audited separately from the Department.

## Appendix 20 – Funds granted to non-government community organisations (continued)

### Bather Protection Program

The department provides grants through the Bather Protection Program for equipment and infrastructure to improve bather protection, for example, new observation towers and equipment for more effective shark spotting.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Ballina Lighthouse & Lismore Surf Lifesaving Club Inc	Bather Protection Program - Shark Meshing	3,736
Surf Life Saving NSW	Bather Protection Program - Shark Meshing	12,987
Surf Life Saving NSW	Bather Protection Program - Observation towers for shark management strategy	20,000
Volunteer Marine Rescue NSW t/a Marine Rescue NSW	Bather Protection Program - Shark Meshing	3,000

### Consumer Advocacy and Assistance

Through the Energy & Water Consumer Advocacy Program, the department provides funding to support advocacy services for consumers in their dealings with energy and water providers.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Public Interest Advocacy Centre	Energy & Water Consumer Advocacy Program	641,810

### Sydney School of Entrepreneurship

The department provided funding to establish the Sydney School of Entrepreneurship; a collaboration between universities and TAFE.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Uniprojects Pty Ltd	Sydney School of entrepreneurship	25,000,000

## Appendix 20 – Funds granted to non-government community organisations (continued)

### Office of the Chief Scientist & Engineer

The department provides grants to support science and engineering research programs in New South Wales.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Australian Nuclear Science and Technology Organisation	Research Attraction and Acceleration Program	313,636
Australasian Grain Science Association	Research Attraction and Acceleration Program	4,545
Australian Academy of Technological Sciences & Engineering	Research Attraction and Acceleration Program	20,486
Australian Science Media Centre	Research Attraction and Acceleration Program	34,336
Catalysis Society of Australia	Research Attraction and Acceleration Program	4,545
Commonwealth Scientific and Industrial Research Organisation	Research Attraction and Acceleration Program	12,150
Engineers Australia	Research Attraction and Acceleration Program	35,000
Fresh Produce Safety Centre Ltd	Research Attraction and Acceleration Program	4,545
Garvan Institute of Medical Research	Research Attraction and Acceleration Program	1,040,000
Intersect Australia Ltd	Research Attraction and Acceleration Program	500,000
Macquarie University	Research Attraction and Acceleration Program	15,000
Macquarie University	Research Attraction and Acceleration Program	1,758,041
National Measurement Institute	Research Attraction and Acceleration Program	18,600
National Youth Science Forum	Research Attraction and Acceleration Program	16,500
NSW EMCR Network Inc	Research Attraction and Acceleration Program	4,545
Regional Development Australia Hunter NSW	Research Attraction and Acceleration Program	7,273
Southern Cross University	Research Attraction and Acceleration Program	13,675
Southern Highlands Conference on Heterocyclic Chemistry	Research Attraction and Acceleration Program	1,819
Sydney Institute of Marine Science	Research Attraction and Acceleration Program	820,000
The Australasian Society for the Study of Animal Behaviour	Research Attraction and Acceleration Program	1,818
University of New England	Research Attraction and Acceleration Program	17,553
University of New South Wales	Research Attraction and Acceleration Program	41,000
University of New South Wales Business School	Research Attraction and Acceleration Program	1,791,909
University of Newcastle	Research Attraction and Acceleration Program	69,818
University of Sydney	Research Attraction and Acceleration Program	2,892,540

## Appendix 20 – Funds granted to non-government community organisations (continued)

### Office of the Chief Scientist & Engineer (continued)

University of Sydney	Research Attraction and Acceleration Program	42,050
University of Technology Sydney	Research Attraction and Acceleration Program	30,000
University of Wollongong	Research Attraction and Acceleration Program	637,761
Western Sydney University	Research Attraction and Acceleration Program	29,000

### Boosting Business Innovation

The Boosting Business Innovation Program aims to accelerate innovation in New South Wales by supporting greater collaboration between NSW research organisations and their business communities.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Commonwealth Scientific and Industrial Research Organisation	Boosting Business Innovation	1,000,000
Macquarie University	Boosting Business Innovation	1,000,000
University of NSW UNSW Business School	Boosting Business Innovation	1,000,000
Southern Cross University	Boosting Business Innovation	1,000,000
University of Technology Sydney	Boosting Business Innovation	1,000,000
University of Western Sydney	Boosting Business Innovation	1,000,000
Charles Sturt University	Boosting Business Innovation	1,000,000
Murwillumbah Adult Education Centre Inc	Boosting Business Innovation	1,000,000
Tomaree Community College Inc	Boosting Business Innovation	1,000,000
City East Community College Inc	Boosting Business Innovation	1,000,000
University of New England	Boosting Business Innovation	1,000,000
Australian Catholic University	Boosting Business Innovation	1,000,000

## Appendix 20 – Funds granted to non-government community organisations (continued)

### Murray Darling Basin Diversification Program

Funding to assist economic development projects that support the economic base of New South Wales regional communities that are most likely to be affected by the implementation of the Murray Darling Basin Plan.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Broken Hill Chamber of Commerce	Murray Darling Basin - Diversification Program	11,100
Broken Hill Art Exchange Inc	Murray Darling Basin - Diversification Program	12,288
Business Enterprise Centre Cabonne Orange Blayney Inc	Murray Darling Basin - Diversification Program	11,600
Deniliquin Business Chamber	Murray Darling Basin - Diversification Program	5,250
Foundation Broken Hill Ltd	Murray Darling Basin - Diversification Program	20,000
Murray Hume Business Enterprise Centre	Murray Darling Basin - Diversification Program	33,000
Native Freshwater Fish Association	Murray Darling Basin - Diversification Program	8,025
Regional Development Australia Central West	Murray Darling Basin - Diversification Program	12,450
Regional Development Australia Far West NSW Inc	Murray Darling Basin - Diversification Program	12,500
Regional Development Australia Northern Inland Inc	Murray Darling Basin - Diversification Program	12,500
Regional Development Australia Riverina NSW	Murray Darling Basin - Diversification Program	12,500
Riversmart Australia LTD	Murray Darling Basin - Diversification Program	12,500
Uralla Neighbourhood Day Care Centre 1	Murray Darling Basin - Diversification Program	10,500
Wagga Wagga Business Enterprise Centre	Murray Darling Basin - Diversification Program	22,000

## Appendix 20 – Funds granted to non-government community organisations (continued)

### Adult and Community Education

Adult and Community Education (ACE) is supported by the NSW Department of Industry through grants to ACE Providers across NSW.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Access Community Group Ltd	Adult Community Education - providing flexible and efficient training services	10,880
Ace Community Colleges Ltd	Adult Community Education - providing flexible and efficient training services	1,101,634
Albury Wodonga Community College Ltd	Adult Community Education - providing flexible and efficient training services	288,772
Ballina Region Community College	Adult Community Education - providing flexible and efficient training services	514,638
Byron Region Community College Inc	Adult Community Education - providing flexible and efficient training services	634,038
Camden Haven Community College Inc	Adult Community Education - providing flexible and efficient training services	642,726
Central Coast Community College	Adult Community Education - providing flexible and efficient training services	1,004,238
City East Community College Inc	Adult Community Education - providing flexible and efficient training services	339,822
Coffs Coast Community College	Adult Community Education - providing flexible and efficient training services	503,026
Community College - Northern Inland Inc	Adult Community Education - providing flexible and efficient training services	949,886
Cooperative Learning Ltd	Adult Community Education - providing flexible and efficient training services	94,800
Guyra Adult Learning Association Inc	Adult Community Education - providing flexible and efficient training services	180,494
Hornsby Ku-Ring-Gai Community College Inc	Adult Community Education - providing flexible and efficient training services	241,486
Kiama Community College Inc	Adult Community Education - providing flexible and efficient training services	694,770
Macarthur Community College Inc	Adult Community Education - providing flexible and efficient training services	434,254
Macquarie Community College	Adult Community Education - providing flexible and efficient training services	838,566
Murwillumbah Adult Education Centre Inc	Adult Community Education - providing flexible and efficient training services	324,174
Nepean Community College Inc	Adult Community Education - providing flexible and efficient training services	789,422
Northern Beaches Community College Inc	Adult Community Education - providing flexible and efficient training services	361,294

## Appendix 20 – Funds granted to non-government community organisations (continued)

### Adult and Community Education (continued)

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Penrith Skills For Jobs Ltd	Adult Community Education - providing flexible and efficient training services	117,838
Port Macquarie Community College Inc	Adult Community Education - providing flexible and efficient training services	532,187
Riverina Community College Ltd	Adult Community Education - providing flexible and efficient training services	965,990
Robinson Education Centre Inc	Adult Community Education - providing flexible and efficient training services	270,838
Singleton Community College Inc	Adult Community Education - providing flexible and efficient training services	36,954
St George and Sutherland Community College	Adult Community Education - providing flexible and efficient training services	448,426
Sydney Community College Ltd	Adult Community Education - providing flexible and efficient training services	354,358
Tamworth Community College Inc	Adult Community Education - providing flexible and efficient training services	690,640
The Deaf Society of NSW	Adult Community Education - providing flexible and efficient training services	374,398
The Eurobodalla Adult Education Centre Inc	Adult Community Education - providing flexible and efficient training services	578,246
The Parramatta College Inc	Adult Community Education - providing flexible and efficient training services	524,366
Tomaree Community College Inc	Adult Community Education - providing flexible and efficient training services	312,782
Tuggerah Lakes Community College Inc	Adult Community Education - providing flexible and efficient training services	560,032
Verto Ltd	Adult Community Education - providing flexible and efficient training services	895,558
Western College Inc	Adult Community Education - providing flexible and efficient training services	588,936
Western Riverina Community College	Adult Community Education - providing flexible and efficient training services	354,638
Workers Educational Association - Hunter	Adult Community Education - providing flexible and efficient training services	1,276,711
Workers Educational Association - Illawarra	Adult Community Education - providing flexible and efficient training services	482,307

## Appendix 20 – Funds granted to non-government community organisations (continued)

### Elsa Dixon Aboriginal Employment Program

The Elsa Dixon Aboriginal Employment Program supports Aboriginal people in the provision and development of employment opportunities.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Armidale & District Business Enterprise Centre Ltd t/a New England North West Business Enterprise Centre	Elsa Dixon - providing flexible and efficient training services	46,000
Booroongen Djugun Ltd	Elsa Dixon - providing flexible and efficient training services	45,541
Campbell Page Ltd t/a Campbell Page	Elsa Dixon - providing flexible and efficient training services	46,000
Illawarra Aboriginal Corporation - Warrigal Employment	Elsa Dixon - providing flexible and efficient training services	101,818
Jobs Australia Enterprises Ltd	Elsa Dixon - providing flexible and efficient training services	45,885
Moruya High School	Elsa Dixon - providing flexible and efficient training services	162,723
Murdi Paaki Regional Enterprise Corp Ltd	Elsa Dixon - providing flexible and efficient training services	128,200
NSW Rural Fire Service	Elsa Dixon - providing flexible and efficient training services	6,593
Orange High School	Elsa Dixon - providing flexible and efficient training services	115,614
Shoalhaven Community Development Ltd	Elsa Dixon - providing flexible and efficient training services	115,000
Souths Cares PBI Ltd	Elsa Dixon - providing flexible and efficient training services	84,739
The Illawarra ITEC Ltd	Elsa Dixon - providing flexible and efficient training services	45,994
Ungooroo Aboriginal Corporation	Elsa Dixon - providing flexible and efficient training services	91,760
Yenda Public School	Elsa Dixon - providing flexible and efficient training services	101,088

## Appendix 20 – Funds granted to non-government community organisations (continued)

### Group Training Organisations (GTOs)

The department provides funding to assist GTOs and support apprenticeships and traineeships in line with nationally agreed priority areas.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
The Group Training Association of NSW and ACT	GTO funding to manage and regulate the vocational education and training market	54,545
Apprentices Trainees Employment Ltd	Pre Apprenticeship GTO funding	220,950
Australian Industry Standards Ltd	Pre Apprenticeship GTO funding	86,906
Bendigo Kangan Institute t/a Kangan Institute	Pre Apprenticeship GTO funding	49,099
Buyinbin Aboriginal Corporation	Pre Apprenticeship GTO funding	65,630
Cerebral Palsy Alliance	Pre Apprenticeship GTO funding	8,764
Co-operative for Aborigines Ltd	Pre Apprenticeship GTO funding	164,753
ECA Training Pty Ltd	Pre Apprenticeship GTO funding	184,126
essential personnel association Inc	Pre Apprenticeship GTO funding	80,296
HGT Australia Ltd t/a Novaskill	Pre Apprenticeship GTO funding	81,624
Hospitality Training Network Ltd t/as HTN	Pre Apprenticeship GTO funding	91,260
Housing Industry Association Ltd	Pre Apprenticeship GTO funding	47,891
Hume Employment Service Ltd t/as Kestrel Apprentice Solution	Pre Apprenticeship GTO funding	80,412
Hunter Valley Training Company Pty Ltd	Pre Apprenticeship GTO funding	86,005
Indigenous Training Solutions	Pre Apprenticeship GTO funding	120,693
Joblink Plus Ltd	Pre Apprenticeship GTO funding	8,763
Macarthur Group Training Ltd t/a MG My Gateway	Pre Apprenticeship GTO funding	41,618
Macquarie Employment Training Service Inc t/a Mets Training	Pre Apprenticeship GTO funding	10,570
Mamre Plains Ltd	Pre Apprenticeship GTO funding	21,828
NAISDA Ltd	Pre Apprenticeship GTO funding	84,525
Riverina Group Training & Employment Ltd t/as GTES	Pre Apprenticeship GTO funding	49,859
Tabma Workforce and Career Development Pty Ltd	Pre Apprenticeship GTO funding	150,480
WPCGroup Ltd	Pre Apprenticeship GTO funding	87,396
Enterprise & Training Company Ltd	Pre Apprenticeship GTO funding	158,674

## Appendix 20 – Funds granted to non-government community organisations (continued)

### Other Vocational Education and Training Programs

Funding provided to manage and regulate the vocational education and training market.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Illawarra TAFE Student Association Inc	VET funding – Disability Program	33,164
MEGT Australia Ltd	VET funding – Pre Apprenticeship Program	10,182

### Industry Training Advisory Boards (ITABs)

ITABs provide the department with independent advice on the skill and training needs of industry to enable a skilled workforce that can support future economic growth and development, including in regional NSW.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Agrifood Skills Australia	Industry Training Advisory Board funding	86,906
Arts, Communication, Finance Industries and Property Services Ltd	Industry Training Advisory Board funding	146,775
Community Colleges Australia Ltd	Industry Training Advisory Board funding	50,000
Forestworks Ltd	Industry Training Advisory Board funding	66,049
Manufacturing Industry Skills Council	Industry Training Advisory Board funding	107,764
NSW Community Services & Health Industry Training Advisory Body	Industry Training Advisory Board funding	48,925
NSW Public Sector Industry Training Advisory Body	Industry Training Advisory Board funding	29,355
NSW Utilities and Electrotechnology Industry Training Advisory Body	Industry Training Advisory Board funding	48,925
Resources & Infrastructure NSW Industry Training Advisory Body Ltd	Industry Training Advisory Board funding	46,479
Service Industries Skills Council Ltd t/a Service Skills Australia	Industry Training Advisory Board funding	30,000
Skillset Ltd	Industry Training Advisory Board funding	71,955
SkillsIQ Ltd	Industry Training Advisory Board funding	76,544
The Electrotechnology Industry Group Training Company	Industry Training Advisory Board funding	72,375

## Appendix 20 – Funds granted to non-government community organisations (continued)

### Youth Attainment and Transitions Pre-Apprenticeship Training Program

Funding provided to place young people into pre-apprenticeships as an initial step to getting into full apprenticeship programs.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Aboriginal Employment Strategy Ltd	Youth Attainment and Transition funding	355,000
Capital Country Industry Education Partnership Inc	Youth Attainment and Transition funding	64,545
Careers Network Inc	Youth Attainment and Transition funding	88,727
Catholic Education Commission NSW	Youth Attainment and Transition funding	1,741,930
Connect Northern Rivers Inc	Youth Attainment and Transition funding	86,000
Mid Coast Connect Inc	Youth Attainment and Transition funding	116,548
The Association of Independent Schools of New South Wales	Youth Attainment and Transition funding	1,135,424
Tamworth Local Aboriginal Land Council	Youth Attainment and Transition funding	380,000

### Smart and Skilled Cross Border Apprenticeships

Funding is provided to approved interstate registered training organisations to deliver training to NSW registered apprentices where interstate training is the only practical option available.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
Goulburn Ovens Institute of TAFE	Smart and Skilled Cross Border Apprenticeship funding	25,704
Sunraysia Institute of TAFE	Smart and Skilled Cross Border Apprenticeship funding	54,526
William Angliss Institute of TAFE Angliss Industry Training	Smart and Skilled Cross Border Apprenticeship funding	19,613
Wodonga Institute of TAFE	Smart and Skilled Cross Border Apprenticeship funding	133,889

### Vocational Education and Training (VET) Promotional Committees

The main function of the VET promotional committees is to raise the awareness of vocational education and training.

Recipient Organisation	Program / Program Area	Amount 2015/16 (\$)
NSW Business Chamber Ltd t/as Extrastaff Apprenticeships	VET Promotion funding	68,101

# Appendix 21 – Fisheries trust fund reports

## 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 research and development 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 the relevant management advisory committees.

In 2015-16 the Commercial Fishing Trust Fund contributed \$4.098 million to the department's Commercial Fishery related programs.

## 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 research and development support from other sources, e.g. Fisheries Research & Development Corporation, Seafood CRC.

In 2015-16 the Aquaculture Fishing Trust Fund contributed \$686,000 to the department's aquaculture related programs

## Fish Conservation Trust Fund

In 2015-16 the Fish Conservation Trust contributed \$227,000 toward fisheries conservation projects within the department.

## Recreational and Charter Fishing Trust Funds

Grants were received by NSW Department of Industry from the Recreational and Charter Fishing Trust Funds to undertake various programs during the year as follows:

Fish Trust Fund	Grant received by NSW Department of Industry 2015-16 (\$'000)
Charter Fishing Trust Fund	482
Recreational Fishing (Freshwater) Trust Fund	4,225
Recreational Fishing (Saltwater) Trust Fund	8,806

In 2015-16 funds from the Charter Fishing Trust Fund were used for the following programs:

Program	Total available 2015-16* (\$'000)	Actual expenses 2015-16 (\$'000)	Carry forward (\$'000)
Charter fishing monitoring	234	35	199
Charter fishing consultation	410	132	278
<b>Total</b>	<b>644</b>	<b>167</b>	<b>477</b>

\* The total available 2015-16 consists of grants from the trust fund in 2015-16 and amounts carried forward from grants in 2014-15.

## Appendix 21 – Fisheries trust fund reports (continued)

In 2015-16 funds from the Recreational Fishing (Freshwater) Trust Fund were used for the following programs:

Program	Total available 2015-16* (\$'000)	Actual expenses 2015-16 (\$'000)	Carry forward (\$'000)
Basscatch tournament monitoring	60	20	40
Dollar-for-dollar native fish stocking program	210	194	16
Enhanced fish production at hatcheries for stocking in inland waters (Port Stephens Narrandera and Dutton)	406	356	50
Expenditure committee meeting expenses	25	22	3
Fishcare volunteer program	170	159	11
Fishing Platform Quipolly Dam Quirindi	10	10	0
Fisheries officers (inland)	776	745	31
Freshwater recreational management program	174	173	1
Gaden trout hatchery	560	640	-80
Gaden trout hatchery tour guide	74	70	4
Inland fish habitat restoration grants program 2015-16	210	163	47
Inland stocking management	40	31	9
Murray cod research	105	101	4
Murray crayfish recovery	45	23	22
Recreational Fishing Assessments inland NSW	240	241	-1
Recreational fishing access (inland)	230	259	-29
Regional inland fish habitat management	188	192	-4
Small grants program	12	24	-12
Supporting Fish Hatchery Trainees	5	5	0
Wee Jasper fishing access improvements	12	12	0
<b>Total</b>	<b>3,552</b>	<b>3,440</b>	<b>112</b>

\* The total available 2015-16 consists of grants from the trust fund in 2015-16 and amounts carried forward from grants in 2014-15.

## Appendix 21 – Fisheries trust fund reports (continued)

In 2015-16 funds from the Recreational Fishing (Saltwater) Trust Fund were used for the following programs:

Advisory Council meeting expenses	20	20	0
Angel rings (life buoys) installation for rock fishers	42	38	4
Building Shoalhaven offshore artificial reef	6	7	-1
Building Port Macquarie offshore artificial reef	925	925	0
Coastal fish habitat protection and management	173	153	20
Coastal fish habitat restoration grants program 2015/16	525	447	78
Expenditure committee meeting expenses	18	16	2
Developing environmentally friendly recreational fishing gears and practices	116	66	50
Enhancing estuary perch spawning habitat in the Clyde River trial	38	8	30
Fish aggregation devices (FADs)	244	264	-20
Fishcare volunteer program	545	514	31
Fish cleaning tables – Bega Valley Shire	7	0	7
Fish cleaning tables and shelters– Port Stephens Shire	13	10	3
Fish cleaning shelter – Coffs Harbour Jetty boat ramp	20	20	0
Fish cleaning table – Windsor	15	10	5
Fisheries officers (9 coastal officers)	1106	1021	85
Fisheries officers (mobile squads)	495	493	2
Fishing platform - Camden Haven	20	15	5
Fishing platform – Lake Cathie	140	100	40
Gamefish tagging program	145	140	5
Gamefish tournament monitoring and study of landed fish	102	70	32
Improving assessment of the recreational tailor fishery	24	24	0
Let's Go Fishing - high school students sustainable recreational fishing	110	90	20
Marine stocking of important recreational fish species in coastal waters	280	256	24
Monitoring of marine stocking and artificial reefs	422	418	4
One Tree Reach weir management to improve water quality and fish habitat	35	20	15
Pipi research	19	4	15
Promoting responsible fishing at Port Macquarie Marine Discovery centre	8	0	8
Recreational fish biodiversity assessments in northern NSW	43	23	20
Recreational fishing access (coastal)	130	121	9
Recreational Fisheries Enhancement (Artificial reefs, FADs and marine stocking coordination)	193	184	9
Recreational fishing trust executive officer	172	168	4
Recreational fishing publications program	143	151	-8
Relocation of large fish from Eraring Power Station canal system	53	8	45
Research angler program	168	185	-17
Research on biological assessment of offshore artificial reefs	125	125	0
Research on sustainable and productive invertebrate bait resources	112	50	62
Research on blood worms	6	6	0
Research on recreational fishing and ciguatera poisoning	15	0	15
Small grants program	71	73	-2
Spearfishing safety DVD	4	4	0
Statewide survey of recreational fishing in NSW	77	77	0
Trust grants governance enhancement project	123	146	-23
<b>Total</b>	<b>7,048</b>	<b>6,470</b>	<b>578</b>

\* The total available 2015-16 consists of grants from the trust fund in 2015-16 and amounts carried forward from grants in 2014-15.

## Appendix 21 – Fisheries trust fund reports (continued)

In 2015-16 funds from the Recreational Fishing (Freshwater and Saltwater) Trust Funds were used for the following programs:

Stocking of Mangrove Jack	24	9	15
Developing recreational angler data collection and survey methods using smartphone technology	49	7	42
Fishing guides for recreational fishers	95	98	-3
Fishing promotion	50	47	3
Fishing workshops for children	56	45	11
'Get hooked....it's fun to fish' school education program	396	374	22
Go Fishing NSW Day 2015	125	129	-4
NSW fish habitat partnership	25	5	20
Pump Fishway pilot project	39	10	29
Recreational fishing fee administration	2,249	2,112	137
Recreational fishing fee research database	40	34	6
Recreational Fishing Infrastructure Manager	150	144	6
Tournament management and promotion	127	121	6
Understanding motivation and attitudes of recreational fishers	75	49	26
<b>Total</b>	<b>3,500</b>	<b>3,184</b>	<b>316</b>

\* The total available 2015-16 consists of grants from the trust fund in 2015-16 and amounts carried forward from grants in 2014-15.

## Appendix 22 – Mineral resources fund reports

### Minerals and Petroleum Administrative Fund

The department incurred expenditure of \$20.841 million in the 2015-16 financial year, which was funded from the Minerals and Petroleum Administrative Fund. The break-up of the expenditure is as follows:

Activity	Expenditure (\$000)
Rehabilitation of Derelict Mines	4,314
Environmental regulation of minerals, petroleum and mining activities	5,782
Compliance and enforcement of obligations created by the grant of a right to explore, extract or produce petroleum or minerals	3,539
Enhanced communication and community liaison functions	1,973
Construction of the Londonderry Core Library	1,569
Development and implementation of the Common Ground application	164
Other regulatory and administrative activities including titles, geoscience land use and overheads in relation to the minerals and petroleum industries	3,500
<b>Total</b>	<b>20,841</b>

### Minerals and Petroleum Investment Fund

The department incurred expenditure of \$6.482 million, which was funded from the Minerals and Petroleum Investment Fund. The break-up of the expenditure is as follows:

Activity	Expenditure (\$000)
Explore NSW	157
Cooperative Drilling	480
Regional Mapping & Exploration Geoscience	2,907
Mineral Systems	917
Geoscience Information	1,315
Basins Geoscience	706
<b>Total</b>	<b>6,482</b>

### Small-Scale Titles Levy Fund

There were no significant payments from the Small-Scale Titles Levy Fund in the 2015-16 financial year. Relevant work had continued to be undertaken in the 2015-16 financial year, but payment will only be made in 2016-17 financial year, pending a revision of procurement policy and procedures.

The money in this fund is collected via industry levies for rehabilitation works, roadworks and mullock dump works.

## Appendix 23 – Annual Report production costs

The NSW Department of Industry 2015-16 Annual Report was produced at zero external cost. The annual report is available on the NSW Government's [OpenGov NSW website](http://www.opengov.nsw.gov.au)<sup>6</sup>, and from the [department's website](http://www.industry.nsw.gov.au/about/our-business/publications)<sup>7</sup>.

<sup>6</sup> [www.opengov.nsw.gov.au](http://www.opengov.nsw.gov.au)

<sup>7</sup> <http://www.industry.nsw.gov.au/about/our-business/publications>

# Appendix 24 – Research and development

## NSW Department of Primary Industries

The NSW Department of Primary Industries (NSW DPI) manages a significant research portfolio with a total expenditure of more than \$100 million per year. About half of the investment comes from partnerships, alliances and collaborations. These arrangements make NSW DPI one of the largest primary industries research organisations in Australia with 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.

Our research programs are focused on projects that will enhance the productivity and profitability of plants and livestock industries. This includes projects targeting animal and plant genetics; farm and non-farm productions systems; precision agriculture and processing innovations; and biosecurity protection and monitoring.

We also undertake projects to support natural resource productivity and sustainability. Seasonal conditions, cross sectoral and supply chain research is also undertaken to inform producer decisions to manage risk and build resilience. NSW DPI is involved with various Cooperative Research Centres (Table 1), which along with over 100 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 Cooperative Research Centres (CRCs)**

CRC Name (2015-16)
Invasive Animals CRC
Plant Biosecurity CRC
Sheep CRC
Pork CRC
CRC for Spatial Information
CRC for Polymers

## Appendix 24 – Research and development (continued)

**Table 2. Co-investors (greater than \$50,000)**

Grains Research & Development Corporation	NSW Roads & Traffic Authority
Saltwater Trust	Fish Conservation Trust
Cotton Research & Development Corporation	Queensland Alliance for Agriculture and Food Innovation, (QAAFI) (University of Qld)
Freshwater Trust	Australian Meat Processor Corporation
Rural Industries Research & Development Corporation	University of Tasmania
Horticulture Innovation Australia	Australian Cane Farmers
Invasive Animals CRC	Australian Melon Association Inc
Australian Centre for International Agricultural Research	Australian Wool Innovations
Fisheries Research & Development Corporation	Environmental Research Trust / Environment Australia
Department of Economic Development, Jobs, Transport and Resources (Vic)	Local Land Services Northern Tablelands
CSIRO	Novartis Animal Health
Meat & Livestock Australia	Queensland University of Technology
Aquaculture Trust	EH Graham Centre (Charles Sturt University)
University of Adelaide	Office of Water
Department of Agriculture and Food WA	Plant Health Australia
Department of Agriculture and Water Resources (Cwth)	Northern Rivers Catchment Management
University of Queensland	Sydney Metropolitan Catchment Management Authority
Department of the Environment and Energy (Cwth)	Irrigated Cropping Forum Incorporated
Plant Biosecurity CRC	Local Land Services Western
Sheep CRC	University of Newcastle
University of New England	University of Canberra
Forests NSW	Local Land Services Murray
Murray Darling Basin Authority	Local Land Services Hunter
University, Charles Sturt	Australian Coal Association Research Program (ACARP)
Australian Grape & Wine Authority	Ricegrowers Association of Australia
Animal Health Australia	Local Land Services Greater Sydney
Forest & Wood Products Australia	Australian Pork Limited
Environment Protection Authority	Australian Meat Processors Corporation
Intervet	University, Southern Cross
Department of Agriculture and Fisheries (Qld)	Other Partners
Eco Logical Australia Pty Ltd	McGarvie Smith Institute
South Australian Research & Development Institute (SARDI)	University of Southern Queensland

**Table 3. Major Alliances**

Alliance	Key partners
Animal Genetics and Breeding Unit	University of New England
National Grape and Wine Industry Centre	Charles Sturt University
EH Graham Centre for Agricultural Innovation	Charles Sturt University
Innovation Central Sydney - Internet of Things Agriculture	CISCO, Data61, UNSW, NSWFarmers
NSW Centre for Animal & Plant Biosecurity	University of Sydney
AusGem – Australian Centre for Genomic Epidemiological Microbiology	University of Technology Sydney
University of Newcastle and DPI Centre for Balanced Land Use	University of Newcastle
Synthetic Biology Collaboration	Macquarie University
Australian Cotton Research Institute	CSIRO

## Appendix 24 – Research and development (continued)

### Resources & Energy

#### Coal Innovation Fund<sup>8</sup>

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 key programs implemented under Coal Innovation NSW have been the Delta Carbon Capture and Storage Demonstration Project, NSW CO2 Storage Assessment Program (including the Darling Basin Drilling Program), the Research and Development program and the Future of NSW Coal Fired Electricity Generation Study. These projects involved work with a number of research bodies, including the University of Newcastle and the CSIRO.

Details of active projects in 2015-16 are as follows:

**NSW CO2 Storage Assessment Program**, including the Darling Basin Drilling Program, was previously jointly funded with the Commonwealth and ACALET, with a total investment of \$27 million prior to this year. The aim of this program is to find and assess long-term storage options for CO2 captured from fossil fuel electricity generators and industry.

From 2013 to 2015, two wells were drilled in the Darling Basin near Cobar and Wilcannia. Preliminary results have been positive for the last well drilled and computer modelling from data received reveals that the porous sandstones may be capable of permanently storing 50 years of CO2 emissions from one of NSW's coal fired power stations.

During 2015-16, planning commenced on the next stage of the program, which is expected to involve seismic acquisition and further drilling to verify existing data and determine the extent of storage capacity. Final Reporting was also received on previous work conducted.

For 2015-16, total expenditure on the Darling Basin Drilling Program was \$28,264.

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<sup>8</sup> Whilst the department supports its operations, Coal Innovation NSW is not controlled by the department and is reported and audited separately from the department.

## Appendix 24 – Research and development (continued)

Three projects of the Coal Innovation NSW Research and Development program remain ongoing in 2015-16 from the 2010 R&D Round. They are:

- The Direct Carbon Fuel Cell, with the University of Newcastle, investigating efficient electricity generated directly from coal through the chemical oxidation of coal which has been ground and purified of contaminants
- Mineral Carbonation International, a joint venture with the University of Newcastle, Orica, Greenmag and Australian Government trialling the mineral carbonation process that transforms captured CO<sub>2</sub> emissions into forms of carbonate rock for potential use as new building materials in the construction industry, and
- Demonstration of Ventilation Air Methane Regenerative After Burner technology with Centennial Coal, to mitigate fugitive methane emissions escaping from underground coal mines.

For 2015-16, total expenditure by the fund on these research and development projects was \$733,561.

During 2015-16 a new R&D Expressions of Interest Round was called, with the Department receiving 31 applications, requesting \$48.5 million, for a \$10 million grants program. A comprehensive selection process by an independent Technical Working Group against stated selection criteria has been undertaken and a recommendation provided to the Minister. The Minister is expected to make announcements in the next financial year.

Expenditure on the call for expression of interests and assessment process was \$72,630.

During this financial year, Coal Innovation NSW has engaged Ernst & Young to undertake a Future of NSW Coal Fired Electricity Generation Study. The Study will examine baseline generation data including emissions, future modelling of demand and associated emissions, options to reduce emissions and resultant energy mixes and technologies to drive outcomes.

A Final Report is expected to be delivered to the Minister by November 2016. During 2015-16 total expenditure on this project was \$104,812.

### Geological Survey of NSW

The Geological Survey of NSW (GSNSW) participates in and contributes to the following geoscientific research collaborations:

- The Australian Lithospheric Architecture Magnetotelluric Project (AusLAMP), which aims to establish baseline deep crustal conductivity between 11 km and 100 km depth across Australia. GSNSW and Geoscience Australia signed a National Collaborative Framework (NCF) agreement to fund and support the NSW component of this new three-year project. GSNSW contributed \$582,000 to the acquisition project in the 2015-16 financial year.
- Southern Thomson Orogen Project. A three-year collaborative project with Geoscience Australia and the Geological Survey of Queensland (2013-16) to carry out geophysical and geochemical data collection, as well as local stratigraphic drilling to help understand the mineral potential of the far northwest of NSW. GSNSW expenditure in 2015-16 was \$754,930, including staff salaries.
- Coonabarabran Airborne Geophysical Survey. A one-year collaborative project with Geoscience Australia to acquire airborne geophysical data in the Coonabarabran area, central NSW. This is aimed at imaging 'Cadia gold-mine' type targets for exploration. GSNSW expenditure in 2015-16 was \$416,000.
- AuScope National Virtual Core Library (NVCL), a collaborative infrastructure project led by CSIRO that supports mineral exploration by researching Australian mineral systems through extensive hyperspectral logging and imaging of archival and newly submitted drillcore. GSNSW is the operator of the NSW node of the virtual library. Expenditure on the NVCL in 2015-16 was \$447,544, which included staff salaries, operating expenditure and \$84,000 for maintenance and software upgrades for the HyLogger™ automated core logging system.
- Support of \$33,651 towards University of Newcastle research projects in the East Riverina, focussed on potential field modelling, U-Pb rock dating, metamorphic and structural studies.
- Australian Research Council (ARC) linkage project to test geodynamic models in the Southern Thomson Orogen. Led by the

## Appendix 24 – Research and development (continued)

University of Newcastle, with GSNSW, Geological Survey of Queensland, Queensland University of Technology and the University of Queensland. The 3-year project commenced in early-2015. GSNSW contribution to the project is in-kind support and \$33,000 per year for 3 years.

- The AMIRA UNCOVER Roadmap project, a 12 month desktop study that maps out the research and funding mechanism required to support mineral exploration in covered terrains. GSNSW contributed \$27,500 in 2015-16.
- Deep Exploration Technologies CRC (2010-18), a \$145 million collaboration that delivers research programs in more successful, cheaper and safer ways to drill, analyse and target deep mineral deposits. GSNSW is an Affiliate Member of DETCRC, at an annual cost of \$11,000.
- PALM paleomagnetic and rock magnetic laboratory at Newcastle Institute for Energy and Resources. Ongoing project using palaeomagnetism to help constrain geological models and aid the accuracy of exploration drill targeting. This is externally funded through the Institute of Frontiers Geoscience, Newcastle.
- Joint paleontological research (no cash contribution) with the Geological Survey of Western Australia, the University of Wollongong and Macquarie University.

### Economic, Skills & Regional Development Knowledge Hubs

Knowledge Hubs are industry led collaborative partnerships which focus on five NSW industry sectors including digital creative, energy and resources, financial services, medical technology and transport and logistics.

Each Knowledge Hub brings together businesses, research organisations and industry associations. Their purpose is to share information, direct research and collaborate on shared projects to drive innovation within industry.

The department collaborates with Knowledge Hubs on a range of research and development projects:

The Financial Services Knowledge Hub has conducted research to understand the opportunities and challenges facing Sydney's financial services sectors.

The Medical Technology Knowledge Hub undertook a comprehensive skills study of the Medtech industry to improve the awareness of current and future skills needs within the industry.

The Energy and Resources Knowledge Hub researched the effectiveness NSW energy initiatives in order to inform future industry recommendations. The Hub has also collaborated with AGL Energy to establish the *Hunter Energy Transition Alliance* to inform strategy as the region diversifies and transitions to new markets.

### TechVouchers

The TechVouchers program facilitates opportunities for research collaboration between SMEs and public sector research organisations. During the 2015-2016 year the program provided \$473,000 in matched funding to support 40 projects that provided testing, research and validation of NSW business innovation for NSW based SME's.

The technology solutions supported through TechVouchers targeted high growth sectors including health and medical technology, advanced manufacturing, energy technology and services, transport logistics & infrastructure, digital, and other sectors where the applicant demonstrated the value of the solution to the NSW economy.

## Appendix 24 – Research and development (continued)

### Office of the NSW Chief Scientist & Engineer

The Research Attraction and Acceleration Program (RAAP) supports innovation and investment in the state's research and development capacity, primarily through the leveraged funding of high impact research and research infrastructure. In 2015-16 a total of \$18.6 million was allocated to RAAP.

In 2015-16:

- \$8 million was allocated to CSIRO's Data 61 (formerly National ICT Australia - NICTA) to support ICT research in line with the last year of the contract between the NSW Government and NICTA.
- \$7 million in RAAP funding was allocated to co-investment support for National Collaborative Research Infrastructure Scheme (NCRIS) facilities based in NSW aimed at encouraging and supporting high quality, high impact research, and strengthening innovation in the State's research and development capacity. This included: the Australian Microscopy and Microanalysis Facility, the Integrated Marine Observing System for the Sydney Institute of Marine Science, the National Imaging Facility, the Australian National Fabrication Facility (multiple nodes), Intersect Australia, Australian Proteome Analysis Facility, Field Acquired Information Management Systems, Bioplatforms Australia (multiple platforms), AuScope, Terrestrial Ecosystem Research Network, the National Deuteration Facility, the Groundwater Infrastructure Program.
- \$1.04 million was allocated to help set up the Garvan-Weizmann Centre for Cellular Genomics in Sydney. This international collaboration, which was announced by the Premier while visiting Israel, will foster ground breaking research in advanced molecular medicine and genomic sequencing.
- \$700,000 was provided to the University of Sydney and the University of NSW to establish the NSW Smart Sensing Network, which will support the development of commercialisable next generation sensing technologies. This is particularly focused at addressing state significant issues in the area of roads, transport, resources and the environment.

- \$500,000 was allocated to the TechVouchers program which during 2015-16 was managed by Jobs for NSW.
- \$140,000 in co-investment support was provided from the RAAP to two NSW recipients of Australian Research Council Industrial Transformation Research Program (ITRP) grants. The ITRP facilitates collaborative R&D projects to address challenging industry issues. In 2015-16 this included a training centre for fruit fly biosecurity innovation and a sustainable agriculture hub.

### Science outreach and engagement

- The RAAP continued its support of the Inspiring Australia program by committing \$600,000 to the program which is aimed at encouraging Australians to engage with science.
- In 2015-16 \$190,000 was provided to support 37 science and research conferences taking place in NSW in 2016 and more than \$100,000 in sponsorship was provided to science engagement and outreach initiatives such as the Science and Engineering Challenge, Engineers Australia, ATSE Innovation Awards, and the Australian Science Media Centre.
- \$150,000 in funding was spent on the inaugural NSW Premier's Prizes for Science & Engineering, replacing the NSW Science and Engineering Awards, which seeks to recognise excellence in science and engineering and reward the state's leading researchers for cutting edge work that has generated economic, environmental, health, social or technological benefits for NSW. The Scientist of the Year, received \$55,000 and eight category winners each received \$5,000 in prize money.
- Nine teams of students from NSW universities competing in domestic and international competitions received \$90,000 in funding to assist them conduct research for their projects. 12 NSW high school students received \$16,000 in funding to attend international scientific fora.
- The NSW Chief Scientist & Engineer again hosted five Science and Research Breakfast Seminars in 2015-16 to showcase the State's best researchers, and highlight areas of research strength in NSW.

# Appendix 24 – Research and development (continued)

## Office of the Small Business Commissioner

**2nd Road** was engaged for market research to gain insight into small business preferences for key characteristics of modules under development for the digital retail lease and bond management service. This included a marketing strategy that ensures reach to an effectively targeted market; determine the capability required of a marketing/creative services provider to assist in executing the marketing strategy; and to gauge small business appetite for both digital and non-digital government services into the future. Cost: \$171,085.

**Micromex Research and Consulting** was engaged to carry out two separate research projects including capturing information on the evaluative experience of clients, to ascertain if the client experience target of the Small Biz Connect Program has been met. Cost: \$60,755.

**Sapere Research Group** was engaged to provide an independent assessment and review of the Small Biz Connect Program. The review conducted a best practice comparison to similar services in Australia and overseas. The purpose of the review was to help inform future service design, governance framework and outcome measures for the program. Cost: \$59,000.

# Appendix 25 – Native game birds

The number of each species of native game birds killed by game hunting licence holders during the 2015-16 financial year, under the authority of a Native Game Bird Management (owner occupier) Licence under the *Game and Feral Animal Control Act 2002*, is summarised in Table 1.

**Table 1. Native game birds killed by game hunting licence holders during 2015-16**

Species	Number
Mountain Duck	39
Wood Duck	1,714
Black Duck	2,545
Blue-winged Shoveler	0
Chestnut Teal	14
Grey Teal	1,752
Hardhead	225
Pink-eared Duck	297
Water Whistling Duck	0
Grass Whistling Duck	193
<b>2015-16 total harvest</b>	<b>6,779</b>

# Appendix 26 – 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 Act). 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 aquatic biodiversity more generally.

A Priorities Action Statement (PAS) is located on the [NSW DPI website](http://www.dpi.nsw.gov.au/fisheries/species-protection/priorities-action-statement)<sup>9</sup> and lists prioritised recovery actions and threat abatement actions for all threatened species listings under the *Fisheries Management Act 1994*.

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 following.

## Eastern Freshwater Cod (*Maccullochella ikei*)

A seasonal (August, September and October) ban on all forms of fishing continues in the Mann–Nymboida River system to minimise disturbance of Eastern Freshwater Cod (EFC) during the breeding season. Targeted compliance operations were undertaken during the year and a range of research and population monitoring programs are still in progress. These include ongoing monitoring and tagging programs in both the Clarence and Richmond River systems.

NSW DPI completed the 10 year statutory review of the EFC recovery plan during 2015-16 and it is currently being finalised prior to being made available on the NSW DPI website. The outcome of the EFC recovery plan statutory review was generally positive with a large number of the recovery plan actions complete or commenced.

A new advisory guide 'Protecting Eastern Freshwater Cod: A guide for fishers and land managers' was published and placed on the NSW DPI website in 2015-16<sup>10</sup>. Printed copies were distributed to local Fisheries offices and other key stakeholders.

## Oxleyan Pygmy Perch (*Nannoperca oxleyana*)

NSW DPI has continued to work with NSW Roads and Maritime Services (RMS) to implement the Threatened Fish Management Plan for the Woolgoolga to Ballina Pacific Highway Upgrade. This plan is ensuring minimal impact on Oxleyan Pygmy Perch (OPP) during construction. As part of the development approval for the road construction, a biodiversity offset of 10 ha is also being implemented for OPP at a site identified on private land, located upstream of known habitat in the Tabbimoble area.

<sup>9</sup> [www.dpi.nsw.gov.au/fisheries/species-protection/priorities-action-statement](http://www.dpi.nsw.gov.au/fisheries/species-protection/priorities-action-statement)

<sup>10</sup> [www.dpi.nsw.gov.au/fishing/species-protection/conservation/what-current/endangered-species/eastern-freshwater-cod](http://www.dpi.nsw.gov.au/fishing/species-protection/conservation/what-current/endangered-species/eastern-freshwater-cod)

## Appendix 26 – Implementation of recovery and threat abatement plans (continued)

NSW DPI completed the 10 year statutory review of the OPP recovery plan during 2015-16 and placed it on the NSW DPI website<sup>11</sup>. The outcome of the OPP recovery plan statutory review was generally positive with a large number of the recovery plan actions complete or commenced.

### **Silver Perch (*Bidyanus bidyanus*)**

Population and distribution surveys continue as part of broader fish community assemblage surveys.

NSW DPI commenced a conservation stocking program for Silver Perch in northwest NSW in 2015-16. With the help of local recreational fishing club members, a total of 50,000 Silver Perch fingerlings were released in February 2016 into the Namoi River at three sites between Gunnedah and Narrabri. The fingerlings were bred at the Narrandera fish hatchery from wild broodstock caught in the Murray River and transported to the Namoi River for release. The stocking of the species in the Namoi River is aimed at enhancing and increasing the depleted local wild stocks of Silver Perch in this region. NSW DPI has been breeding and stocking Silver Perch into specified dams and impoundments since the 1980s however this is the first time for many years that this species has been stocked into a river to assist with its recovery.

### **Trout Cod (*Maccullochella macquariensis*)**

The conservation stocking program for Trout Cod in the upper Macquarie region (above Lake Burrendong) continued with approximately 21,500 fish stocked during the reporting period.

Approximately 5,500 Trout Cod fingerlings were stocked into Talbingo Dam, south of Tumut during 2015-16 (adding to the 4,000 fingerlings released into the dam in 2014-15) for recreational fishing purposes.

### **River Snails (*Notopala sublineata* and *Notopala hanleyi*)**

A population of River Snail collected from pipes and tanks on Banrock Station in South Australia is being held at Narrandera Fisheries Centre. Observations of the habitat preferences and breeding behaviour of the species continue to be undertaken.

In 2015-16 the Fisheries Scientific Committee made a final determination to change the listing of the River Snail to recognize two separate species – Darling River Snail (*Notopala sublineata*) and Hanley's River Snail (*Notopala hanleyi*). The status of both species has been listed as critically endangered in NSW (and the previous listing of River Snail has been omitted from the endangered species list).

A new population of River Snail was discovered by NSW DPI in 2015-16 in rock crevices at Island Creek Weir on the Lachlan River in NSW. Preliminary identification is that the species is Hanley River Snail (*Notopala hanleyi*).

### **Black Rockcod (*Epinephelus daemeli*)**

An updated advisory guide 'Protecting Black Rockcod: A guide for fishers and divers' was published and placed on the NSW DPI website in 2015-16<sup>12</sup>. Printed copies were distributed to coastal Fisheries and Marine Park offices and other key stakeholders.

A general review of the biology, ecology and population status of Black Rockcod was published:

- Francis, M.P. et al (2015), Surviving under pressure and protection: a review of the biology, ecology and population status of the highly vulnerable grouper *Epinephelus daemeli*, Marine and Freshwater Research, <http://dx.doi.org/10.1071/MF15099>.

<sup>11</sup> [www.dpi.nsw.gov.au/fisheries/species-protection/conservation/what-current/endangered-species/oxleyan-pygmy-perch/review-of-recovery-plan](http://www.dpi.nsw.gov.au/fisheries/species-protection/conservation/what-current/endangered-species/oxleyan-pygmy-perch/review-of-recovery-plan)

<sup>12</sup> [www.dpi.nsw.gov.au/fishing/species-protection/conservation/what-current/vulnerable-species/black-rockcod](http://www.dpi.nsw.gov.au/fishing/species-protection/conservation/what-current/vulnerable-species/black-rockcod)

## Appendix 26 – Implementation of recovery and threat abatement plans (continued)

### Removal of large woody debris - Key Threatening Process

The removal of large woody debris is listed as a key threatening process because it negatively impacts two or more threatened species, specifically the endangered Eastern Freshwater Cod (*Maccullochella ikei*) and Trout Cod (*Maccullochella macquariensis*), and well as the vulnerable Macquarie Perch (*Macquaria australasica*) and Silver Perch (*Bidyanus bidyanus*). The department prepared a threat abatement plan to address this key threatening process in 2007. During 2015-16 the department continued to implement the plan, installing 127 individual trees in 39 snag complexes in the Macquarie River catchment, 9 fish hotel structures in the Lower Darling River, 20 snags in the Queanbeyan River and 12 snags in the Macleay River.

### 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. There are joint management agreements in force during the 2015–16 year for the NSW Shark Meshing (Bather Protection) Program.

The agreements are between the Minister for Primary Industries and the Secretary NSW Department of Industry; and between the Chief Executive, Office of Environment and Heritage and the Secretary NSW Department of Industry. The Fisheries Scientific Committee and the Scientific Committee must conduct an annual review of the performance of the parties to the joint management agreements and advise the Minister and Secretaries of any deficiencies in the implementation of the agreements.

The 2015-16 performance report for the NSW Shark Meshing (Bather Protection) Program, and the Fisheries Scientific Committee's review of this report, will be available on the NSW DPI website<sup>13</sup>.

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<sup>13</sup> [www.dpi.nsw.gov.au/fisheries](http://www.dpi.nsw.gov.au/fisheries)

# Appendix 27 – Multicultural Policies and Services Program

NSW government agencies are required to plan for a culturally, linguistically and religiously diverse community. The current mechanism for doing this is the Multicultural Policies and Services Program (MPSP), which is a whole of government program overseen by Multicultural NSW.

The department is committed to the *Community Relations and Principles of Multiculturalism Act 2000* (the Act) and the NSW Government's aims and objectives for multiculturalism as set out in the MPSP. Each NSW government agency is required to have a multicultural plan outlining how it will conduct its business within a culturally, linguistically and religiously diverse society.

Multicultural NSW is expected to release the new MPSP framework in the second half of the 2016 calendar year. Following its release, the department will prepare a new multicultural plan incorporating the required focus areas and outcomes to ensure that the NSW Department of Industry contributes to the government's multicultural agenda and meets its obligations under the Act.

Specific measures and strategies to address the needs of Aboriginal and Torres Strait Islander people are not reported through the MPSP in New South Wales.

Following is a summary of multicultural outcomes achieved by the NSW Department of Industry during the 2015-16 financial year.

## Human resources

A number of strategies were undertaken by the department to enhance its capacity to serve culturally and linguistically diverse (CALD) communities and to employ and train people with linguistic and cultural expertise.

The department has continued to work to identify and support the linguistic and inter-cultural skills needed within our client-facing positions, to ensure that business needs are serviced by appropriate human resourcing. Specific training needs are being integrated into staff personal development plans. The department has included multicultural awareness training and information about its equity policies in online training modules for existing and

new staff. The department is continuing to increase the uptake of equal employment opportunity data in human resources systems.

## Multicultural provision in corporate accommodation

Multi-purpose rooms are available for private religious observation requirements for staff and visitors, as part of a broad range of accommodation improvements undertaken in metropolitan and regional office locations. Integrating multicultural considerations into the department's corporate operations, and communicating these opportunities to staff, are important activities contributing to the department achieving cultural diversity outcomes.

## Skills and education

Smart and Skilled is the NSW Government's reform of the Vocational Education and Training (VET) system. In 2015-16, 15.7% (18,719) of Smart and Skilled commencing students spoke a language other than English at home as did 9.1% (5,162) of Adult and Community Education commencing students.

Sixteen percent (7,201) of original commencements of apprentices and trainees in NSW in 2015-16 were not born in Australia and 15% (7048) indicated that English was not spoken at home.

In 2015-16, 43% (384) of applications for Trades Skills Recognition were from applicants who were not born in Australia.

The department continues to provide advice and support on Smart and Skilled and vocational education and training to CALD community groups. The department has partnered with a number of CALD groups and training organisations to fund training for their clients including migrant job seekers. The department has funded training in education for parents of CALD backgrounds in a range of schools, with the aim of engaging parents to support reading programs for school students, to improve English language skills and confidence, encourage improved networking within the local community and the move into employment or study pathways.

## Appendix 27 – Multicultural Policies and Services Program (continued)

Total College provides targeted training for primary industry communities (including CALD groups) through its vocational education and training program developed under the Smart and Skilled framework.

### Multicultural community engagement

During 2015-16 over 4,000 people from CALD communities participated in a range of activities including 220 fishing workshops, presentations and community events. Communities involved came from many cultural backgrounds including Chinese, Vietnamese, Korean, Burmese, Nepalese, Bengal, Indonesian, Filipino, Malaysian, Iranian, Egyptian, Lebanese, Syrian and Saudi Arabian.

Participants at these events received translated fisheries and water safety resource material. Topics covered responsible fishing and conservation practices including protection of marine life and habitats, fishing rules and regulations, rigging, casting, baiting, and water safety. These activities were delivered by the department in partnership with a number of multicultural organisations across metropolitan and regional New South Wales, including local Councils, schools, government agencies and community groups.

Water safety information emphasised rock fishing safety, as a strategy designed to prevent rock fishing tragedies among CALD fishers. The department together with Transport for NSW, Recreational Fishing Alliance NSW and NSW Police joined forces with local councils to target and educate CALD communities on rock fishing safety and promote the use of wearing lifejackets when rock fishing and boating through the *Old 4 New Lifejacket Van*.

The department continues to provide multilingual information on a range of issues in order to more effectively engage with the state's CALD community, including multilingual signage, brochures and website information, direct translation services and targeted use of multicultural print and electronic media. Over 100 multilingual fisheries signs on fish and shellfish consumption were installed or maintained in Sydney Harbour, Parramatta River and their tributaries. Over 68 interpreting and translating

services via telephone or face to face were provided during 2015-16 for people seeking fisheries information.

During 2015-16 the department distributed over 20,000 multilingual brochures, industry fact sheets and DVDs on topics including fishing safety, biosecurity threats, and food safety.

A new Greater Sydney Peri Urban Biosecurity Program focuses on this high biosecurity risk area. A research study has begun in partnership with Charles Sturt University to identify CALD needs and issues related to biosecurity and food safety in the Greater Sydney Region.

### Energy Accounts Payment Assistance Scheme

The Energy Accounts Payment Assistance Scheme (the Scheme) helps people experiencing a short term financial crisis or emergency to pay their electricity or gas bill. The Scheme delivers assistance through a network of over 300 community welfare organisations (CWOs) of which 18 represent CALD communities. In 2015-16 the department provided additional support to CWOs with face to face training about the Scheme and other assistance to customers. The training program will continue in the next year and additional CALD organisations will be invited to participate.

### Business and Skilled Migration Program

In 2015-16 the NSW Department of Industry delivered the NSW State Nominated Business and Skilled Migration program which attracts business people, entrepreneurs, investors, and skilled migrants to the state.

During the year, around 4,000 prospective migrants from 90 countries were nominated by NSW for skilled visas under the State Nomination Program. India, China, Pakistan, Nepal and the Philippines were the top source countries for skilled visa nominations. In addition, over 1,300 prospective migrants from 47 countries were nominated for skilled visas to locate in regional NSW. India, China, Pakistan, Nepal and the Philippines were the top source countries for regional skilled visa nominations.

## Appendix 27 – Multicultural Policies and Services Program (continued)

In 2015-16, the NSW Government nominated over 400 people for business or investor migration, including for the Significant Investor Visa (SIV). The large majority of business and investor visa nominees were from mainland China, with other nominees coming from Hong Kong, Malaysia, Vietnam and Iran, South Africa and the United Kingdom.

NSW business and investor migrants who were nominated in 2015-16 created 55 new full time jobs and proposed to create a further 682 new jobs. They invested \$27.7 million and proposed to invest a further \$291.8 million in businesses and other investments in NSW. In addition, NSW Significant Investor Visa applicants granted their visa in 2015-16 invested \$815 million in Australian complying investments.

### NSW Small Business Commissioner

The Office of the NSW Small Business Commissioner (OSBC) has developed and implemented a number of key initiatives to engage with CALD small businesses. These initiatives form part of the OSBC's goal to "*empower multicultural small businesses by engaging with communities and providing information in a range of languages*".

The OSBC website has a multicultural portal to assist multicultural small business owners, and includes information about retail and commercial leasing, dispute resolution, key small business resources, compliance information and other small business issues in Arabic, Cantonese, Mandarin, Korean and Vietnamese.

### Small Biz Connect program

In 2014-15 the NSW Government committed an additional \$1.1 million in funding over four years to further support multicultural small businesses in Greater Western Sydney. Arabic, Cantonese, Mandarin, Korean and Vietnamese speaking Small Biz Connect business advisors are on the ground to support multicultural small businesses in and around Greater Western Sydney.

In 2015-16, 800 multicultural small businesses were supported by Small Biz Connect Business Advisors who provided over 2,900 hours of

practical face to face business support. In addition, 13 *Small Biz Bus* visits provided mobile advisory and information services in various locations including Auburn, Liverpool and Parramatta. Multicultural small businesses across NSW are able to access interpreting services in over 160 languages and dialects.

### Future plans and directions

The following is a summary of strategies and activities that are planned for implementation in 2016-17 to achieve multicultural outcomes.

- Work in partnership with Councils, multicultural organisations, government and non-government organisations to educate CALD communities about fishing responsibly, sustainably and safely.
- Deliver vocational education and qualifications or skills courses at Tocal College to meet the identified needs of primary industry communities, including CALD groups.
- Develop internship opportunities for refugees with professional qualifications in science and relevant fields.
- In Greater Western Sydney, continue to provide specialist multicultural business advisors to support entrepreneurs and businesses speaking Arabic, Cantonese, Korean, Mandarin and Vietnamese.
- Conduct a NSW wide biosecurity stakeholder survey that will provide CALD demographic data on biosecurity and food safety stakeholders and contribute to future service delivery.
- Determine CALD requirements related to the new *Biosecurity Act 2015* (the Act) and subordinate legislation through a consultation process. Material and access will be developed and implemented as the Act and regulations are enacted.
- Introduce reporting that will raise awareness within our business of the department's current diversity profile.
- Work to reshape the capability within our recruitment team and our recruitment processes to promote transparency, diversity and inclusion in our recruitment and mobility practices.

## Appendix 28 – Consumer response

It is recognised that the majority of customer service complaints can be satisfactorily settled by providing further information or explanation at the time the original dissatisfaction is raised.

Where the client 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 clients on our 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.

Of the 13 complaints received during 2015-16, 12 were investigated and finalised. The outcome of the one matter which had not been finalised by 30 June 2016 will be included in the 2016-17 return. Seven matters not finalised as at 30 June 2015 were carried forward and are included in this return.

Nine matters involved Family Energy Rebate actions where supporting information was not provided within the required timeframes and there is no discretion available to extend the application acceptance period.

Eight complaints concerned the actions or behaviour of staff members – that included allegations of unprofessional behaviour, poor

service and inadequate responses to concerns or issues. In six of these matters it was considered better interpersonal interactions may have prevented the complaints occurring. That included providing better information on the process or actions in contention and clarifying the role and responsibilities of the staff involved.

One matter complained about apparently conflicting information on the department's website, which was subsequently corrected.

One matter concerned delays in processing a licence application. The reasons for that delay (investigation of an alleged breach by the applicant) were advised and a decision was subsequently made to refuse the application.

No requests were made to review any of the decisions made during the reporting period.

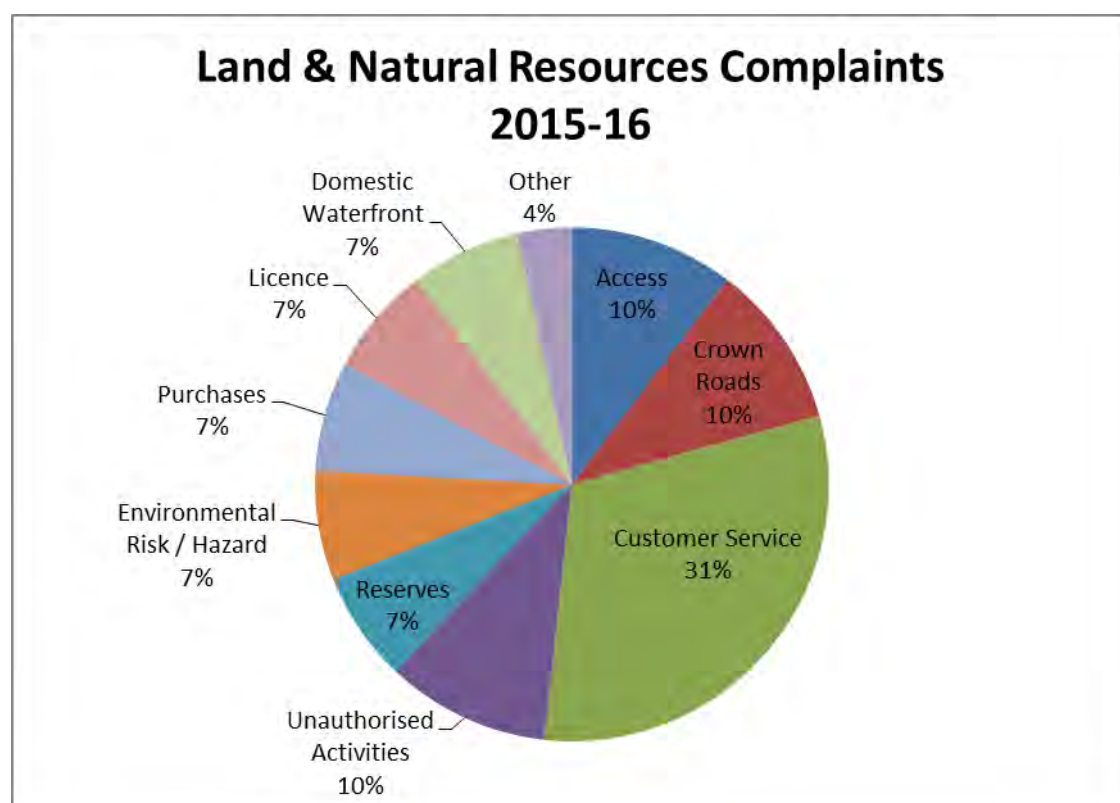
Further information is available from the Complaints Manager - [complaints@industry.nsw.gov.au](mailto:complaints@industry.nsw.gov.au)

### Complaints – Land & Natural Resources

The Department of Primary Industries, Land and Natural Resources operates under the NSW Department of Industry's Complaints Handling Process policy framework in implementing its Complaints Handling System. During 2015-16, Land and Natural Resources registered 29 complaints in the Complaints Handling System. Staff use this system to register complaints that are made over the telephone, mailed or emailed. The target timeframe for complaints to be investigated and responded to is 28 days from receipt, which is in line with the NSW Department of Industry's timeframe of one month.

The following chart provides a breakdown of complaints received by issue, excluding complaints relating to bushfire risks. Customer Service recorded the highest percentage of total complaints recorded, at 31%, with nine complaints.

## Appendix 28 – Consumer response (continued)



**Figure 1. Distribution of complaints received by Crown Lands during 2015-16**

Of the 29 complaints received, three complaints were referred to other authorities to respond to in the first instance. The remaining 26 complaints were investigated in accordance with the NSW Department of Industry's Complaints Management Policy. Of the investigated complaints, eight resulted in Land and Natural Resources reviewing and implementing improved processes or issuing an apology. Seven complaints were investigated and resolved by Land and Natural Resources staff providing additional information or undertaking additional work. Nine complaints were investigated and no evidence was found to support the complaints. Two complaints involved complaints

made against neighbours which Crown Lands investigated and mediated an outcome.

There were 48 complaints about bushfire risk or reporting of hazards during 2015-16 and investigated by Lands. 22 of these resulted in work being undertaken or programmed for the future. 24 complaints were investigated and it was determined no work was required.

Further information is available from the Coordinator Client Services at PO Box 2185 Dangar 2309, by telephone on 1300 886 235 or email [enquiries@crownland.nsw.gov.au](mailto:enquiries@crownland.nsw.gov.au).

## Appendix 29 – Volunteer program

The Fishcare program involves 218 volunteers across New South Wales, dedicated to assisting the NSW Department of Primary Industries (NSW DPI) in fostering positive changes in community attitudes to responsible fishing practices and ethics.

In 2015-16, volunteers participated in 760 registered events, making 56,300 contacts and dedicating 18,080 hours of service (around 2,583 days) to the program. Major achievements and key figures for the program in 2015-16 include:

- The general age demographic of volunteers was 43-63 years
- 6% of volunteers came from culturally and linguistically diverse (CALD) communities, such as Arabic, Italian, and Greek communities
- 21 volunteers completed two day theory training in Sydney and were certified as Fishcare volunteers after successfully completing the probationary period
- Sydney region undertook 510 events, making 21,600 contacts. Of the 510 events, 420 were run and managed by volunteers without the Education Officer attending, as follows:
  - 120 Long Reef Events
  - 160 Sydney International Regatta Centre Events (Public Fishing)
  - 140 Fishing for Sport and Scouts
- The Sydney International Boat Show involved the largest number of rostered volunteers, with 15 volunteers and three DPI staff contacting 5,000 people over the duration of the event
- The largest western New South Wales event was the Northern Inland 4x4 Fishing, Caravan and Camping Expo, involving three volunteers plus local Fisheries Officers, who made 6,500 contacts
- In western New South Wales 70 events were undertaken and 14,700 people contacted.

During 2015-16 volunteers partnered with local councils, clubs and groups to teach over 6,600 children between the ages of 8-14 years the basics of fishing. Partner groups included Guides, Scouts, Department of Education (senior and junior fishing for sport), Sydney International Regatta Centre (SIRC) weekly fishing open days, retirees, and Landlearn students.

Volunteers also assisted NSW DPI to run state-wide paid and free of charge fishing workshops. 784 children attended a paid fishing workshop, and 1969 children attended free of charge workshops. All 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**

The *'Get Hooked...it's fun to fish'* program teaches students 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 2015 calendar year, over 4,300 students participated from 87 schools (24 coastal and 63 inland) across the state, and in the 2016 calendar year 96 schools (26 coastal and 70 inland) with over 4,100 students are participating.

Volunteers are essential to the running of the program. In 2015, Fishcare volunteers assisted at 7 incursions and events, and 42 fishing workshops across New South Wales. Volunteers dedicated many hours of service to the program, the majority at the annual Get Hooked Workshop Weeks, where 1,092 students participated in theory and practical fishing lessons.

## Appendix 30 – Government Information (Public Access) Act 2009

There were 208 valid *Government Access (Public Access) Act 2009* (GIPA) applications received during the 2015-16 reporting period. Of these, 15 were subsequently withdrawn by the applicant and five were transferred to other agencies as the information sought more closely related to the functions of those other agencies.

Decisions for 19 applications were pending as at 30 June 2016 and will be included in next year's report. Similarly, 30 applications received in the previous year that had not been decided as at 30 June 2015 are included in this year's figures. Of those, 28 were decided, and two were subsequently withdrawn by the applicant.

A total of 197 applications were therefore decided during 2015-16.

A notable change for the 2015-16 financial year is the drop in applications from legal representatives (down from 69 in 2014-15 to 58), while general applications from Members of the Public have fallen substantially from 63 in 2014-15 to 39.

Environmental matters continued to be of particular interest, accounting for 127 of the 208 applications received. Of these, 70 were minerals-related applications (up from 62 in 2014-15), 27 related to the NSW Office of Water, 12 related to Fisheries NSW and 18 to Agriculture/Biosecurity.

Crown Lands were the subject of 67 applications received.

Of the 20 decisions subject to Internal Review during 2015-16, the original decisions were upheld in 12 matters and varied in 8 matters. 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 matters were lodged with the NSW Civil and Administrative Tribunal (NCAT), two of which were withdrawn by the applicant and one was to vary the original decision. The variation was of a minor nature (timing of the release of the names of individuals) which did not unduly reflect upon the quality of the original decision.

Due to the nature of the department most applications seek access to information received from, or related to, third party businesses. Therefore 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 with consequent challenges in interpretation and sensitivities.

One matter for such information which was finalised during the reporting year concerned an application originally received in 2013. In addition to the original decision, that application was subject to both an Internal Review and an Information Commissioner's review before being finalised in August 2015.

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 Department of Industry, Skills and Regional Development 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.

# Appendix 30 – Government Information (Public Access) Act 2009 (continued)

## Statistical information on 2015-16 GIPA applications

**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	4	2	0	1	0	0	0	0
Members of Parliament	11	11	1	5	1	1	0	1
Private sector business	13	8	4	4	0	1	0	3
Not for profit organisations or community groups	8	11	1	1	0	4	0	4
Members of the public (application by legal representative)	24	23	0	3	0	3	0	3
Members of the public (other)	14	17	2	1	0	1	0	4

\* 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. This also applies to Table B.

**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	0	1	0	1	0	1	0	0
Access applications (other than personal information applications)	72	61	10	3	1	9	0	15
Access applications that are partly personal information applications and partly other	2	10	0	1	0	0	0	0

\* 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).

# Appendix 30 – Government Information (Public Access) Act 2009 (continued)

**Table C: Invalid applications**

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the Act)	7
Application is for excluded information of the agency (section 43 of the Act)	1
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	7
Invalid applications that subsequently become valid applications	4

**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	0
Cabinet information	7
Executive Council information	0
Contempt	3
Legal professional privilege	7
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). This also applies in relation to Table E.

**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	12
Law enforcement and security	1
Individual rights, judicial processes and natural justice	52
Business interests of agencies and other persons	33
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

# Appendix 30 – Government Information (Public Access) Act 2009 (continued)

**Table F: Timeliness**

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	160
Decided after 35 days (by agreement with applicant)	22
Not decided within time (deemed refusal)	15
<b>Total</b>	<b>197</b>

**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	12	20
Review by Information Commissioner*	3	14	17
Internal review following recommendation under section 93 of Act	0	1	1
Review by NCAT	0	1	1
<b>Total</b>	<b>11</b>	<b>28</b>	<b>39</b>

\* 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	11
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	11

## Appendix 31 – Public interest disclosures

The *Public Interest Disclosures Act 1994* (PID Act) 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.

From 1 January 2014 the information required to be reported includes PIDs made by staff in performing their day-to-day functions.

This report covers those PIDs received during the period from 1 July 2015 to 30 June 2016 (summarised in Table 1).

**Table 1. Summary of PIDs received 2015-16**

	Made by public officials performing their day to day functions	Under a statutory or other legal obligation	All other PIDs
Number of public officials who have made a disclosure to the Agency	0	0	1
Number of public interest disclosures received by the Agency:	0	0	6
Of public interest disclosures received, how many were primarily about:			
• corrupt conduct	0	0	5
• maladministration	0	0	1
• serious & substantial waste	0	0	0
• government information contravention	0	0	0
Number of public interest disclosures (received since 1 Jan 2012) that have been finalised in this reporting period	0	0	5

Section 25 of the PID Act provides for reports to be referred to agencies to manage where it is considered appropriate. Five such referrals were made – four by the ICAC and one by the Ombudsman. One further matter was reported by a staff member, bringing the total number of PIDs received to six.

The reports received concerned allegations of conflicts of interest, corrupt receipt of gifts or benefits and nepotism in employment decisions. Each case was investigated, with no further action considered warranted in three matters. In two other cases the staff concerned were counselled on better managing conflicts of interest – that action was augmented by a Secretary Message being issued to all staff to raise awareness of such possible conflicts and how they should be managed. One matter remained to be finalised as at 30 June 2016.

On occasion concerns are raised by staff which are not PIDs as they are not reported in accordance with the Policy or concern relatively minor matters. These reports are, however, investigated and managed in a similar manner to PIDs - that includes keeping the reporter's identity as confidential as possible, providing support and advising on the outcome of their concerns.

The NSW Department of Industry had a PID Policy and Procedure in place during the 2015-16 reporting period.

The Policy and Procedure are publicly available on the department's website as Open Access Information under the *Government Information (Public Access) Act 2009*.

## Appendix 31 – Public interest disclosures (continued)

The following action has been taken to ensure that staff are 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 information sessions were provided to Divisional and Branch management
- Information on PIDs and the protections available was included in Staff Newsletters and circulars
- Information on PIDs, including the Policy and Procedures, is available on the internet and intranet

The Policy and process was being reviewed to broaden the range of people to whom reports could be made, better identify possible risks to reporters and improve processes and documentation in the assessment and management of PIDs.

The revised Policy and associated documents will be available on the Department's website from August 2016 and supported with on-line and face-to-face training by the Ombudsman's Office.

## Appendix 32 – Privacy management

The NSW Department of Industry respects the privacy of the public who use our services and of our employees. As a NSW government agency the NSW Department of Industry must comply with the requirements of the *Privacy and Personal Information Protection Act 1998* (PPIPA) and the *Health Records and Information Privacy Act 2002*.

No complaints of breaches of privacy were received during the reporting period, however, one matter was self-reported to the NSW Privacy Commissioner.

That matter concerned some personal information being visible through a drill down function contained in the department's online portal for managing staff queries and actions. When this was identified immediate action was taken to disable that function and determine who may have accessed the information. It was confirmed access had only been attempted by the staff who had reported the matter, no information had left the department and it had subsequently been secured.

The department's Privacy Management Plan is available on our website. Requests for access to personal information held by the department may be made to the Privacy Management Officer, PO Box K348, Haymarket NSW 1240 or email [privacy@industry.nsw.gov.au](mailto:privacy@industry.nsw.gov.au).

## Appendix 33 – Response by department head

The Auditor General has raised a significant matter in the course of the 2015-16 audit in relation to the recording of and accounting for Crown Land assets in the Crown Land Information Database (CLID).

Improvements have been made during 2015-16 to address the deficiencies identified in the recording of Crown Land assets, but this has not yet addressed all issues and system limitations. Any errors or misstatements arising from the system limitations in 2015-16 were immaterial to the overall value of Crown Land, but further improvements can still be made.

The department did not deliver all revaluation review procedures requested in time for the early close as required by Treasury Circular 16/01 'Agency guidelines for the 2015-16 Mandatory Early Close', but had completed revaluation work in time for 30 June 2016.

The department will be continuing to work on further improvements during 2016-17, including the undertaking of a full revaluation of the Crown Land Estate consistent with early close procedures for March 2016.

# Financial Statements

## NSW Department of Industry

### Financial Statements for the year ended 30 June 2016

Statement by the Secretary	98
Independent Auditor's Report	99
Statement of Comprehensive Income	101
Statement of Financial Position	102
Statement of Changes in Equity	103
Statement of Cash Flows	104
Service Group Statements	105
Summary of Compliance with Financial Directives	111
Notes to and forming part of the financial statements	112

1	Summary of Significant Accounting Policies	112
2	Expenses Excluding Losses	123
3	Revenues	124
4	Gain/(Loss) on Disposal	126
5	Other Gains/(Losses)	126
6	Conditions on Contributions	126
7	Appropriations and Transfers to the Crown Entity	126
8(a)	Acceptance by the Crown Entity of Employee Benefits and Other Liabilities	127
8(b)	Transfer to NSW Treasury	127
9	Transfer Payments	127
10	Service Groups of the Department	128
11	Current Assets- Cash and Cash Equivalents	129
12	Current/Non-Current Assets- Receivables	129
13	Current/Non-Current Assets- Inventories	131
14	Non-Current Assets- Financial Assets at Fair Value	131
15	Non-Current Assets- Property, Plant and Equipment	132
16	Intangible Assets	136
17	Fair Value Measurement of Non-Financial Assets	136

18	Current/Non-Current Other Financial Assets	140
19	Non-Current Assets Held For Sale	140
20	Biological Assets	140
21	Current Liabilities- Payables	140
22(a)	Current/Non-Current Liabilities- Provisions	141
22(b)	Employee Benefits June 2016	142
23	Current/Non-Current Liabilities- Other	148
24	Increase/Decrease in Net Assets from Equity Transfers	148
25	Commitments for Expenditure	149
26	Contingent Liabilities	150
27	Budget Review	151
28	Reconciliation of Cash Flows from Operating Activities to Net Result	154
29	Trust Funds	154
30	Administered Assets and Liabilities	155
31	Administered Expenses & Income	155
32	Joint Arrangements	156
33	Financial Instruments	158
34	Events After Reporting Date	161

**STATEMENT BY THE SECRETARY,  
DEPARTMENT OF INDUSTRY, SKILLS AND REGIONAL DEVELOPMENT**

Pursuant to Section 45F of the *Public Finance and Audit Act 1983*, and in relation to the Department of Industry, Skills & Regional Development, I state that:

- 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 NSW General Government Sector Entities, the *Public Finance and Audit Regulation 2015* and the Treasurer's Directions;
- The statements exhibit a true and fair view of the financial position of the Department as at 30 June 2016, and of its financial performance and its cash flows for the year then ended; 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.

Dated the 22<sup>nd</sup> September 2016



Simon AY Smith  
SECRETARY



## INDEPENDENT AUDITOR'S REPORT

### Department of Industry, Skills and Regional Development

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Department of Industry, Skills and Regional Development (the Department), which comprise the statement of financial position as at 30 June 2016, the statement of comprehensive income, the statement of changes in equity, the statement 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 entities it controlled at the year's end or from time to time during the financial year.

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 2016, and of their financial performance and 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* (PF&A Act) and the Public Finance and Audit Regulation 2015.

My opinion should be read in conjunction with the rest of this report.

### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report.

I am independent of the Department and the consolidated entity in accordance with the auditor independence requirements of:

- Australian Auditing Standards
- ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (the Code).

I have also fulfilled my other ethical responsibilities in accordance with the Code.

The PF&A Act further promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles 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.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## Secretary's Responsibility for the Financial Statements

The Secretary is responsible for preparing 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 Secretary determines is necessary to enable the preparation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary must assess the ability of the Department and the consolidated entity to continue as a going concern unless operations will cease as a result of an administrative restructure. The assessment must include, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

## Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A further description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Department or the consolidated entity carried out their activities effectively, efficiently and economically
- 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.



Margaret Crawford  
Auditor-General of NSW

23 September 2016  
SYDNEY

# Beginning of the Financial Statements

Department of Industry, Skills and Regional Development

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	Notes	Consolidated			Parent	
		Actual 2016 \$000	Budget* 2016 \$000	Actual 2015 \$000	Actual 2016 \$000	Actual 2015 \$000
<b>Expenses excluding losses</b>						
Operating expenses						
Employee related	2(a)	543,048	513,669	532,452	542,047	530,161
Other operating expenses	2(b)	407,259	509,633	474,860	394,518	458,276
Depreciation and amortisation	2(c)	100,313	89,524	108,053	85,176	93,818
Grants and subsidies	2(d)	1,176,799	1,525,388	581,471	1,188,817	583,207
Finance costs	2(e)	-	204	30	-	30
Other expenses	2(f)	24,167	15,510	33,683	23,657	33,488
<b>Total expenses excluding losses</b>		<b>2,251,586</b>	<b>2,653,928</b>	<b>1,730,549</b>	<b>2,234,215</b>	<b>1,698,980</b>
<b>Revenue</b>						
Recurrent appropriation (net of transfer payments)	7	1,539,769	1,989,700	894,721	1,539,769	894,721
Capital appropriation (net of transfer payments)	7	28,743	35,149	34,106	28,743	34,106
Sale of goods and services	3(a)	290,725	321,555	322,404	287,714	316,045
Investment revenue	3(b)	18,316	7,848	13,359	16,276	12,328
Fees and fines	3(c)	-	22,344	-	-	-
Grants and contributions	3(d)	100,355	79,344	174,333	100,147	156,870
Acceptance by the Crown Entity of employee benefits and other liabilities	8(a)	39,901	14,405	33,256	39,901	33,214
Transfers to NSW Treasury	8(b)	(62,393)	(63,268)	(66,425)	(62,258)	(65,899)
Other revenue	3(e)	27,603	30	32,974	27,179	32,609
Personnel services revenue	3(f)	25,231	-	52,387	25,231	52,387
<b>Total Revenue</b>		<b>2,008,250</b>	<b>2,407,107</b>	<b>1,491,115</b>	<b>2,002,702</b>	<b>1,466,381</b>
<b>Gain / (loss) on disposal</b>	4	<b>1,381</b>	<b>24,480</b>	<b>847</b>	<b>619</b>	<b>2,740</b>
<b>Other Gains / (losses)</b>	5	<b>19,883</b>	<b>-</b>	<b>23,032</b>	<b>19,761</b>	<b>36,176</b>
<b>Net Result</b>	28	<b>(222,072)</b>	<b>(222,341)</b>	<b>(215,555)</b>	<b>(211,133)</b>	<b>(193,683)</b>
<b>Other comprehensive income</b>						
<b>Items that will not be reclassified to net result</b>						
Net increase / (decrease) in property, plant and equipment revaluation surplus		(45,253)	-	281,111	74,147	120,546
<b>Items that may be reclassified to net result</b>						
Superannuation actuarial gains / (losses)	22(b)	(9,632)	-	(11,400)	(9,632)	(11,400)
<b>Total other comprehensive income</b>		<b>(54,885)</b>	<b>-</b>	<b>269,711</b>	<b>64,515</b>	<b>109,146</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(276,957)</b>	<b>(222,341)</b>	<b>54,156</b>	<b>(146,618)</b>	<b>(84,537)</b>

The accompanying notes form part of these financial statements.

Budget reflects the budget for the consolidated entity, after eliminating transactions between NSW Department of Industry, Skills and Regional Development and Water Administration Ministerial Corporation (WAMC) (Note 1p).

\* Consolidated budgets information (refer 1(p)), includes budgets for certain funds and/or entities which are reported separately and whose results are not included in actuals. In relation to these funds and/or entities, the budget includes income of approximately \$40m and expense of approximately \$22m. The funds and/or entities are Coal Innovation Fund, Public Reserves Management Fund, Agricultural Scientific Collections Trust, Recreational Fishing (Freshwater) Trust Fund, Recreational Fishing (Saltwater) Trust Fund, Commercial Fishing Trust Fund, Charter Fishing Trust Fund, Fish Conservation Trust Fund, Aquaculture Trust Fund, Jobs for NSW Fund and Cemeteries and Crematoria NSW.

Refer Note 27 for variance analysis.

Department of Industry, Skills and Regional Development  
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

	Notes	Consolidated			Parent	
		Actual	Budget*	Actual	Actual	Actual
		2016	2016	2015	2016	2015
		\$000	\$000	\$000	\$000	\$000
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	11	278,612	320,083	378,882	243,363	349,163
Receivables	12	146,626	175,838	173,804	144,383	160,349
Inventories	13	2,585	14,446	9,181	2,585	9,181
Biological assets	20	2,485	-	2,388	2,485	2,388
Other financial assets	18	7,096	2,953	7,541	7,062	7,541
Non-current assets held for sale	19	412	2,192	1,503	412	1,503
<b>Total Current Assets</b>		<b>437,816</b>	<b>515,512</b>	<b>573,299</b>	<b>400,290</b>	<b>530,125</b>
<b>Non-Current Assets</b>						
Receivables	12	159,271	188,131	153,028	150,466	146,036
Inventories	13	2,554	21,521	4,744	2,554	4,744
Financial assets at fair value	14	4,965	-	4,288	4,965	4,288
Property Plant and Equipment	15					
- Crown Land		5,589,441	-	5,747,656	5,419,094	5,422,248
- Land and Buildings		340,384	5,980,902	412,182	311,604	384,447
- Plant and Equipment		52,086	40,501	52,658	49,959	48,446
- Infrastructure Systems **		2,110,040	1,238,319	2,117,013	1,286,595	1,294,082
- Leased Assets (Buildings)		-	-	163,681	-	163,681
- Work in Progress		37,005	-	60,635	37,005	60,635
Total Property Plant and Equipment		8,128,956	7,259,722	8,553,825	7,104,257	7,373,539
Intangible assets	16					
- Intangible assets **		193,835	42,982	181,900	193,128	181,113
- Work in progress - Intangible assets		2,310	-	2,805	2,310	2,805
Total Intangible assets		196,145	42,982	184,705	195,438	183,918
Investments accounted for under the equity method **	32	-	882,685	-	-	-
Biological assets	20	5,280	-	5,075	5,280	5,075
Other financial assets	18	11,445	-	13,346	9,968	11,563
<b>Total Non-Current Assets</b>		<b>8,508,616</b>	<b>8,395,041</b>	<b>8,919,011</b>	<b>7,472,928</b>	<b>7,729,163</b>
<b>Total Assets</b>		<b>8,946,432</b>	<b>8,910,553</b>	<b>9,492,310</b>	<b>7,873,218</b>	<b>8,259,288</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Payables	21	216,546	160,871	180,301	232,794	181,301
Borrowings		-	2,785	-	-	-
Provisions	22(a)	107,825	70,501	89,176	94,903	77,685
Other	23	13,394	21,345	67,897	12,815	55,226
<b>Total Current Liabilities</b>		<b>337,765</b>	<b>255,502</b>	<b>337,374</b>	<b>340,512</b>	<b>314,212</b>
<b>Non-Current Liabilities</b>						
Provisions	22(a)	40,952	41,983	38,551	40,952	38,551
Other	23	-	-	13	-	13
<b>Total Non-Current Liabilities</b>		<b>40,952</b>	<b>41,983</b>	<b>38,564</b>	<b>40,952</b>	<b>38,564</b>
<b>Total Liabilities</b>		<b>378,717</b>	<b>297,485</b>	<b>375,938</b>	<b>381,464</b>	<b>352,776</b>
<b>Net Assets</b>		<b>8,567,715</b>	<b>8,613,068</b>	<b>9,116,372</b>	<b>7,491,754</b>	<b>7,906,512</b>
<b>EQUITY</b>						
Reserves		886,979	801,956	940,583	812,153	746,357
Accumulated funds		7,680,736	7,811,112	8,175,789	6,679,601	7,160,155
<b>Total Equity</b>		<b>8,567,715</b>	<b>8,613,068</b>	<b>9,116,372</b>	<b>7,491,754</b>	<b>7,906,512</b>

The accompanying notes form part of these financial statements.

Budget reflects the budget for the consolidated entity, after eliminating transactions between NSW Department of Industry, Skills and Regional Development and Water Administration Ministerial Corporation (WAMC) (Note 1p).

\* Consolidated budgets information (refer 1(p)), includes budgets for certain funds and/or entities which are reported separately and whose results are not included in actuals. In relation to these funds and/or entities, the budget includes assets of approximately \$80m. The funds and/or entities are Coal Innovation Fund, Public Reserves Management Fund, Agricultural Scientific Collections Trust, Recreational Fishing (Freshwater) Trust Fund, Recreational Fishing (Saltwater) Trust Fund, Commercial Fishing Trust Fund, Charter Fishing Trust Fund, Fish Conservation Trust Fund, Aquaculture Trust Fund, Jobs for NSW Fund and Cemeteries and Crematoria NSW.

\*\* As per the changes to AASB 11 *Joint Arrangements*, joint ventures are now accounted for using the accounting for assets and liabilities method. Refer Note 32.

Refer Note 27 for variance analysis.

Department of Industry, Skills and Regional Development  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2016

	Notes	Consolidated			Parent		
		Accumulated	Asset	Total	Accumulated	Asset	Total
		Funds	Revaluation Reserve	Equity	Funds	Revaluation Reserve	Equity
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2015		8,175,789	940,583	9,116,372	7,160,155	746,357	7,906,512
Net result for the year		(222,072)	-	(222,072)	(211,133)	-	(211,133)
Other comprehensive income:							
Net increase / (decrease) in property, plant and equipment		-	(45,253)	(45,253)	-	74,147	74,147
Superannuation actuarial gains / (losses)	22(b)	(9,632)	-	(9,632)	(9,632)	-	(9,632)
Total other comprehensive income		(9,632)	(45,253)	(54,885)	(9,632)	74,147	64,515
Total comprehensive income for the year		(231,704)	(45,253)	(276,957)	(220,765)	74,147	(146,618)
Transfers to / (from) reserves		8,351	(8,351)	-	8,351	(8,351)	-
Transactions with owners in their capacity as owners							
Increase / (decrease) in net assets from equity transfers	24	(271,700)	-	(271,700)	(268,140)	-	(268,140)
Total transactions with owners in their capacity as owners		(263,349)	(8,351)	(271,700)	(259,789)	(8,351)	(268,140)
Balance at 30 June 2016		7,680,736	886,979	8,567,715	6,679,601	812,153	7,491,754
Balance at 1 July 2014		7,008,235	667,815	7,676,050	7,008,235	667,815	7,676,050
Adjustment - 2014		1,337,037	46,394	1,383,431	20,326	12,700	33,026
Restated total equity at 1 July 2014		8,345,272	714,209	9,059,481	7,028,561	680,515	7,709,076
Net result for the year		(215,555)	-	(215,555)	(193,683)	-	(193,683)
Other comprehensive income:							
Net increase / (decrease) in property, plant and equipment		-	281,111	281,111	-	120,546	120,546
Superannuation actuarial gains / (losses)	22(b)	(11,400)	-	(11,400)	(11,400)	-	(11,400)
Total other comprehensive income		(11,400)	281,111	269,711	(11,400)	120,546	109,146
Total comprehensive income for the year		(226,955)	281,111	54,156	(205,083)	120,546	(84,537)
Transfers to / (from) reserves		54,737	(54,737)	-	54,704	(54,704)	-
Transactions with owners in their capacity as owners							
Increase / (decrease) in net assets from equity transfers	24	2,735	-	2,735	281,973	-	281,973
Total transactions with owners in their capacity as owners		2,735	-	2,735	281,973	-	281,973
Balance at 30 June 2015		8,175,789	940,583	9,116,372	7,160,155	746,357	7,906,512

The accompanying notes form part of these financial statements

Department of Industry, Skills and Regional Development  
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2016

	Notes	Consolidated			Parent	
		Actual	Budget	Actual	Actual	Actual
		2016	2016	2015	2016	2015
		\$000	\$000	\$000	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<b>Payments</b>						
Employee related		(548,991)	(499,100)	(480,894)	(548,991)	(478,520)
Grants and subsidies		(1,195,805)	(1,510,388)	(610,282)	(1,195,650)	(612,012)
Finance costs		-	(204)	(30)	-	(30)
Other		(366,427)	(554,186)	(407,159)	(363,882)	(415,871)
<b>Total Payments</b>		<b>(2,111,223)</b>	<b>(2,563,878)</b>	<b>(1,498,365)</b>	<b>(2,108,523)</b>	<b>(1,506,433)</b>
<b>Receipts</b>						
Sale of goods and services		353,418	338,079	412,761	346,598	416,217
Interest received		18,697	7,848	13,438	17,406	12,404
Recurrent appropriation		1,505,431	1,989,700	919,748	1,505,431	919,748
Cash transfers to the Consolidated Fund		(62,258)	(63,268)	(66,425)	(62,258)	(65,899)
Grants and contributions		105,021	11,026	167,622	104,955	166,673
Capital appropriation (excluding equity appropriation)		28,743	35,149	34,106	28,743	34,106
Other		68,033	159,502	54,456	68,033	60,120
<b>Total Receipts</b>		<b>2,017,085</b>	<b>2,478,036</b>	<b>1,535,706</b>	<b>2,008,908</b>	<b>1,543,369</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	28	<b>(94,138)</b>	<b>(85,842)</b>	<b>37,341</b>	<b>(99,615)</b>	<b>36,936</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Proceeds from sale of Land and Buildings, Plant and Equipment and Infrastructure Systems		43,731	27,576	32,558	43,678	27,736
Purchases of Land and Buildings, Plant and Equipment and Infrastructure Systems		(47,890)	(48,221)	(50,128)	(47,890)	(49,043)
Purchases of intangibles		-	(5,489)	(4,084)	-	(3,292)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(4,159)</b>	<b>(26,134)</b>	<b>(21,654)</b>	<b>(4,212)</b>	<b>(24,599)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Repayment of borrowings and advances		(13)	(1,796)	(971)	(13)	(971)
Other		-	(400)	-	-	-
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>(13)</b>	<b>(2,196)</b>	<b>(971)</b>	<b>(13)</b>	<b>(971)</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>		<b>(98,310)</b>	<b>(114,172)</b>	<b>14,716</b>	<b>(103,840)</b>	<b>11,366</b>
Opening cash and cash equivalents		378,882	434,255	364,082	349,163	337,466
Cash transferred in / (out) as a result of administrative restructuring		(1,960)	-	84	(1,960)	331
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	11	<b>278,612</b>	<b>320,083</b>	<b>378,882</b>	<b>243,363</b>	<b>349,163</b>

The accompanying notes form part of these financial statements.

Refer Note 27 for variance analysis.

Budget reflects the budget for the consolidated entity, after eliminating transactions between NSW Department of Industry, Skills and Regional Development and Water Administration Ministerial Corporation (WAMC) (Note 1p).

Department of Industry, Skills and Regional Development  
SERVICE GROUP STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

EXPENSES & INCOME	Industry Development *	Resources & Energy *	Primary Industries *	Personnel Services *	Cluster Grant Funding *	Vocational Education and Training *	Not Attributable*	Total NSW Department of Industry 2016 \$000
	2016 \$000	2016 \$000	2016 \$000	2016 \$000	2016 \$000	2016 \$000	2016 \$000	
<b>Expenses excluding losses</b>								
Operating Expenses								
Employee related	26,932	64,095	324,475	15,819	-	25,848	85,879	543,048
Other operating expenses	11,455	37,109	258,198	-	-	20,811	79,686	407,259
Depreciation and amortisation	88	1,777	89,174	-	-	115	9,159	100,313
Grants and subsidies	84,560	233,555	-	-	430,410	428,274	-	1,176,799
Finance costs	-	-	-	-	-	-	-	-
Other expenses	-	58	24,109	-	-	-	-	24,167
<b>Total expenses excluding losses</b>	<b>123,035</b>	<b>336,594</b>	<b>695,956</b>	<b>15,819</b>	<b>430,410</b>	<b>475,048</b>	<b>174,724</b>	<b>2,251,586</b>
<b>Revenue</b>								
Recurrent appropriation (net of transfer payments)**	-	-	-	-	(845,842)	-	2,385,611	1,539,769
Capital appropriation (net of transfer payments)**	-	-	-	-	-	-	28,743	28,743
Sale of goods and services	2,083	66,055	202,168	-	-	941	19,478	290,725
Investment revenue	90	591	16,995	-	-	-	640	18,316
Grants and contributions	158	473	95,772	-	-	3,952	-	100,355
Acceptance by the Crown Entity of employee benefits and other liabilities	2,194	3,848	26,412	220	-	1,493	5,734	39,901
Transfers to NSW Treasury	-	-	(62,393)	-	-	-	-	(62,393)
Other revenue	820	1,049	14,976	-	-	495	10,263	27,603
Personnel services revenue	-	-	-	25,231	-	-	-	25,231
<b>Total Revenue</b>	<b>5,345</b>	<b>72,016</b>	<b>293,930</b>	<b>25,451</b>	<b>(845,842)</b>	<b>6,881</b>	<b>2,450,469</b>	<b>2,008,250</b>
Gain/ (loss) on disposal	(1,015)	(78)	2,956	-	-	-	(482)	1,381
Other gains /(losses)	24	84	18,831	-	-	-	944	19,883
<b>Net result</b>	<b>(118,681)</b>	<b>(264,572)</b>	<b>(380,239)</b>	<b>9,632</b>	<b>(1,276,252)</b>	<b>(468,167)</b>	<b>2,276,207</b>	<b>(222,072)</b>
<b>Other Comprehensive Income</b>								
Net increase / (decrease) in property, plant and equipment asset revaluation reserve	-	-	(45,253)	-	-	-	-	(45,253)
Superannuation actuarial gains / (losses)	-	-	(9,632)	-	-	-	-	(9,632)
Other net increases / (decreases) in equity	-	-	-	-	-	-	-	-
<b>Other comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(54,885)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(54,885)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>(118,681)</b>	<b>(264,572)</b>	<b>(435,124)</b>	<b>9,632</b>	<b>(1,276,252)</b>	<b>(468,167)</b>	<b>2,276,207</b>	<b>(276,957)</b>

\* 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.

Department of Industry, Skills and Regional Development  
SERVICE GROUP STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

ASSETS & LIABILITIES	Industry Development *	Resources & Energy *	Primary Industries *	Personnel Services *	Cluster Grant Funding *	Vocational Education and Training *	Not Attributable*	Total NSW Department of Industry 2016 \$000
	2016 \$000	2016 \$000	2016 \$000	2016 \$000	2016 \$000	2016 \$000	2016 \$000	
<b>ASSETS</b>								
<b>Current Assets</b>								
Cash and cash equivalents	-	-	-	-	-	-	278,612	278,612
Receivables	57,546	77,862	-	7,200	700	3,318	-	146,626
Inventories	-	-	2,585	-	-	-	-	2,585
Biological assets	-	-	2,485	-	-	-	-	2,485
Other financial assets	-	-	7,096	-	-	-	-	7,096
Assets held for sale	-	-	412	-	-	-	-	412
<b>Total Current Assets</b>	<b>57,546</b>	<b>77,862</b>	<b>12,578</b>	<b>7,200</b>	<b>700</b>	<b>3,318</b>	<b>278,612</b>	<b>437,816</b>
<b>Non-Current Assets</b>								
Receivables	4,000	-	125,380	29,891	-	-	-	159,271
Inventories	-	-	2,554	-	-	-	-	2,554
Financial Assets at fair value	62	-	4,903	-	-	-	-	4,965
Total Property Plant and Equipment	385	15,529	8,088,481	-	-	820	23,741	8,128,956
Intangible assets	-	1,424	184,629	-	-	-	10,092	196,145
Investments – equity method	-	-	-	-	-	-	-	-
Biological assets	-	-	5,280	-	-	-	-	5,280
Other financial assets	459	-	10,986	-	-	-	-	11,445
<b>Total Non-Current Assets</b>	<b>4,906</b>	<b>16,953</b>	<b>8,422,213</b>	<b>29,891</b>	<b>-</b>	<b>820</b>	<b>33,833</b>	<b>8,508,616</b>
<b>Total Assets</b>	<b>62,452</b>	<b>94,815</b>	<b>8,434,791</b>	<b>37,091</b>	<b>700</b>	<b>4,138</b>	<b>312,445</b>	<b>8,946,432</b>
<b>LIABILITIES</b>								
<b>Current Liabilities</b>								
Payables	-	-	-	-	-	-	216,546	216,546
Borrowings	-	-	-	-	-	-	-	-
Provisions	50,878	14,591	33,178	5,161	-	4,017	-	107,825
Other	-	443	12,194	-	-	-	757	13,394
<b>Total Current Liabilities</b>	<b>50,878</b>	<b>15,034</b>	<b>45,372</b>	<b>5,161</b>	<b>-</b>	<b>4,017</b>	<b>217,303</b>	<b>337,765</b>
<b>Non-Current Liabilities</b>								
Borrowings	-	-	-	-	-	-	-	-
Provisions	1,002	1,119	3,732	29,883	-	801	4,415	40,952
Other	-	-	-	-	-	-	-	-
<b>Total Non-Current Liabilities</b>	<b>1,002</b>	<b>1,119</b>	<b>3,732</b>	<b>29,883</b>	<b>-</b>	<b>801</b>	<b>4,415</b>	<b>40,952</b>
<b>Total Liabilities</b>	<b>51,880</b>	<b>16,153</b>	<b>49,104</b>	<b>35,044</b>	<b>-</b>	<b>4,818</b>	<b>221,718</b>	<b>378,717</b>
<b>NET ASSETS</b>	<b>10,572</b>	<b>78,662</b>	<b>8,385,687</b>	<b>2,047</b>	<b>700</b>	<b>(680)</b>	<b>90,727</b>	<b>8,567,715</b>

\* The names and purpose of each service group are summarised in Note 10

Department of Industry, Skills and Regional Development  
SERVICE GROUP STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Industry Development *	Resources & Energy *	Primary Industries *	Personnel Services *	Cluster Grant Funding *	Vocational Education and Training *	Not Attributable*	Total NSW Department of Industry 2016 \$000
	2016 \$000	2016 \$000	2016 \$000	2016 \$000	2016 \$000	2016 \$000	2016 \$000	
<b>Administered Expenses</b>								
Transfer Payments	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
<b>Total Administered Expenses</b>	-	-	-	-	-	-	-	-
<b>Administered Revenue</b>								
Transfer Receipts	-	-	-	-	-	-	-	-
Consolidated Fund	-	-	-	-	-	-	-	-
- Fees, fines & Licences	8,387	-	5,055	-	-	-	-	13,442
- Royalties	-	-	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-
<b>Total Administered Revenue</b>	8,387	-	5,055	-	-	-	-	13,442
<b>ADMINISTERED REVENUE LESS EXPENSES</b>	8,387	-	5,055	-	-	-	-	13,442

\* The names and purpose of each service group are summarised in Note 10

Administered assets and liabilities are disclosed in Note 30

In accordance with amendments to the Mining Act 1992, the NSW Office of State Revenue became responsible for administering Royalties relating to royalty periods which commenced on 1 July 2014 or later. Administration of Royalties calculated and paid in arrears for royalty periods prior to 1 July 2014 remain the responsibility of the Department.

Department of Industry, Skills and Regional Development  
SERVICE GROUP STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

EXPENSES & INCOME	Business NSW / Arts NSW *	Resources & Energy *	Primary Industries *	Personnel Services *	Cluster Grant Funding *	Not Attributable*	Total NSW Department of Industry 2015 \$000
	2015 \$000	2015 \$000	2015 \$000	2015 \$000	2015 \$000	2015 \$000	
<b>Expenses excluding losses</b>							
Operating Expenses							
Employee related	52,830	58,192	293,332	41,120	-	86,978	532,452
Other operating expenses	34,281	41,293	312,503	-	-	86,783	474,860
Depreciation and amortisation	8,407	2,346	86,936	-	-	10,364	108,053
Grants and subsidies	225,211	223,358	87,068	-	37,453	8,381	581,471
Finance costs	30	-	-	-	-	-	30
Other expenses	831	5	32,847	-	-	-	33,683
<b>Total expenses excluding losses</b>	<b>321,590</b>	<b>325,194</b>	<b>812,686</b>	<b>41,120</b>	<b>37,453</b>	<b>192,506</b>	<b>1,730,549</b>
<b>Revenue</b>							
Recurrent appropriation (net of transfer payments)**	-	-	-	-	-	894,721	894,721
Capital appropriation (net of transfer payments)**	-	-	-	-	-	34,106	34,106
Sale of goods and services	32,966	61,830	216,253	-	-	11,355	322,404
Investment revenue	2,708	508	15,619	-	-	(5,476)	13,359
(Transfers to the Crown Entity)	-	-	-	-	-	-	-
Grants and contributions	2,132	796	159,654	-	11,053	698	174,333
Acceptance by the Crown Entity of employee benefits and other liabilities	1,920	1,990	13,574	135	-	15,637	33,256
Transfers to NSW Treasury	-	-	(66,425)	-	-	-	(66,425)
Other revenue	3,198	2,192	22,045	-	-	5,539	32,974
Personnel services revenue	-	-	-	52,387	-	-	52,387
<b>Total Revenue</b>	<b>42,924</b>	<b>67,316</b>	<b>360,720</b>	<b>52,522</b>	<b>11,053</b>	<b>956,580</b>	<b>1,491,115</b>
Gain/ (loss) on disposal	(859)	(271)	2,415	-	-	(438)	847
Other gains /(losses)	(407)	-	18,767	-	-	4,672	23,032
<b>Net result</b>	<b>(279,932)</b>	<b>(258,149)</b>	<b>(430,784)</b>	<b>11,402</b>	<b>(26,400)</b>	<b>768,308</b>	<b>(215,555)</b>
<b>Other Comprehensive Income</b>							
Net increase / (decrease) in property, plant and equipment asset revaluation reserve	-	-	281,111	-	-	-	281,111
Superannuation actuarial gains / (losses)	-	-	-	-	-	(11,400)	(11,400)
Other net increases / (decreases) in equity	-	-	-	-	-	-	-
<b>Other comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>281,111</b>	<b>-</b>	<b>-</b>	<b>(11,400)</b>	<b>269,711</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>(279,932)</b>	<b>(258,149)</b>	<b>(149,673)</b>	<b>11,402</b>	<b>(26,400)</b>	<b>756,908</b>	<b>54,156</b>

\* 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.

Department of Industry, Skills and Regional Development  
SERVICE GROUP STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

ASSETS & LIABILITIES	Business NSW / Arts NSW *	Resources & Energy *	Primary Industries *	Personnel Services *	Cluster Grant Funding *	Not Attributable*	Total NSW Department of Industry 2015 \$000
	2015 \$000	2015 \$000	2015 \$000	2015 \$000	2015 \$000	2015 \$000	
<b>ASSETS</b>							
<b>Current Assets</b>							
Cash and cash equivalents	-	-	-	-	-	378,882	378,882
Receivables	56,186	64,189	44,639	8,090	700	-	173,804
Inventories	-	-	8,455	-	-	726	9,181
Biological assets	-	-	2,388	-	-	-	2,388
Other financial assets	95	-	7,390	-	-	56	7,541
Assets held for sale	-	-	1,503	-	-	-	1,503
<b>Total Current Assets</b>	<b>56,281</b>	<b>64,189</b>	<b>54,375</b>	<b>8,090</b>	<b>700</b>	<b>379,664</b>	<b>573,299</b>
<b>Non-Current Assets</b>							
Receivables	-	-	-	27,124	-	125,904	153,028
Inventories	-	-	4,744	-	-	-	4,744
Financial Assets at fair value	62	-	4,226	-	-	-	4,288
Total Property Plant and Equipment	249,609	12,418	8,266,489	-	-	25,309	8,553,825
Intangible assets	2,392	2,169	169,565	-	-	10,579	184,705
Investments – equity method	-	-	-	-	-	-	-
Biological assets	-	-	5,075	-	-	-	5,075
Other financial assets	421	-	12,925	-	-	-	13,346
<b>Total Non-Current Assets</b>	<b>252,484</b>	<b>14,587</b>	<b>8,463,024</b>	<b>27,124</b>	<b>-</b>	<b>161,792</b>	<b>8,919,011</b>
<b>Total Assets</b>	<b>308,765</b>	<b>78,776</b>	<b>8,527,399</b>	<b>35,214</b>	<b>700</b>	<b>541,456</b>	<b>9,492,310</b>
<b>LIABILITIES</b>							
<b>Current Liabilities</b>							
Payables	-	-	-	-	-	180,301	180,301
Borrowings	-	-	-	-	-	-	-
Provisions	50,503	4,692	27,298	6,683	-	-	89,176
Other	-	-	32,804	-	-	35,093	67,897
<b>Total Current Liabilities</b>	<b>50,503</b>	<b>4,692</b>	<b>60,102</b>	<b>6,683</b>	<b>-</b>	<b>215,394</b>	<b>337,374</b>
<b>Non-Current Liabilities</b>							
Borrowings	-	-	-	-	-	-	-
Provisions	935	24	883	27,279	-	9,430	38,551
Other	13	-	-	-	-	-	13
<b>Total Non-Current Liabilities</b>	<b>948</b>	<b>24</b>	<b>883</b>	<b>27,279</b>	<b>-</b>	<b>9,430</b>	<b>38,564</b>
<b>Total Liabilities</b>	<b>51,451</b>	<b>4,716</b>	<b>60,985</b>	<b>33,962</b>	<b>-</b>	<b>224,824</b>	<b>375,938</b>
<b>NET ASSETS</b>	<b>257,314</b>	<b>74,060</b>	<b>8,466,414</b>	<b>1,252</b>	<b>700</b>	<b>316,632</b>	<b>9,116,372</b>

\* The names and purpose of each service group are summarised in Note 10.

Department of Industry, Skills and Regional Development  
SERVICE GROUP STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

	Business NSW / Arts NSW *	Resources & Energy *	Primary Industries *	Personnel Services *	Cluster Grant Funding *	Not Attributable*	Total NSW Department of Industry 2015 \$000
	2015 \$000	2015 \$000	2015 \$000	2015 \$000	2015 \$000	2015 \$000	
<b>Administered Expenses</b>							
Transfer Payments	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
<b>Total Administered Expenses</b>	-	-	-	-	-	-	-
<b>Administered Revenue</b>							
Transfer Receipts	-	-	-	-	-	-	-
Consolidated Fund	-	-	-	-	-	-	-
- Fees, fines & Licences	31,270	-	4,937	-	-	-	36,207
- Royalties	-	117,985	-	-	-	-	117,985
- Other	-	-	-	-	-	-	-
<b>Total Administered Revenue</b>	<b>31,270</b>	<b>117,985</b>	<b>4,937</b>	-	-	-	<b>154,192</b>
<b>ADMINISTERED REVENUE LESS EXPENSES</b>	<b>31,270</b>	<b>117,985</b>	<b>4,937</b>	-	-	-	<b>154,192</b>

\* The names and purpose of each service group are summarised in Note 10  
Administered assets and liabilities are disclosed in Note 30

Department of Industry, Skills and Regional Development  
SUMMARY OF COMPLIANCE WITH FINANCIAL DIRECTIVES

	Note	2016			
		RECURRENT APPROPRIATION	EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND	CAPITAL APPROPRIATION	EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND
		\$000	\$000	\$000	\$000
<b>ORIGINAL BUDGET APPROPRIATION / EXPENDITURE</b>					
Appropriation Act		2,906,389	2,512,440	35,149	28,743
Additional Appropriations					
s24 A PF&AA – transfer of functions between departments		(964)	(964)		
s26 A PF&AA – Commonwealth specific purpose payments					
		2,905,425	2,511,476	35,149	28,743
<b>OTHER APPROPRIATIONS / EXPENDITURE</b>					
Additional Appropriations					
Treasurer's Advance					
s26 A PF&AA – Commonwealth specific purpose payments					
Transfers to / from another agency (s32 of the Appropriation Act)					
Other Adjustments					
Section 45 - variation of authorised payments from Consolidated Fund					
<b>Total Appropriation / Expenditure / Net Claim on Consolidated Fund (includes transfer payments)</b>		2,905,425	2,511,476	35,149	28,743
<b>Amount drawn down against Appropriation</b>	7		2,385,611		29,500
<b>Liability to Consolidated Fund</b>			-		757

	Note	2015			
		RECURRENT APPROPRIATION	EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND	CAPITAL APPROPRIATION	EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND
		\$000	\$000	\$000	\$000
<b>ORIGINAL BUDGET APPROPRIATION / EXPENDITURE</b>					
Appropriation Act		1,657,216	1,501,883	37,966	34,276
Additional Appropriations					
s24 A PF&AA – transfer of functions between departments					
s26 A PF&AA – Commonwealth specific purpose payments					
		1,657,216	1,501,883	37,966	34,276
<b>OTHER APPROPRIATIONS / EXPENDITURE</b>					
Additional Appropriations		18,696	18,696		
Treasurer's Advance		720	185		
s26 A PF&AA – Commonwealth specific purpose payments		10,850	7,300		
Transfers to / from another agency (s32 of the Appropriation Act)		45	45		
Other Adjustments		(122,348)	-		
Section 45 - variation of authorised payments from Consolidated Fund					
<b>Total Appropriation / Expenditure / Net Claim on Consolidated Fund (includes transfer payments)</b>		1,565,179	1,528,109	37,966	34,276
<b>Amount drawn down against Appropriation</b>	7		1,563,204		34,106
<b>Liability to Consolidated Fund</b>			35,095		-

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 27

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Reporting entity

The Department of Industry, Skills and Regional Development (NSW Department of Industry) is a NSW Government department. NSW Department of Industry (the Department) is a not-for-profit entity (as profit is not its principal objective) and the department does not have a cash generating unit. NSW Department of Industry is consolidated as part of the NSW Total State Sector Accounts.

On the 27th May 2015 - Administrative Arrangements (Administrative Changes - Public Service Agencies) Order (No 2) 2015, outlined the following changes effective 1 July 2015:

- The establishment of the Department of Industry, Skills and Regional Development (the successor and continuation of the abolished Department of Trade and Investment, Regional Infrastructure and Services).
- The transfer of the Trade Development Branch to the Department of Premier and Cabinet.
- The transfer of the Office of Liquor, Gaming and Racing, and those employees principally involved in providing support to the Office of Liquor, Gaming and Racing, to the Department of Justice.
- The transfer of those employees who were principally involved in the administration of legislation allocated to the Minister for the Arts, to the Department of Justice, along with associated assets including the Carriage Works.
- The transfer of those employees who were principally involved in the administration of the Charitable Fundraising Act 1991, to the Department of Finance, Services and Innovation.
- State Training Services (now known as Training Services NSW) was transferred to the new Department of Industry, Skills and Regional Development, from the Department of Education and Communities.
- All other parts of the former Department of Trade and Investment, Regional Infrastructure and Services were transferred to the new Department of Industry, Skills and Regional Development.

NSW Department of Industry is a reporting entity. The financial statements include the separate financial statements for NSW Department of Industry as the parent entity and the consolidated entity consisting of the following entities:

- NSW Department of Industry
- Water Administration Ministerial Corporation
- Lands Administration Ministerial Corporation
- Fisheries Administration Ministerial Corporation

In the process of preparing the financial statements for the consolidated entity, consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated, and like transactions and other events are accounted for using uniform accounting policies.

NSW Department of Industry provided Personnel Services to Rural Assistance Authority, NSW Food Authority and the Wild Dog Destruction Board, in the current financial year. The recipients of Personnel Services are separate reporting entities and not controlled by NSW Department of Industry.

These financial statements for the year ended 30 June 2016 have been authorised for issue by the Secretary on the date the accompanying statement by the Secretary was signed.

### (b) Basis of preparation

The consolidated entity's financial statements are general purpose financial statements which have been prepared on an accrual basis in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983* and Regulation 2015 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 measured in accordance with the historical cost convention except where specified otherwise.

Judgements, key 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 Department of Industry 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 Department of Industry's own objectives.

Transactions and balances relating to the administered activities are not recognised as NSW Department of Industry's revenues, expenses, assets, and liabilities but are disclosed in the accompanying schedules as "Administered Revenues", "Administered Expenses", "Administered Assets" and "Administered Liabilities". (Refer Note 30 and 31)

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 consolidated entity'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 arrangements

The Department's share of assets, liabilities, revenue and expenses of a joint operation have been incorporated in the financial statements under the appropriate headings. Details of the joint arrangements are set out in note 32.

## (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 the consolidated entity 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 the consolidated entity 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 23 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 30 "Administered Assets and Liabilities".

### (ii) Sale of Goods

Revenue from the sale of goods is recognised as revenue when the consolidated entity 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 Department of Industry 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 from operating leases 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 Department of Industry's right to receive payment is established.

### (vi) Sale of Land

From the date of the administrative restructure implemented under the Public Sector Employment and Management (Departments) Order 2011 the consolidated entity 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 the consolidated entity 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

The consolidated entity acts as an agent for other government agencies in regard to the sale of surplus Crown land. After deducting the consolidated entity'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.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(i) Income recognition (cont.)**

**(c) Land declared to be Crown land**

Land declared to be Crown or returned to Crown is recognised at fair value through equity (where transfer is within state sector) or revenue (where transfer is from outside state sector) upon publication of the notice in the NSW Government Gazette.

**(d) Land acquisition sales**

Revenue from land 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**

Assets acquired are initially recognised at cost. 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(o).

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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**

The consolidated entity 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**

All parcels of land which are Crown Reserves under Trust are excluded from land assets of NSW Department of Industry, except those consolidated as part of Land Administration Ministerial Corporation, or, where no trust manager exists or the Department is the manager.

**(d) Other Land**

These are parcels of land where the consolidated entity has buildings and research stations situated and any other land held for their own activities. These lands form part of the other land and buildings asset category.

**(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 14-01). This policy adopts fair value in accordance with AASB 13 *Fair Value Measurement* and AASB 116 *Property, Plant and Equipment*.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and take into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

Fair value of property, plant and equipment is based on a market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs. Also refer to Note 15 and Note 17 for further information regarding fair value.

The consolidated entity re-values each class of property, plant and equipment 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. Individual value parcels of Crown Land have been revalued on a rolling basis to ensure no valuation is older than 3 years at 30 June 2016, and parcels not individually revalued in 2016 have had indexation applied.

The last revaluation on Infrastructure - Levee Bank (also known as Hunter Valley Flood Mitigation Scheme Assets) was completed in June 2015 and was based on an independent assessment.

# **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

## **(j) Assets (cont.)**

### **(iv) Revaluation of property, plant and equipment (cont.)**

Crown Land is categorised as Land under tenure and Untenured Crown land. These categories are valued as follows:

#### **(a) Land under tenure**

The consolidated entity's interest in land under tenure is limited by the existence of agreements, which in many cases will deny the consolidated entity occupancy of the land for many years or in perpetuity. The consolidated entity'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 the consolidated entity holds full interest.

The revaluation methodology was enhanced through the application of individual valuations to selected parcels that are located in high value areas i.e. within urban boundaries, coastal areas or on which infrastructure with an estimated replacement value of \$1m stands, 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.

Individually valued parcels of Crown Land are valued on a rolling basis every 3 years, with indexation applied in non valuation years. Mass valued land rates are subject to full revaluation every 3 years, the last being completed for 30 June 2014. An indexation review of the mass value rates is undertaken in the years between full valuations, and any changes are applied when required.

The consolidated entity has recognised land under roads at a value per hectare rate based on the value of adjoining land.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as an approximation of fair value. The entity has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

When revaluing non-current assets using cost approach, the gross amount and the related accumulated depreciation are separately restated.

For other assets valued using other valuation techniques, 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.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not 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**

Derecognition of land occurs when a parcel of land shown in the NSW Department of Industry, has been identified as being included in the financial statements of another NSW Department or entity.

The consolidated entity records Aboriginal Land Claims as a full impairment against the carrying value of the Land, when the claim is granted. Other than this, as a not-for-profit entity with no cash generating units, the consolidated entity 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**

The consolidated entity 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 June 2016, 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.

# **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

## **(j) Assets (cont.)**

### **(vi) Contaminated Land**

When the Environment Protection Agency identifies land as contaminated and provides an order, an impairment provision is raised for the land when the cost to remediate the land is quantifiable. In the event that cost of restoring the contaminated land exceeds the value of the land a liability is recognised.

As part of the 2014 valuation, where contaminated land was known, and remediation cost was considered to be material, the valuer took this into consideration.

### **(vii) Assets not able to be reliably measured**

The consolidated entity holds certain assets that have not been recognised in the Statement of Financial Position because the consolidated entity is unable to measure reliably the value for the assets. These assets include geological survey databases and related maps, images and models; and mineral core specimens obtained through drilling over a considerable period of time.

### **(viii) 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 the consolidated entity.

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 4 – 140 years for buildings and 2 – 78 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
Water Infrastructure and Levee Banks	100 - Unlimited years

Fully depreciated assets have a cost of \$23.044 million.

### **(ix) 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.

### **(x) 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.

### **(xi) 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.

### **(xii) Leased assets**

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and rewards.

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.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

# 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## (j) Assets (cont.)

### (xiii) Intangible assets

The consolidated entity recognises intangible assets only if it is probable that future economic benefits will flow to the consolidated entity 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 the consolidated entity 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 the consolidated entity's intangible software assets, the assets are carried at cost less any accumulated amortisation.

The consolidated entities' 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.

### (xiv) 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.

### (xv) 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 cost 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 the consolidated entity 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.

### (xvi) Investments

Investments are initially recognised at fair value plus, in the case of investments not at fair value through profit or loss, transaction costs. The consolidated entity 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 – the consolidated entity 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 the consolidated entity 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.

# **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

## **(j) Assets (cont.)**

### **(xvi) Investments (cont.)**

• 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 of the investments are monitored regularly.

### **(xvii) 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.

### **(xviii) 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 the consolidated entity transfers the financial asset:

- where substantially all the risks and rewards have been transferred; or
- where the consolidated entity 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.

### **(xix) Non-current Assets (or disposal groups) held for sale**

The consolidated entity 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 19.

### **(xx) Trust funds**

NSW Department of Industry receives monies as set out in Notes 29 and 30 and holds security deposits in relation to Crown land tenures and mining activities.

As NSW Department of Industry performs only a custodial role in respect of these monies, and because the monies cannot be used for the achievement of NSW Department of Industry's own objectives, these funds are separately disclosed in the financial statements.

### **(xxi) Other assets**

Other assets are recognised on a cost basis.

### **(xxii) Restricted assets**

Refer Note 6.

## **(k) Liabilities**

### **(i) Payables**

These amounts represent liabilities for goods and services provided to the consolidated entity 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 de-recognition.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Liabilities (cont.)

(iii) Financial Guarantees (cont.)

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.

The consolidated entity has reviewed its financial guarantees and determined that there is no material liability to be recognised for financial guarantee contracts at 30 June 2016 and 30 June 2015.

(iv) Employee benefits and other provision

(a) Salaries and wages, annual leave, sick leave and on-costs

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (although short-cut methods are permitted). Actuarial advice obtained by Treasury has confirmed that the use of an approach using nominal annual leave plus annual leave on the nominal liability (using 7.9% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The entity has assessed the actuarial advice based on the entity's circumstances and has determined that the effect of discounting is immaterial to 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 Department of Industry's liabilities (apart from the semi-commercial activities) for long service leave and defined benefit superannuation are assumed by the Crown Entity. NSW Department of Industry 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".

A NSW Department of Industry's semi-commercial activity is a member of the Non-Budget Long Service Leave (LSL) Pool. NSW Department of Industry 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 Department of Industry is reimbursed by the NSW Treasury for long service leave payments made. NSW Department of Industry'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 15/09) 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.

A NSW Department of Industry's semi-commercial activity is 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. In using the 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.

(c) Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers compensation insurance premiums and fringe benefits tax.

(v) Other Provisions

Other provisions exist when the consolidated entity 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 with a material effect of the time value of money presently exist.

In relation to Land Development, provision for rebates is recognised when certain lots are sold. As part of the condition of sale, the consolidated entity 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 UrbanGrowth NSW.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (l) Contribution to Consolidated Fund

The consolidated entity 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 the consolidated entity 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), NSW Department of Industry 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), which will cease in late 2016, NSW Department of Industry is required to pay an annual contribution, based on any cash over and above working capital requirement, as determined annually.

### (m) Fair Value hierarchy

A number of the consolidated entity's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, the entity categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 - quoted prices in active markets for identical assets / liabilities that the entity can access at the measurement date.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 - inputs that are not based on observable market data (unobservable inputs).

Refer Note 17 and Note 33(f) for further disclosures regarding fair value measurements of financial and non-financial assets.

### (n) 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 the consolidated entity'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).

### (o) 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*.

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 Department of Industry recognises the asset at the transferor's carrying amount. Where the transferor is prohibited from recognising an internally generated intangible the consolidated entity does not recognise that asset.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Budgeted amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament, for NSW Department of Industry and Water Administration Ministerial Corporation, in respect of the reporting period. Subsequent amendments to the original budget (e.g. adjustment for transfer of functions between entities as a result of Administrative Arrangements Orders) are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the primary financial statements are explained in Note 27.

The published budget has been adjusted for transfer payments (Note 9) and consolidation of WAMC, as follows:

*Statement of Comprehensive Income*

	Industry Original Published \$000	WAMC Original Published \$000	Total \$000	Eliminate WAMC Transaction \$000	Adjusted for Transfer Payments \$000	As Reported \$000
Total Expenses Excluding Losses	3,553,235	76,722	3,629,957	(59,340)	(916,689)	2,653,928
Total Revenue	3,318,636	64,500	3,383,136	(59,340)	(916,689)	2,407,107
Net Result	(210,119)	(12,222)	(222,341)	-	-	(222,341)

*Statement of Financial Position*

	Industry Original Published \$000	WAMC Original Published \$000	Total \$000	Eliminate WAMC Transaction \$000	Adjusted for Transfer Payments \$000	As Reported \$000
Total Assets	8,209,855	700,698	8,910,553	-	-	8,910,553
Total Liabilities	297,485	-	297,485	-	-	297,485
Total Equity	7,912,370	700,698	8,613,068	-	-	8,613,068

*Statement of Cash Flows*

	Industry Original Published \$000	WAMC Original Published \$000	Total \$000	Eliminate WAMC Transaction \$000	Adjusted for Transfer Payments \$000	As Reported \$000
Net Cash Flows from Operating Activities	(85,842)	-	(85,842)	-	-	(85,842)
Net Cash Flows from Investing Activities	(26,134)	-	(26,134)	-	-	(26,134)
Net Cash flow from Financing Activities	(2,196)	-	(2,196)	-	-	(2,196)
Net Increase/(Decrease) in Cash	(114,172)	-	(114,172)	-	-	(114,172)

(q) 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.

(r) New Australian Accounting Standards issued and effective for the first time at 30 June 2016

The following new Australian Accounting Standards have been issued and are now effective for the first time at 30 June 2016.

- AASB 2015-3 amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality
- AASB 2015-4 amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (s) New Australian Accounting Standards issued but not effective

The following new Australian Accounting Standards have been issued but are not yet effective. The Department has not early adopted any of these new standards or amendments. When applied in future periods, they are not expected to have a material impact on the financial position or performance of the Consolidated Entity, unless otherwise detailed below:

- AASB 9 and AASB 2014-7 regarding financial instruments (1 Jan 2018)
- AASB 14 and AASB 2014-1 (Part D) regarding Regulatory Deferral Accounts (1 Jan 2016)
- AASB 15 and AASB 2014-5, AASB 2016-3 and AASB 2015-8 regarding Revenue from Contracts with Customers (1 Jan 2018)
- AASB 16 *Leases* replaces AASB 117 (1 July 2019)
- AASB 1056 Superannuation Entities (1 July 2016)
- AASB 1057 and AASB 2015-9 Application of Australian Accounting Standards (1 Jan 2016)
- AASB 2014-3 regarding accounting for acquisitions of interests in joint operations (1 Jan 2016)
- AASB 2014-4 regarding acceptable methods of depreciation and amortisation (1 Jan 2016)
- AASB 2014-6 regarding bearer plants (1 Jan 2016)
- AASB 2014-9 regarding equity method in separate financial statements (1 Jan 2016)
- AASB 2014-10 and AASB 2015-10 regarding sale or contribution of assets between an investor and its associate or joint venture (1 Jan 2016)
- AASB 2015-1 regarding annual improvements to Australian Accounting Standards 2012-2014 cycle (1 Jan 2016)
- AASB 2015-2 regarding amendments to AASB 101 disclosure initiatives (1 Jan 2016)
- AASB 2015-5 Amendments to Australian Accounting Standards - Investment Entities: Applying the Consolidation Exception (1 Jan 2016)
- AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities (1 July 2016)
- AASB 2015-7 Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-for-Profit Public Sector Entities (1 July 2016)
- AASB 2015-9 Amendments to Australian Accounting Standards - Scope and Application Paragraphs; (1 Jan 2016)
- AASB 2016-1 Amendments to Australian Accounting Standards - Recognition of Deferred Tax Assets for Unrealised Losses [AASB 112] (1 Jan 2017)
- AASB 2016-2 Amendments to Australian Accounting Standards - Disclosure initiative: Amendments to AASB 107; (1 Jan 2017)
- AASB 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities; (1 Jan 2017)

#### **AASB 15 Revenue from Contracts with Customers**

AASB 15 replaces AASB 118 *Revenue*, AASB 111 *Construction Contracts* and four Interpretations issued by the AASB and amends the principles for recognising revenue from contracts with customers. The Standard is expected to apply to the Department for financial periods beginning 1 July 2018. The Standard requires an entity to recognise revenue on a basis that depicts the transfer of promised goods and services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

In addition, the AASB issued ED 260 *Income of Not-for-profit Entities* in April 2015. ED 260 proposes additional implementation guidance on applying the principles in AASB 15 to not-for-profit entities as well as replacing the requirements in AASB 1004 *Contributions*.

The application of AASB 15 may have a material impact on the Consolidated Entity's revenue recognition policies. However, until the AASB finalises its deliberations on ED 260, management has not been able to reasonably estimate the possible future impacts of this standard.

#### **AASB 9 Financial Instruments**

AASB 9 will apply to the Department for financial periods beginning 1 July 2018. The Standard includes requirements for the classification and measurement of financial assets and incorporates amendments to the accounting for financial liabilities and hedge accounting rules to remove the quantitative hedge effectiveness tests and have been replaced with a business model test.

AASB 9 also improves and simplifies the approach for classification and measurement of financial assets compared with the requirements of AASB 139.

As this Standard will be first applied to the Consolidated Entity's 30 June 2019 financial statements, management is unable to reliably estimate the potential future impacts of this new standard at this time.

#### **AASB 16 Leases**

AASB 16 replaces AASB 117 *Leases* and is expected to apply to the Department for financial years beginning 1 July 2019.

AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with terms of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset and a lease liability. For lessors, the Standard provides accounting requirements that a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The application of AASB 16 may have a material effect on the Department's financial statements (refer note 25 for current operating lease commitments of \$81m). As the Standard will be first applied to the Consolidated Entity's 30 June 2020 financial statements, management is unable to reliably estimate the potential future impacts of this new standard at this time.

**2 EXPENSES EXCLUDING LOSSES**

	Consolidated		Parent	
	2016	2015	2016	2015
	\$000	\$000	\$000	\$000
<b>(a) Employee Related Expenses</b>				
Salaries and wages (including recreation leave)	425,635	424,363	424,635	422,317
Superannuation – defined benefit plans	8,617	11,209	8,617	11,199
Superannuation – defined contribution plans	30,534	30,102	30,534	29,992
Long service leave	34,741	28,699	34,741	28,654
Workers compensation insurance	1,403	2,536	1,403	2,536
Payroll tax and fringe benefits tax	28,488	27,485	28,488	27,407
Redundancy payments	13,384	7,856	13,384	7,856
Other - Miscellaneous	246	202	245	200
	<b>543,048</b>	<b>532,452</b>	<b>542,047</b>	<b>530,161</b>
<b>(b) Other operating expenses include the following:</b>				
Advertising and promotion	9,754	10,040	9,753	10,016
Assets under \$5000	4,179	5,437	4,159	5,401
Auditor's remuneration – audit of financial reports	1,316	1,616	1,222	1,563
Bad and doubtful debts (not provided for elsewhere)	366	100	350	100
Cleaning	4,586	4,608	4,544	4,562
Computer fees	13,019	11,605	13,016	11,601
Consultancy	14,348	19,874	14,285	19,662
Contractors and other fees	158,457	124,669	156,862	123,391
Cost of Sales	25,768	35,924	25,767	35,883
Courier and freight	890	1,030	890	995
Data/Internet	5,051	5,072	5,045	5,070
De-recognition of Crown Land	21,800	72,264	21,800	72,264
Electricity	4,813	6,161	4,766	6,111
Energy Concession Administration fee	850	757	850	757
Insurance	4,308	4,607	4,280	4,578
Land Impairment – Aboriginal Land Claims	17,070	23,705	17,070	23,705
Legal Crown Solicitors	777	1,776	766	1,765
Legal other	3,583	4,566	3,522	4,553
Maintenance*	15,463	32,525	14,357	20,490
Motor vehicle expenses	9,613	10,311	9,548	10,219
Operating lease rental expense – minimum lease payments	35,853	38,244	35,823	38,024
Other operating	31,016	33,948	21,538	31,808
Printing	1,968	2,306	1,968	2,295
Rates	360	976	361	882
Telecommunication	4,032	4,015	4,025	3,985
Training and staff development	3,197	3,664	3,192	3,656
Travel	14,822	15,060	14,759	14,940
	<b>407,259</b>	<b>474,860</b>	<b>394,518</b>	<b>458,276</b>
<b>Maintenance Reconciliation</b>				
* Maintenance expense - contracted labour and other (non-employee related), as above	15,463	32,525	14,357	20,490
Employee related maintenance expense included in Note 2(a)	865	1,002	865	1,002
<b>Total Maintenance expenses included in Note 2(a) + 2(b)</b>	<b>16,328</b>	<b>33,527</b>	<b>15,222</b>	<b>21,492</b>
<b>(c) Depreciation and amortisation expense</b>				
Buildings	10,244	16,881	9,450	16,144
Infrastructure	67,426	66,285	53,641	53,687
Plant and Equipment	15,305	17,675	14,826	16,811
Amortisation of intangible assets	7,338	7,212	7,259	7,176
	<b>100,313</b>	<b>108,053</b>	<b>85,176</b>	<b>93,818</b>

**2. EXPENSES EXCLUDING LOSSES (continued)**

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
<b>(d) Grants and subsidies</b>				
Grants to Government bodies - not specified below	24,755	30,631	37,466	32,367
Grant to Other Non-Government Bodies - not specified below	36,495	28,310	36,365	28,310
Grants to Cultural institutions transferred to NSW Department of Justice <sup>1</sup>	-	65,691	-	65,691
Other institutions transferred to NSW Department of Justice <sup>4</sup>	-	45,166	-	45,166
Achieving Sustainable Groundwater Entitlements Program	3,625	414	3,625	414
Animal Welfare Organisations	1,410	1,052	1,410	1,052
Boosting Business	12,000	-	12,000	-
Country Towns Water Supply and Sewerage Scheme	23,585	32,196	23,585	32,196
Customer Assistance Policy	1,696	395	1,696	395
Deed of Settlement - MetGasCo	25,000	-	25,000	-
Destruction of Noxious Weeds	9,550	11,099	9,550	11,099
Drought Transport Subsidies	-	323	-	323
Energy Accounts Payment Assistance	11,790	12,493	11,790	12,493
Environmental Data Portal	-	2,748	-	2,748
Family Energy Rebate	5,932	8,068	5,932	8,068
Forests NSW <sup>1</sup>	15,536	-	15,536	-
Hunter Water Corporation <sup>1</sup>	14,431	-	14,431	-
Industry Capability Network (NSW)	423	1,019	423	1,019
Industry Training Services - budget dependent	267,416	-	267,416	-
Industry Training Services - other	159,793	-	159,793	-
Invasive Species	12,458	12,116	12,458	12,116
Life Support Rebates Scheme	7,434	4,138	7,434	4,138
Low Income Household Rebate	187,708	184,014	187,708	184,014
Mobile Blackspots	11,962	-	11,962	-
Non cash capital land grant	12,433	2,981	11,870	2,981
NSW Gas Rebate for Low Income Households	16,250	-	16,250	-
Pensioner rate rebates - Essential Water	437	454	437	454
Recurrent grant to Murray Darling Basin Authority	24,699	18,275	24,699	18,275
Regional Industries Investment Fund <sup>2</sup>	355	8,767	355	8,767
Regional Relocation Grants 2015-16	5,515	-	5,515	-
Research Attraction & Acceleration Program	18,325	9,982	18,325	9,982
Rural Assistance Authority	-	12,129	-	12,129
Rural Counsellors Contribution	-	840	-	840
Scholarships	60	7,510	60	7,510
State Investment Attraction Scheme <sup>2</sup>	12	22,297	12	22,297
State Parks Trusts	775	575	775	575
Surface Water Management	16,158	5,900	16,158	5,900
Sustain the Basin	14,135	8,786	14,135	8,786
Sydney School of Entrepreneurship	25,000	-	25,000	-
Sydney Water Corporation <sup>1</sup>	165,636	-	165,636	-
Water NSW	36,504	34,103	36,504	34,103
Subsidies to organisations - public trading enterprises	-	401	-	401
Water and Sewer System for Aboriginal Communities	7,506	8,390	7,506	8,390
Wild Dog Destruction Board	-	208	-	208
	<b>1,176,799</b>	<b>581,471</b>	<b>1,188,817</b>	<b>583,207</b>
<b>(e) Finance Costs</b>				
Amortised interest expense	-	30	-	30
	-	<b>30</b>	-	<b>30</b>
<b>(f) Other expenses</b>				
Shark Meshing	35	1,289	35	1,289
Australian Standing Committee on Agriculture	-	4,897	-	4,897
Coal compensation expense	-	1,304	-	1,304
Australian Technology Showcase	461	831	461	831
Irrigation areas works - private sector	3,649	8,100	3,649	8,100
Rehabilitation of artesian bores	366	2,667	366	2,667
Crown lease waivers	7,358	3,000	7,143	2,861
Refunds and remissions of Crown Revenue	12,298	11,595	12,003	11,539
	<b>24,167</b>	<b>33,683</b>	<b>23,657</b>	<b>33,488</b>

1. Refer to Note 9 for prior year amount.

2. Grants now paid by Jobs for NSW Fund, from 25 September 2015.

3. Art Gallery of NSW, Arts and Cultural and Development Program, Australian Museum, Museum of Applied Arts and Sciences and State Library of NSW from 1 July 2015.

4. Centralised Monitoring Fee - Clubs, ClubGRANTS Fund, Independent Liquor and Gaming Authority, Racing NSW and Responsible Gaming Fund from 1 July 2015.

3. REVENUES

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
<b>(a) Sale of goods and services</b>				
<b>Sale of goods:</b>				
Sale of produce	7,352	7,197	7,352	7,197
Sale of land developments	20,949	28,635	20,949	28,635
Sale of publications	470	518	470	518
Minor sales of goods and services	327	1,244	327	1,244
<b>Rendering of services:</b>				
Education and training	3,158	3,190	3,158	3,190
Consulting	60	381	60	381
Fees, levies and licences	74,206	80,616	73,556	78,087
Crown Land leases	56,392	53,608	53,531	48,705
Mine Safety Levy	34,746	34,774	34,746	34,774
Recovery of administrative costs	17,736	11,296	18,236	12,694
Other Services	375	15,794	375	15,469
Income from water operations	41,475	46,025	41,475	46,025
Soil Conservation Service	33,479	39,126	33,479	39,126
	<b>290,725</b>	<b>322,404</b>	<b>287,714</b>	<b>316,045</b>
<b>(b) Investment revenue</b>				
Interest	15,993	8,829	13,974	7,906
Rents	2,285	4,026	2,264	3,918
Other	38	504	38	504
	<b>18,316</b>	<b>13,359</b>	<b>16,276</b>	<b>12,328</b>
<b>(c) Fees and fines</b>				
	-	-	-	-
<b>(d) Grants and Contributions (Note 6)</b>				
Grants – Industry/Private Bodies	44,114	61,918	44,185	61,625
Grants – Commonwealth Government	13,198	14,128	13,198	14,058
Grants – NSW Budget Sector Agencies	38,053	92,438	37,868	75,343
Grants – PTE's, Local & Other State Governments	4,990	5,849	4,896	5,844
	<b>100,355</b>	<b>174,333</b>	<b>100,147</b>	<b>156,870</b>
<b>(e) Other revenue</b>				
Other Revenue	27,603	32,974	27,179	32,609
	<b>27,603</b>	<b>32,974</b>	<b>27,179</b>	<b>32,609</b>
<b>(f) Personnel Services Revenue</b>				
Rural Assistance Authority	2,052	2,236	2,052	2,236
NSW Food Authority	22,459	13,692	22,459	13,692
Sydney Catchment Authority <sup>1</sup>	-	31,585	-	31,585
Wild Dog Destruction Board	720	688	720	688
Mine Subsidence Board <sup>2</sup>	-	4,186	-	4,186
	<b>25,231</b>	<b>52,387</b>	<b>25,231</b>	<b>52,387</b>

1. Ceased 31 December 2014

2. Ceased 1 July 2015

**4. GAIN / (LOSS) ON DISPOSAL**

	Consolidated		Parent	
	2016	2015	2016	2015
	\$000	\$000	\$000	\$000
<b>Gain / (loss) on disposal of property, plant and equipment</b>				
Proceeds from disposal	28,826	49,322	21,236	48,808
Written down value of assets disposed	(27,445)	(48,475)	(20,617)	(46,068)
<b>Net gain / (loss) on disposal of property, plant and equipment</b>	<b>1,381</b>	<b>847</b>	<b>619</b>	<b>2,740</b>
<b>Net gain/(loss) on disposal</b>	<b>1,381</b>	<b>847</b>	<b>619</b>	<b>2,740</b>

**5. OTHER GAINS / (LOSSES)**

	Consolidated		Parent	
	2016	2015	2016	2015
	\$000	\$000	\$000	\$000
Gain/(Impairment) of Receivables	(779)	7,866	(851)	8,185
Gain/(Impairment) of Intangibles	18,128	28,222	18,128	28,222
Gain/(Impairment) of Property Plant and Equipment	2,534	(13,056)	2,484	(231)
<b>Net Other Gains / (Losses)</b>	<b>19,883</b>	<b>23,032</b>	<b>19,761</b>	<b>36,176</b>

**6. CONDITIONS ON CONTRIBUTIONS**

Contributions of \$37.640m during 2015-16 (\$61.480m during 2014-15) were provided for specific purposes associated with industry funded research with NSW Industry 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. Strict terms and conditions apply to these funds. Any funds that are not used on the specific project may be required to be refunded to the donor body unless the body agrees to redirect the funds to another project.

The total amounts of contributions with conditions which were unexpended at 30 June 2016 (including those received in prior years) were \$9.093m (30 June 2015 \$13.624m). These funds will be carried forward to the next financial year.

**7. APPROPRIATIONS AND TRANSFERS TO THE CROWN ENTITY**

	Consolidated		Parent	
	2016	2015	2016	2015
	\$000	\$000	\$000	\$000
<b>Recurrent appropriations</b>				
Total recurrent draw-downs from Treasury (per Summary of Compliance)	2,385,611	1,563,204	2,385,611	1,563,204
Less: Liability to Consolidated Fund (per Summary of Compliance)	-	(35,095)	-	(35,095)
	<b>2,385,611</b>	<b>1,528,109</b>	<b>2,385,611</b>	<b>1,528,109</b>
Comprising:				
Recurrent appropriations (per Statement of Comprehensive Income)	1,539,769	894,721	1,539,769	894,721
Transfer Payments (Note 9)	845,842	633,388	845,842	633,388
	<b>2,385,611</b>	<b>1,528,109</b>	<b>2,385,611</b>	<b>1,528,109</b>
<b>Capital appropriations</b>				
Total capital draw-downs from Treasury (per Summary of Compliance)	29,500	34,106	29,500	34,106
Less: Liability to Consolidated Fund (per Summary of Compliance)	(757)	-	(757)	-
	<b>28,743</b>	<b>34,106</b>	<b>28,743</b>	<b>34,106</b>
Comprising:				
Capital appropriations (per Statement of Comprehensive Income)	28,743	34,106	28,743	34,106
Transfer payments	-	-	-	-
	<b>28,743</b>	<b>34,106</b>	<b>28,743</b>	<b>34,106</b>

**8(a). ACCEPTANCE BY THE CROWN ENTITY OF EMPLOYEE BENEFITS AND OTHER LIABILITIES**

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
The following liabilities and/or expenses have been assumed by the Crown Entity or other Government agencies:				
Superannuation	7,849	8,322	7,849	8,313
Long Service Leave	31,624	24,480	31,624	24,448
Payroll tax	428	454	428	453
	<b>39,901</b>	<b>33,256</b>	<b>39,901</b>	<b>33,214</b>

**8(b). TRANSFER TO NSW TREASURY**

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
Transfers of Crown leasehold revenues to the Crown Entity	(62,393)	(66,425)	(62,258)	(65,899)
	<b>(62,393)</b>	<b>(66,425)</b>	<b>(62,258)</b>	<b>(65,899)</b>

**9. TRANSFER PAYMENTS**

Transfer Payments are the amounts received by NSW Department of Industry for transfer to beneficiaries as established by legislation or other authoritative requirements.

Transfer payments are not controlled by NSW Department of Industry.

Transfer payments made to Forests NSW, Sydney Water Corporation and Hunter Water Corporation were to fund community service obligations.

Transfer payments made to the Local Land Services, Water Administration Ministerial Corporation, NSW Food Authority, Rural Assistance Authority and TAFE NSW Commission are to fund operations and capital works.

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
Art Gallery of NSW <sup>2</sup>	-	31,346	-	31,346
Australian Museum <sup>2</sup>	-	27,949	-	27,949
Casino, Liquor and Gaming <sup>2</sup>	-	7,887	-	7,887
Destination NSW <sup>2</sup>	-	123,963	-	123,963
Forests NSW <sup>3</sup>	-	15,157	-	15,157
Hunter Water Corporation <sup>3</sup>	-	14,368	-	14,368
Local Land Services <sup>4</sup>	7,151	32,429	7,151	32,429
Museum of Applied Arts and Sciences <sup>2</sup>	-	37,531	-	37,531
NSW Food Authority	9,436	11,091	9,436	11,091
Rural Assistance Authority <sup>4</sup>	7,235	22,328	7,235	22,328
State Library of NSW <sup>2</sup>	-	83,967	-	83,967
Sydney Opera House Trust <sup>2</sup>	-	57,369	-	57,369
Sydney Water Corporation <sup>3</sup>	-	168,003	-	168,003
TAFE NSW Commission <sup>1</sup>	822,020	-	822,020	-
	<b>845,842</b>	<b>633,388</b>	<b>845,842</b>	<b>633,388</b>

Notes:

1. Commenced 1 July 2015

2. Ceased 30 June 2015

3. Reassessed conditions associated with payments and reclassified to Grants in current year. Refer Note 2(d).

4. Reduction due to new Treasury cash management reforms.

## 10. SERVICE GROUPS OF THE DEPARTMENT

### Industry Development

**Service description:** This service group covers supporting businesses and industries to enable job creation and opportunities for economic growth, create a positive business environment and engage/collaborate, facilitating mutually beneficial relationships.

### 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.

### 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. This service group includes all consolidated entities.

### Personnel Services

**Service description:** This service group covers provision of personnel services to the existing entities of Rural Assistance Authority, NSW Food Authority and the Wild Dog Destruction Board. The recipients of Personnel Services are separate reporting entities and not controlled by NSW Industry.

### Cluster Grant Funding

**Service description:** This service group covers the provision of grant funding to agencies within the Industry, Skills and Regional Development cluster. This includes funding to Forests NSW, NSW Food Authority, New South Wales Rural Assistance Authority, Sydney Water Corporation, Hunter Water Corporation, Water NSW, Local Land Services, and TAFE NSW.

### Vocational Education and Training

**Service description:** This service group covers the provision of government funded vocational education and training (VET) in NSW. STS Leads strategic policy, planning, funding, regulation and advice on VET to support economic, regional and community development. STS is responsible for the implementation of funded programs, including Smart and Skilled, apprenticeships and traineeships and adult and community education.

### Not Attributable

**Service description:** This service group covers the support functions of the Industry, Skills and Regional Development cluster. This includes items that are not attributable to any of the other service groups, within the cluster.

# 11. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
Cash at Bank and on hand	278,612	378,882	243,363	349,163
	<b>278,612</b>	<b>378,882</b>	<b>243,363</b>	<b>349,163</b>

For the purpose of the Statement of Cash Flows, cash and cash equivalents include cash at bank, cash on hand, and short term deposits.

From 1 July 2015, NSW Treasury introduced a new Cash Management policy, resulting in a reduction in the carrying balance of cash.

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)	278,612	378,882	243,363	349,163
Closing cash and cash equivalents (per Statement of Cash Flows)	<b>278,612</b>	<b>378,882</b>	<b>243,363</b>	<b>349,163</b>

Refer Note 33 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

NSW Department of Industry has credit facilities of \$16 million.

# 12. CURRENT / NON-CURRENT ASSETS - RECEIVABLES

Note	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
<b>CURRENT</b>				
Sale of goods and services	61,055	72,302	60,098	71,221
Less: Allowance for impairment	(13,841)	(13,076)	(13,504)	(12,656)
	<b>47,214</b>	<b>59,226</b>	<b>46,594</b>	<b>58,565</b>
Prepayments	13,442	26,164	13,421	26,141
Prepayments - superannuation pooled fund	-	162	-	162
Interest receivable	631	2,079	312	1,895
Net GST	16,827	13,221	16,901	13,279
Personnel services	7,200	8,090	7,200	8,090
Miscellaneous	16,088	16,752	15,126	4,521
Finance leases	7,845	7,892	7,289	7,478
Accrued Income	37,379	40,218	37,540	40,218
Other	-	-	-	-
	<b>146,626</b>	<b>173,804</b>	<b>144,383</b>	<b>160,349</b>
<b>NON-CURRENT</b>				
Personnel Services	29,891	27,125	29,891	27,125
Finance leases	125,380	125,845	116,575	118,853
Prepayments	4,000	-	4,000	-
Other	-	58	-	58
	<b>159,271</b>	<b>153,028</b>	<b>150,466</b>	<b>146,036</b>

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
<b>Movement in the allowance for impairment</b>				
Balance at 1 July	13,076	20,978	12,656	20,878
Amounts written off during the year	(366)	(36)	(350)	(37)
Increase/(decrease) in allowance recognised in profit or loss	1,131	(7,866)	1,198	(8,185)
<b>Balance 30 June</b>	<b>13,841</b>	<b>13,076</b>	<b>13,504</b>	<b>12,656</b>

## 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.

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
Gross investment in the lease	1,350,170	1,355,103	1,325,833	1,335,632
Less: Unearned finance income	(1,216,945)	(1,221,366)	(1,201,969)	(1,209,301)
Less: Unguaranteed residual values	(10,332)	(9,228)	(8,342)	(7,736)
Present value of minimum lease payments	<b>122,893</b>	<b>124,509</b>	<b>115,522</b>	<b>118,595</b>
<b>Gross investment in the lease</b>				
Not later than one year after the current period	8,292	8,122	7,721	7,707
Later than one year and not later than five years	33,891	34,117	31,602	32,459
Later than five years	1,307,987	1,312,864	1,286,510	1,295,466
	<b>1,350,170</b>	<b>1,355,103</b>	<b>1,325,833</b>	<b>1,335,632</b>
<b>Present value of minimum lease payments</b>				
Not later than one year after the current period	7,845	7,892	7,289	7,478
Later than one year and not later than five years	26,423	26,639	24,521	25,211
Later than five years	88,625	89,978	83,712	85,906
	<b>122,893</b>	<b>124,509</b>	<b>115,522</b>	<b>118,595</b>
Net investment in the lease	133,225	133,737	123,864	126,331
Unguaranteed residual values	(10,332)	(9,228)	(8,342)	(7,736)
	<b>122,893</b>	<b>124,509</b>	<b>115,522</b>	<b>118,595</b>

Gross investment in lease is calculated on the basis of perpetual leases being a term of 200 years consistent with the model developed. Perpetual leases do not have a life term and can pass in succession.

Term leases (approx. \$41 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. \$92 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). All perpetual leases are individually calculated as perpetuities using the capitalisation rate as the discount rate. 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	Consolidated		Parent	
		2016 \$000	2015 \$000	2016 \$000	2015 \$000
Discount rate + 1%	+ 1%	(24,176)	(15,032)	(24,176)	(15,032)
Discount rate - 1%	- 1%	46,625	22,570	46,625	22,570
Capital gain on land + 1%	+ 1%	3,072	2,957	1,963	2,019
Capital gain on land - 1%	- 1%	(2,110)	(2,027)	(1,310)	(1,353)

**13. CURRENT / NON-CURRENT ASSETS - INVENTORIES**

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
<b>CURRENT</b>				
Valued at cost				
Land developments	689	6,292	689	6,292
Materials and parts	-	64	-	64
Finished goods	1,896	2,825	1,896	2,825
	<b>2,585</b>	<b>9,181</b>	<b>2,585</b>	<b>9,181</b>
<b>NON-CURRENT</b>				
Valued at cost				
Land developments	2,554	4,744	2,554	4,744
	<b>2,554</b>	<b>4,744</b>	<b>2,554</b>	<b>4,744</b>

**14. NON-CURRENT ASSETS - FINANCIAL ASSETS AT FAIR VALUE**

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
<b>NON-CURRENT</b>				
Gold Exhibits	4,898	4,220	4,898	4,220
Shares	67	68	67	68
	<b>4,965</b>	<b>4,288</b>	<b>4,965</b>	<b>4,288</b>

**Gold Exhibits**

NSW Department of Industry 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 includes the bullion value, but is also dependent on aesthetic qualities, rarity and heritage value.

These exhibits are as follows:

		Consolidated		Parent	
		2016 \$000	2015 \$000	2016 \$000	2015 \$000
	<u>Weight (Troy Oz)</u>				
Maitland Bar Nugget	344.55	4,268	3,677	4,268	3,677
Lucky Hill Nugget	20.85	221	191	221	191
Woods Flat / Cowra Nugget	42.64	377	325	377	325
Alluvial Gold Samples	18	32	27	32	27
<b>TOTAL</b>	<b>426.04</b>	<b>4,898</b>	<b>4,220</b>	<b>4,898</b>	<b>4,220</b>

**Shares**

NSW Department of Industry holds shares in a number of entities listed below. The movement between years represents the movement in market value of shares.

The value of shares represents holdings in:

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
Dairy Farmers Milk Co-operative Ltd	28	28	28	28
Rice Growers Co-operative Mills Ltd	33	33	33	33
Rice Marketing Board of NSW	3	3	3	3
Moreton Resources Ltd (Formerly Cougar Energy Limited)	3	4	3	4
	<b>67</b>	<b>68</b>	<b>67</b>	<b>68</b>

Refer Note 32 for further information regarding interests in Joint Arrangements.

Refer Note 33 for further information regarding credit risk, liquidity risk and market risk arising from financial instruments.

**15. NON-CURRENT ASSETS – PROPERTY PLANT AND EQUIPMENT**

CONSOLIDATED	Crown Land \$000	Land and Buildings \$000	Leased Land & Buildings \$000	Plant & Equipment \$000	Infrastructure Systems \$000	WIP PPE \$000	Total \$000
<b>At 1 July 2015 - fair value</b>							
Gross carrying amount	6,489,990	643,921	257,036	124,307	3,842,686	60,635	11,418,575
Accumulated Depreciation and Impairment	(742,334)	(231,739)	(93,355)	(71,649)	(1,725,673)	-	(2,864,750)
<b>Net Carrying Amount</b>	<b>5,747,656</b>	<b>412,182</b>	<b>163,681</b>	<b>52,658</b>	<b>2,117,013</b>	<b>60,635</b>	<b>8,553,825</b>
<b>At 30 June 2016 - fair value</b>							
Gross carrying amount	6,337,805	570,636	-	131,102	3,917,738	37,005	10,994,286
Accumulated Depreciation and Impairment	(748,364)	(230,252)	-	(79,016)	(1,807,698)	-	(2,865,330)
<b>Net Carrying Amount</b>	<b>5,589,441</b>	<b>340,384</b>	<b>-</b>	<b>52,086</b>	<b>2,110,040</b>	<b>37,005</b>	<b>8,128,956</b>

**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.

CONSOLIDATED	Crown Land \$000	Land and Buildings \$000	Leased Land & Buildings \$000	Plant & Equipment \$000	Infrastructure Systems \$000	WIP PPE \$000	Total \$000
<b>Year ended 30 June 2016</b>							
Net carrying amount at start of year	5,747,656	412,182	163,681	52,658	2,117,013	60,635	8,553,825
Additions	17,838	25	-	13,143	3,778	30,172	64,956
Assets held for sale (Note 19)	-	-	-	-	-	-	-
Disposals	(89,268)	(1,985)	-	(8,190)	(247)	(1,932)	(101,622)
Transfers	-	2,991	-	4,886	26,467	(36,934)	(2,590)
Acquisitions/(Disposals) through administrative restructures	(29)	(70,429)	(163,681)	(529)	(83)	(14,936)	(249,687)
Net revaluation increment less revaluation decrements recognised in reserves	55,342	7,794	-	51	30,538	-	93,725
Valuation adjustment	(151,451)	-	-	-	-	-	(151,451)
Impairment	9,353	50	-	-	-	-	9,403
Depreciation expense	-	(10,244)	-	(15,305)	(67,426)	-	(92,975)
Write back on disposal	-	-	-	5,372	-	-	5,372
<b>Net Carrying amount at end of year</b>	<b>5,589,441</b>	<b>340,384</b>	<b>-</b>	<b>52,086</b>	<b>2,110,040</b>	<b>37,005</b>	<b>8,128,956</b>

15. NON-CURRENT ASSETS – PROPERTY PLANT AND EQUIPMENT (continued)

CONSOLIDATED	Crown Land \$000	Land and Buildings \$000	Leased Land & Buildings \$000	Plant & Equipment \$000	Infrastructure Systems \$000	WIP PPE \$000	Total \$000
<b>At 1 July 2014 - fair value</b>							
Gross carrying amount	6,456,426	673,626	253,390	116,890	3,622,882	78,657	11,201,871
Accumulated Depreciation and Impairment	(726,606)	(221,328)	(87,997)	(57,312)	(1,647,178)	-	(2,740,421)
<b>Net Carrying Amount</b>	<b>5,729,820</b>	<b>452,298</b>	<b>165,393</b>	<b>59,578</b>	<b>1,975,704</b>	<b>78,657</b>	<b>8,461,450</b>
<b>At 30 June 2015 - fair value</b>							
Gross carrying amount	6,489,990	643,921	257,036	124,307	3,842,686	60,635	11,418,575
Accumulated Depreciation and Impairment	(742,334)	(231,739)	(93,355)	(71,649)	(1,725,673)	-	(2,864,750)
<b>Net Carrying Amount</b>	<b>5,747,656</b>	<b>412,182</b>	<b>163,681</b>	<b>52,658</b>	<b>2,117,013</b>	<b>60,635</b>	<b>8,553,825</b>

CONSOLIDATED	Crown Land \$000	Land and Buildings \$000	Leased Land & Buildings \$000	Plant & Equipment \$000	Infrastructure Systems \$000	WIP PPE \$000	Total \$000
<b>Year ended 30 June 2015</b>							
Net carrying amount at start of year	5,729,820	452,298	165,393	59,578	1,975,704	78,657	8,461,450
Additions	22,557	278	9	7,082	5,303	32,104	67,333
Assets held for sale (Note 19)	-	-	-	-	-	-	-
Disposals	(147,057)	(4,630)	-	(3,231)	(1,006)	(170)	(156,094)
Transfers	1,670	1,047	3,636	6,465	38,207	(49,956)	1,069
Acquisitions/(Disposals) through administrative restructures	2,597	(8,094)	-	14	9,790	-	4,307
Net revaluation increment less revaluation decrements recognised in reserves	160,896	(4,692)	-	-	153,232	-	309,436
Net revaluation increment less revaluation decrements recognised in equity	-	(12,828)	-	(1,510)	-	-	(14,338)
Impairment	(22,827)	-	-	-	2,068	-	(20,759)
Depreciation expense	-	(11,523)	(5,357)	(17,675)	(66,285)	-	(100,840)
Write back on disposal	-	326	-	1,935	-	-	2,261
<b>Net Carrying amount at end of year</b>	<b>5,747,656</b>	<b>412,182</b>	<b>163,681</b>	<b>52,658</b>	<b>2,117,013</b>	<b>60,635</b>	<b>8,553,825</b>

Further details regarding Fair Value measurement are shown in Note 17.  
Refer Note 24 for administrative restructure.

15. NON-CURRENT ASSETS – PROPERTY PLANT AND EQUIPMENT (continued)

PARENT	Crown Land \$000	Land and Buildings \$000	Leased Land & Buildings \$000	Plant & Equipment \$000	Infrastructure Systems \$000	WIP PPE \$000	Total \$000
<b>At 1 July 2015 - fair value</b>							
Gross carrying amount	6,164,582	603,860	257,036	116,960	2,764,786	60,635	9,967,859
Accumulated Depreciation and Impairment	(742,334)	(219,413)	(93,355)	(68,514)	(1,470,704)	-	(2,594,320)
<b>Net Carrying Amount</b>	<b>5,422,248</b>	<b>384,447</b>	<b>163,681</b>	<b>48,446</b>	<b>1,294,082</b>	<b>60,635</b>	<b>7,373,539</b>
<b>At 30 June 2016 - fair value</b>							
Gross carrying amount	6,167,458	515,017	-	127,008	2,820,796	37,005	9,667,284
Accumulated Depreciation and Impairment	(748,364)	(203,413)	-	(77,049)	(1,534,201)	-	(2,563,027)
<b>Net Carrying Amount</b>	<b>5,419,094</b>	<b>311,604</b>	<b>-</b>	<b>49,959</b>	<b>1,286,595</b>	<b>37,005</b>	<b>7,104,257</b>

**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.

PARENT	Crown Land \$000	Land and Buildings \$000	Leased Land & Buildings \$000	Plant & Equipment \$000	Infrastructure Systems \$000	WIP PPE \$000	Total \$000
<b>Year ended 30 June 2016</b>							
Net carrying amount at start of year	5,422,248	384,447	163,681	48,446	1,294,082	60,635	7,373,539
Additions	17,766	25	-	13,143	2,642	30,172	63,748
Assets held for sale (Note 19)	-	-	-	-	-	-	-
Disposals	(88,316)	(955)	-	(6,584)	(17)	(1,932)	(97,804)
Transfers	-	3,221	-	4,886	26,237	(36,934)	(2,590)
Acquisitions/(Disposals) through administrative restructures	3,530	(70,429)	(163,681)	(529)	(83)	(14,936)	(246,128)
Net revaluation increment less revaluation decrements recognised in reserves	54,513	4,745	-	51	17,375	-	76,684
Net revaluation increment less revaluation decrements recognised in equity	-	-	-	-	-	-	-
Impairment	9,353	-	-	-	-	-	9,353
Depreciation expense	-	(9,450)	-	(14,826)	(53,641)	-	(77,917)
Write back on disposal	-	-	-	5,372	-	-	5,372
<b>Net Carrying amount at end of year</b>	<b>5,419,094</b>	<b>311,604</b>	<b>-</b>	<b>49,959</b>	<b>1,286,595</b>	<b>37,005</b>	<b>7,104,257</b>

15. NON-CURRENT ASSETS – PROPERTY PLANT AND EQUIPMENT (continued)

PARENT	Crown Land \$000	Land and Buildings \$000	Leased Land & Buildings \$000	Plant & Equipment \$000	Infrastructure Systems \$000	WIP PPE \$000	Total \$000
<b>At 1 July 2014 - fair value</b>							
Gross carrying amount	5,859,546	629,185	253,390	107,748	2,694,193	78,657	9,622,719
Accumulated Depreciation and Impairment	(726,606)	(219,214)	(87,997)	(53,810)	(1,405,039)	-	(2,492,666)
<b>Net Carrying Amount</b>	<b>5,132,940</b>	<b>409,971</b>	<b>165,393</b>	<b>53,938</b>	<b>1,289,154</b>	<b>78,657</b>	<b>7,130,053</b>
<b>At 30 June 2015 - fair value</b>							
Gross carrying amount	6,164,582	603,860	257,036	116,960	2,764,786	60,635	9,967,859
Accumulated Depreciation and Impairment	(742,334)	(219,413)	(93,355)	(68,514)	(1,470,704)	-	(2,594,320)
<b>Net Carrying Amount</b>	<b>5,422,248</b>	<b>384,447</b>	<b>163,681</b>	<b>48,446</b>	<b>1,294,082</b>	<b>60,635</b>	<b>7,373,539</b>

PARENT	Crown Land \$000	Land and Buildings \$000	Leased Land & Buildings \$000	Plant & Equipment \$000	Infrastructure Systems \$000	WIP PPE \$000	Total \$000
<b>Year ended 30 June 2015</b>							
Net carrying amount at start of year	5,132,940	409,971	165,393	53,938	1,289,154	78,657	7,130,053
Additions	22,544	278	9	7,076	4,284	32,053	66,244
Assets held for sale (Note 19)	-	-	-	-	-	-	-
Disposals	(138,580)	(5,662)	-	(3,178)	(695)	(170)	(148,285)
Transfers	1,670	1,047	3,638	6,463	38,711	(49,905)	1,624
Acquisitions/(Disposals) through administrative restructures	280,143	(7,782)	-	563	10,185	-	283,109
Net revaluation increment less revaluation decrements recognised in reserves	146,358	(2,946)	-	-	4,013	-	147,425
Net revaluation increment less revaluation decrements recognised in equity	-	-	-	(1,510)	-	-	(1,510)
Impairment	(22,827)	-	-	-	2,117	-	(20,710)
Depreciation expense	-	(10,785)	(5,359)	(16,811)	(53,687)	-	(86,642)
Write back on disposal	-	326	-	1,905	-	-	2,231
<b>Net Carrying amount at end of year</b>	<b>5,422,248</b>	<b>384,447</b>	<b>163,681</b>	<b>48,446</b>	<b>1,294,082</b>	<b>60,635</b>	<b>7,373,539</b>

Further details regarding Fair Value measurement are shown in Note 17.

Refer Note 24 for administrative restructure

**16. INTANGIBLE ASSETS**

	Consolidated			Parent		
	Software	Water	Total	Software	Water	Total
	\$000	Licences \$000	\$000	\$000	Licences \$000	\$000
<b>At 30 JUNE 2016</b>						
Cost (gross carrying amount)	55,943	186,407	242,350	55,943	185,606	241,549
Accumulated amortisation and impairment	(24,652)	(23,863)	(48,515)	(24,652)	(23,769)	(48,421)
	<b>31,291</b>	<b>162,544</b>	<b>193,835</b>	<b>31,291</b>	<b>161,837</b>	<b>193,128</b>
WIP - Intangibles	2,310	-	2,310	2,310	-	2,310
<b>Net Carrying amount</b>	<b>33,601</b>	<b>162,544</b>	<b>196,145</b>	<b>33,601</b>	<b>161,837</b>	<b>195,438</b>
<b>Year ended 30 June 2016</b>						
Net carrying amount at start of year	41,000	143,705	184,705	41,000	142,918	183,918
Acquisitions through administrative restructures	(2,996)	-	(2,996)	(2,996)	-	(2,996)
Additions / transfers	3,068	-	3,068	3,068	-	3,068
Disposals / revaluations / transfers	(1,204)	791	(413)	(1,204)	791	(413)
Writeback/(Impairment losses)	992	18,128	19,120	992	18,128	19,120
Amortisation (recognised in 'depreciation and amortisation')	(7,259)	(80)	(7,339)	(7,259)	-	(7,259)
<b>Net carrying amount at end of year</b>	<b>33,601</b>	<b>162,544</b>	<b>196,145</b>	<b>33,601</b>	<b>161,837</b>	<b>195,438</b>
	Consolidated			Parent		
	Software	Water	Total	Software	Water	Total
	\$000	Licences \$000	\$000	\$000	Licences \$000	\$000
<b>At 30 June 2015</b>						
Cost (gross carrying amount)	57,563	185,616	243,179	57,563	184,815	242,378
Accumulated amortisation and impairment	(19,368)	(41,911)	(61,279)	(19,368)	(41,897)	(61,265)
	<b>38,195</b>	<b>143,705</b>	<b>181,900</b>	<b>38,195</b>	<b>142,918</b>	<b>181,113</b>
WIP - Intangibles	2,805	-	2,805	2,805	-	2,805
<b>Net Carrying amount</b>	<b>41,000</b>	<b>143,705</b>	<b>184,705</b>	<b>41,000</b>	<b>142,918</b>	<b>183,918</b>
<b>Year ended 30 June 2015</b>						
Net carrying amount at start of year	46,892	114,696	161,588	46,892	114,696	161,588
Additions / transfers	3,292	1,299	4,591	3,292	-	3,292
Disposals / revaluations / transfers	(2,008)	(476)	(2,484)	(2,008)	-	(2,008)
Writeback/(Impairment losses)	-	28,222	28,222	-	28,222	28,222
Amortisation (recognised in 'depreciation and amortisation')	(7,176)	(36)	(7,212)	(7,176)	-	(7,176)
<b>Net carrying amount at end of year</b>	<b>41,000</b>	<b>143,705</b>	<b>184,705</b>	<b>41,000</b>	<b>142,918</b>	<b>183,918</b>

**17. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS**

The Fair Value of non-financial assets have been measured in accordance with AASB 13 Fair Value Measurement: Under AASB13, fair value is defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date"

To increase consistency and comparability in fair value measurements and related disclosures, AASB 13 establishes a fair value hierarchy that categorises into three levels aligned to the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs).

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for asset or liability. Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for asset or liability at the measurement date. Where Level 3 is adopted a sensitivity analysis shall be included in the assessment of value.

17. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS (continued)

(a) Fair value hierarchy

At 30 JUNE 2016

Consolidated Property, plant and equipment (Note 15)	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total Fair Value \$000
Crown Land	-	3,839,711	1,749,730	5,589,441
Land and Buildings	-	338,861	1,523	340,384
Leased Land & Buildings	-	-	-	-
Plant and equipment	-	52,086	-	52,086
Infrastructure systems	-	119,400	1,990,640	2,110,040
Non-current assets (or disposal groups) held for sale (Note 19)	-	412	-	412
Biological Assets (Note 20)	-	7,765	-	7,765
<b>Total</b>	-	<b>4,358,235</b>	<b>3,741,893</b>	<b>8,100,128</b>

At 30 June 2015

Consolidated Property, plant and equipment (Note 15)	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total Fair Value \$000
Crown Land	-	4,019,987	1,727,669	5,747,656
Land and Buildings	-	412,182	-	412,182
Leased Land & Buildings	-	163,681	-	163,681
Plant and equipment	-	52,658	-	52,658
Infrastructure systems	-	77,789	2,039,224	2,117,013
Non-current assets (or disposal groups) held for sale (Note 19)	-	1,503	-	1,503
Biological Assets (Note 20)	-	7,463	-	7,463
<b>Total</b>	-	<b>4,735,263</b>	<b>3,766,893</b>	<b>8,502,156</b>

There were no transfers between level 1 or 2 during the period.

Property, plant and equipment with the exception of heritage assets, infrastructure systems and land under water has been valued using market evidence taking into account condition, location and comparability and is therefore categorised as Level 2.

Heritage Buildings, Light houses and Infrastructure (inclusive of Levee banks) were valued on the basis of costs derived from quantity surveyor sourced material and from actual costs for recent capital works.

Crown Land includes land under water and is categorised as Waterways, 20 metre zone and the 3 nautical mile zone. Land under water has been classified as level 3. In the absence of direct market evidence with which to determine the value for asset valuation purposes, in relation to the 3 nautical mile zone, comparison has been to land which has "low economic value". "Low economic value" land is land to which there is limited potential to generate income. The remaining areas of land under water are valued with reference to adjacent land values, having regard to zoning, restrictions access, location, size, topography and other characteristics, and on average have values around 50% less than similar land not inundated with water. These approaches have been determined by Lands & Property Information.

Land from the mean high water mark to the 3 nautical mile boundary (the 3nm zone) has been valued with reference to the value of other low economic value land in NSW, adjusted for differences in location, restriction, uses and comparability. The valuation was undertaken having regard to the location and highest and best use, which may increase the value, and the restrictions both physical and legal on its use, which may decrease value. Having assessed the potential increases and decreases, land in the 3nm zone has been valued at approximately \$500 per hectare, which is no less valuable than the least valuable land in the state.

Biological assets have been valued using market evidence taking into account condition, location and comparability and is therefore categorised as Level 2.

17. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS (continued)

(b) Reconciliation of recurring Level 3 fair value measurements

At 30 JUNE 2016

Recurring Level 3 fair value measurements	Crown Land \$000	Land and Buildings \$000	Infrastructure Systems \$000	Total Fair Value \$000
Fair value as at 1 July 2015	1,727,669	-	2,039,224	3,766,893
Additions	-	1,523	12,655	14,178
Additions held for Sale	-	-	-	-
Disposals	-	-	(40,609)	(40,609)
Transfers	-	-	23,114	23,114
Equity Transfers (to GPNSW)	-	-	-	-
Admin Acquisitions	-	-	-	-
Revaluation - Reserves	22,061	-	-	22,061
Revaluation - Equity	-	-	-	-
Impairment	-	-	-	-
Depreciation	-	-	(43,744)	(43,744)
Write back on Disposal	-	-	-	-
<b>Fair value as at 30 June 2016</b>	<b>1,749,730</b>	<b>1,523</b>	<b>1,990,640</b>	<b>3,741,893</b>

At 30 June 2015

Recurring Level 3 fair value measurements	Crown Land \$000	Land and Buildings \$000	Infrastructure Systems \$000	Total Fair Value \$000
Fair value as at 1 July 2014	1,709,866	5,805	1,253,985	2,969,656
Additions	2,231	-	3,400	5,631
Disposals	(2,148)	(785)	(779)	(3,712)
Transfers	-	-	689,975	689,975
Equity Transfers (to GPNSW)	-	(3,380)	-	(3,380)
Admin Acquisitions	-	-	-	-
Revaluation - Reserves	17,720	-	153,181	170,901
Revaluation - Equity	-	(1,630)	-	(1,630)
Impairment	-	-	2,116	2,116
Depreciation	-	(10)	(62,654)	(62,664)
Write back on Disposal	-	-	-	-
<b>Fair value as at 30 June 2015</b>	<b>1,727,669</b>	<b>-</b>	<b>2,039,224</b>	<b>3,766,893</b>

17. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS (continued)

(c) Valuation techniques, inputs and processes

Non-Financial Assets	Category (Level 2 or Level 3)	Fair Value Consolidated \$000	Valuation Technique(s)	Inputs used	Range (Weighted average)
Crown Land - Tenured and Untenured	Level 2	3,839,711	Market comparables	Sale prices of comparable land. Land Size Long-term land appreciation rate	N/A
Other Land and Buildings (excl heritage Buildings)	Level 2	338,861	Depreciated Replacement Cost (Buildings)	Price per square metre for recent, comparable construction	N/A
Infrastructure Systems (excl Coastal Infrastructure)	Level 2	119,400	Depreciated Replacement Cost	Price per square metre for recent, comparable construction	N/A
Plant and equipment	Level 2	52,086	Depreciated Replacement Cost	Recent market replacement costs	N/A
Heritage Buildings & Swimming Pools	Level 3	1,523	Depreciated Replacement Cost	Price per square metre for construction	N/A
Land Underwater - Tidal and Non-Tidal	Level 3	1,293,172	Market comparables (Land)	Combination of sale prices of comparable land discounted appropriately and low economic value land	N/A
Land Underwater - 3 nautical mile	Level 3	439,525	Market comparables (Land)	Low economic value land	N/A
Land underwater - 20m wide high value	Level 3	17,033	Market comparables (Land)	Combination of sale prices of comparable land discounted appropriately for restrictions on use, and low economic value land	N/A
Infrastructure - Joint Arrangement	Level 3	766,123	Depreciated Replacement Cost	Unit rates for construction	N/A
Infrastructure - Levee Banks	Level 3	766,346	Depreciated Replacement Cost	Recent market replacement costs	N/A
Infrastructure - Coastal	Level 3	458,171	Depreciated Replacement Cost	Price per square metre for construction	N/A

No Change in valuation technique occurred during the period. The valuation was undertaken by Australian Valuation Office and Land and Property Information in 2014, and NSW Public Works and Land & Property Information in 2015.

**18. CURRENT / NON-CURRENT OTHER FINANCIAL ASSETS**

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
<b>CURRENT</b>				
Loans	7,096	7,541	7,062	7,541
	<b>7,096</b>	<b>7,541</b>	<b>7,062</b>	<b>7,541</b>
<b>NON-CURRENT</b>				
Loans	11,445	13,346	9,968	11,563
	<b>11,445</b>	<b>13,346</b>	<b>9,968</b>	<b>11,563</b>

**19. NON-CURRENT ASSETS HELD FOR SALE**

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
Land and Buildings	412	1,503	412	1,503
	<b>412</b>	<b>1,503</b>	<b>412</b>	<b>1,503</b>

**20. BIOLOGICAL ASSETS**

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
<b>Livestock and Fodder</b>				
Net market value of livestock and fodder at beginning of reporting period	7,463	5,267	7,463	5,267
Net market value at reporting date	7,765	7,463	7,765	7,463
Net increment/(decrement) in the net market value of livestock and fodder	<b>302</b>	<b>2,196</b>	<b>302</b>	<b>2,196</b>
<b>Total Net Biological Assets</b>	<b>7,765</b>	<b>7,463</b>	<b>7,765</b>	<b>7,463</b>
Current	2,485	2,388	2,485	2,388
Non-Current	5,280	5,075	5,280	5,075
	<b>7,765</b>	<b>7,463</b>	<b>7,765</b>	<b>7,463</b>

**21. CURRENT LIABILITIES - PAYABLES**

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
<b>CURRENT</b>				
Accrued Salaries, Wages and On-Costs	3,794	14,481	3,794	14,481
Other Taxes payable	4,312	-	4,312	-
Other	33,226	16,147	49,715	17,285
Accruals	97,034	99,535	96,848	99,438
Creditors	78,180	50,138	78,125	50,097
	<b>216,546</b>	<b>180,301</b>	<b>232,794</b>	<b>181,301</b>

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables are disclosed in Note 33.

22(a). CURRENT/NON-CURRENT LIABILITIES - PROVISIONS

Note	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
<b>CURRENT</b>				
<b>Employee benefits and related on-costs</b>				
Recreation leave	43,104	42,912	43,104	42,912
Long service leave	22,095	17,508	22,095	17,508
Payroll tax	8,319	7,910	8,319	7,910
Other on-costs	234	220	234	220
Superannuation	(20)	(20)	(20)	(20)
Other	820	766	820	766
	<b>74,552</b>	<b>69,296</b>	<b>74,552</b>	<b>69,296</b>
<b>Other provisions</b>				
Restoration costs	191	185	191	185
Other	21,134	13,096	9,355	1,605
Contribution to Crown Entity	11,948	6,599	10,805	6,599
	<b>33,273</b>	<b>19,880</b>	<b>20,351</b>	<b>8,389</b>
<b>Total current provisions</b>	<b>107,825</b>	<b>89,176</b>	<b>94,903</b>	<b>77,685</b>
<b>NON-CURRENT</b>				
<b>Employee benefits and related on-costs</b>				
Long Service Leave	1,967	1,619	1,967	1,619
Payroll Tax	738	708	738	708
Other On-costs	-	1	-	1
Superannuation – pooled fund	29,680	26,926	29,680	26,926
	<b>32,385</b>	<b>29,254</b>	<b>32,385</b>	<b>29,254</b>
<b>Other provisions</b>				
Restoration costs	8,567	9,297	8,567	9,297
	<b>8,567</b>	<b>9,297</b>	<b>8,567</b>	<b>9,297</b>
<b>Total non-current provisions</b>	<b>40,952</b>	<b>38,551</b>	<b>40,952</b>	<b>38,551</b>

**Recreation Leave**

The liability at 30 June 2016 was \$43m (2015 - \$43m). This is based on leave entitlements at 30 June 2016.

The value of recreational leave expected to be taken within 12 months is \$14m (2015 - \$16m) and \$29m (2015 - \$27m) after 12 months.

**Long Service Leave**

The liability at 30 June 2016 was \$24m (2015 - \$19m). This is based on leave entitlements at 30 June 2016.

The value of long service leave expected to be taken within 12 months is \$4m (2015 - \$3m) and \$20m (2015 - \$16m) after 12 months.

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
<b>Aggregate employee benefits and related on-costs</b>				
Provisions – current	74,552	69,296	74,552	69,296
Provisions – non-current	32,385	29,254	32,385	29,254
Accrued salaries, wages and on-costs (Note 21)	3,794	14,481	3,794	14,481
	<b>110,731</b>	<b>113,031</b>	<b>110,731</b>	<b>113,031</b>
<b>Movements in provisions (other than employee benefits)</b>				
<b>Restoration costs</b>				
Carrying amount at beginning of financial year	9,482	9,408	9,482	9,408
Additional provisions recognised	919	466	919	466
Amounts used	(1,643)	-	(1,643)	-
Unused amounts reversed	-	(392)	-	(392)
Carrying amount at end of financial year	<b>8,758</b>	<b>9,482</b>	<b>8,758</b>	<b>9,482</b>
<b>Contribution to Crown Entity</b>				
Carrying amount at beginning of financial year	6,599	6,646	6,599	6,646
Additional provisions recognised	63,401	63,799	62,258	63,799
Amounts used	(58,052)	(63,846)	(58,052)	(63,846)
Carrying amount at end of financial year	<b>11,948</b>	<b>6,599</b>	<b>10,805</b>	<b>6,599</b>

## 22(b). EMPLOYEE BENEFITS

### Nature of the Benefits provided by the fund

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)
- Police Superannuation Scheme (PSS)
- 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. Members receive lump sum or pension benefits on retirement, death, disablement and withdrawal.

All the Schemes are closed to new members.

### Description of the regulatory framework

The schemes in the Pooled Fund are established and governed by the following NSW legislation: Superannuation Act 1916, State Authorities Superannuation Act 1987, Police Regulation (Superannuation) Act 1906, State Authorities Non-contributory Superannuation Scheme Act 1987, and their associated regulations.

The schemes in the Pooled Fund are exempt public sector superannuation schemes under the Commonwealth Superannuation Industry (Supervision) Act 1993 (SIS). The SIS legislation treats exempt public sector superannuation funds as complying funds for concessional taxation and superannuation guarantee purposes.

Under a Heads of Government agreement, the New South Wales Government undertakes to ensure that the Pooled Fund will conform with the principles of the Commonwealth's retirement incomes policy relating to preservation, vesting and reporting to members and that members' benefits are adequately protected.

The New South Wales government prudentially monitors and audits the Pooled Fund and the Trustee Board activities in a manner consistent with the prudential controls of the SIS legislation. These provisions are in addition to other legislative obligations on the Trustee board and internal processes that monitor the Trustee Board's adherence to the principles of the Commonwealth's retirement incomes policy.

An actuarial investigation of the Pooled Fund is performed every three years. The last actuarial investigation was performed as at 30 June 2015. The next actuarial investigation will be performed at 30 June 2018.

### Description of other entities' responsibilities for the governance of the fund.

The Fund's Trustee is responsible for the governance of the Fund. The Trustee has a legal obligation to act solely in the best interests of fund beneficiaries. The Trustee has the following roles:

- Administration of the fund and payment to the beneficiaries from fund assets when required in accordance with the fund rules;
- Management and investment of the fund assets; and
- Compliance with other applicable regulations.

### Description of risks

There are a number of risks to which the Fund exposes the Employer. The more significant risks relating to the defined benefits are:

- **Investment Risk** - The risk that investment returns will be lower than assumed and the Employer will need to increase contributions to offset this shortfall.
- **Longevity Risk** - The risk that pensioners live longer than assumed, increasing future pensions.
- **Pension Indexation Risk** - The risk that pensions will increase at a rate greater than assumed, increasing future pensions.
- **Salary Growth Risk** - The risk that wages or salaries (on which future benefit amounts for active members will be based) will rise more rapidly than assumed, increasing defined benefit amounts and thereby requiring additional employer contributions.
- **Legislative Risk** - The risk is that legislative changes could be made which increase the cost of providing the defined benefits.

The defined benefit fund assets are invested with independent fund managers and have a diversified asset mix. The Fund has no significant concentration of investment risk or liquidity risk.

### Description of significant events.

There were no fund amendments, curtailments or settlements during the period.

22(b). EMPLOYEE BENEFITS (Continued)

Year ended 30 June 2016

Reconciliation of the Net Defined Benefit Liability/(Asset)

Year ended 30 June 2016	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Net Defined Benefit Liability/(Asset) at beginning of the period	1,335	245	25,184	26,764
Current service cost	143	29	10	182
Net Interest on the net defined benefit liability/(asset)	42	9	533	584
Business combinations	-	-	-	-
(Gains)/losses arising from settlements	-	-	-	-
Actual return on Fund assets less Interest income	9	1	(41)	(31)
Actuarial (gains)/losses arising from changes in demographic assumptions	15	(7)	2,771	2,779
Actuarial (gains)/losses arising from changes in financial assumptions	169	42	7,955	8,166
Actuarial (gains)/losses arising from liability experience	(63)	2	(1,220)	(1,281)
Adjustment for effect of asset ceiling	-	-	-	-
Employer contributions	(85)	(24)	(64)	(173)
Adjustment for entities taken out	104	58	(7,472)	(7,310)
Net Defined Benefit Liability/(Asset) at end of the period	1,669	355	27,656	29,680

Net Defined Benefit Liability/(Asset) Total is included in the statements as follows:

Non-Current Superannuation - pooled fund	Note 22(a)	29,680
Prepayments - Superannuation pooled fund	Note 12	-
		<u>29,680</u>

Financial Year to June 2015	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Net Defined Benefit Liability/(Asset) at beginning of the period	7,248	1,694	62,574	71,516
Current service cost	445	137	604	1,186
Net Interest on the net defined benefit liability/(asset)	147	34	1,520	1,701
Business combinations	-	-	-	-
(Gains)/losses arising from settlements	-	-	-	-
Actual return on Fund assets less Interest income	(1,051)	(173)	(5,615)	(6,839)
Actuarial (gains)/losses arising from changes in demographic assumptions	(2)	(1)	11	8
Actuarial (gains)/losses arising from changes in financial assumptions	1,051	281	15,609	16,941
Actuarial (gains)/losses arising from liability experience	438	188	663	1,289
Adjustment for effect of asset ceiling	-	-	-	-
Employer contributions	(370)	(112)	(327)	(809)
Adjustment for entities taken out	(6,571)	(1,803)	(49,855)	(58,229)
Net Defined Benefit Liability/(Asset) at end of the period	1,335	245	25,184	26,764

Net Defined Benefit Liability/(Asset) Total is included in the statements as follows:

Non-Current Superannuation - pooled fund	Note 22(a)	26,926
Prepayments - Superannuation pooled fund	Note 12	162
		<u>26,764</u>

Reconciliation of the Fair value of Fund Assets

Year ended 30 June 2016	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Fair value of Fund assets at beginning of the period	4,465	978	53,676	59,119
Interest income	73	12	1,267	1,352
Actual return on Fund assets less Interest income	(9)	(1)	41	31
Employer contributions	85	24	64	173
Contributions by participants	52	-	36	88
Benefits paid	(682)	(93)	(2,868)	(3,643)
Taxes, premiums & expenses paid	(22)	(6)	141	113
Transfers in	-	-	-	-
Contributions to accumulation section	-	-	-	-
Settlements	-	-	-	-
Adjustment for entities taken out	(2,049)	(559)	(10,442)	(13,050)
Fair value of Fund assets at end of the period	1,913	355	41,915	44,183

22(b). EMPLOYEE BENEFITS (Continued)

Financial Year to June 2015	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Fair value of Fund assets at beginning of the period	16,072	3,415	84,041	103,528
Interest income	362	76	2,344	2,782
Actual return on Fund assets less Interest income	1,051	173	5,615	6,839
Employer contributions	370	112	327	809
Contributions by participants	187	-	270	457
Benefits paid	(889)	(191)	(4,031)	(5,111)
Taxes, premiums & expenses paid	(31)	(26)	211	154
Transfers in	-	-	-	-
Contributions to accumulation section	-	-	-	-
Settlements	-	-	-	-
Adjustment for entities taken out	(12,657)	(2,581)	(35,101)	(50,339)
Fair value of Fund assets at end of the period	4,465	978	53,676	59,119

Reconciliation of the Defined Benefit Obligation

Year ended 30 June 2016	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Present value of defined benefit obligations at beginning of the period	5,800	1,221	78,860	85,881
Current service cost	143	29	10	182
Interest cost	115	21	1,803	1,939
Contributions by participants	52	-	36	88
Actuarial (gains)/losses arising from changes in demographic assumptions	15	(7)	2,771	2,779
Actuarial (gains)/losses arising from changes in financial assumptions	169	42	7,955	8,166
Actuarial (gains)/losses arising from liability experience	(63)	2	(1,220)	(1,281)
Benefits paid	(682)	(93)	(2,868)	(3,643)
Taxes, premiums & expenses paid	(22)	(6)	141	113
Transfers in	-	-	-	-
Contributions to accumulation section	-	-	-	-
Past service cost	-	-	-	-
Settlements	-	-	-	-
Adjustment for entities taken out	(1,945)	(502)	(17,914)	(20,361)
Present value of defined benefit obligations at end of the period	3,582	707	69,574	73,863

Financial Year to June 2015	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Present value of defined benefit obligations at beginning of the period	23,320	5,108	146,616	175,044
Current service cost	445	137	604	1,186
Interest cost	509	109	3,863	4,481
Contributions by participants	187	-	270	457
Actuarial (gains)/losses arising from changes in demographic assumptions	(2)	(1)	11	8
Actuarial (gains)/losses arising from changes in financial assumptions	1,051	281	15,609	16,941
Actuarial (gains)/losses arising from liability experience	438	188	663	1,289
Benefits paid	(889)	(191)	(4,031)	(5,111)
Taxes, premiums & expenses paid	(31)	(26)	211	154
Transfers in	-	-	-	-
Contributions to accumulation section	-	-	-	-
Past service cost	-	-	-	-
Settlements	-	-	-	-
Adjustment for entities taken out	(19,228)	(4,384)	(84,956)	(108,568)
Present value of defined benefit obligations at end of the period	5,800	1,221	78,860	85,881

22(b). EMPLOYEE BENEFITS (Continued)

Reconciliation of the effect of the Asset Ceiling

Year ended 30 June 2016	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Adjustment for effect of asset ceiling at beginning of the period	-	-	-	-
Change in the effect of asset ceiling	-	-	-	-
Adjustment for effect of asset ceiling at end of the period	-	-	-	-
Financial Year to June 2015	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Adjustment for effect of asset ceiling at beginning of the period	-	-	-	-
Change in the effect of asset ceiling	-	-	-	-
Adjustment for effect of asset ceiling at end of the period	-	-	-	-

Fair Value of Fund Assets

All Pooled Fund assets are invested by SAS Trustee Corporation (STC) at arm's length through independent fund managers and assets are not separately invested for each entity and it is not possible or appropriate to disaggregate and attribute fund assets to individual entities. As such, the disclosures below relate to total assets of the Pooled Fund.

As at 30 June 2016

Asset category	Total (A\$'000)	Quoted prices in active markets for identical assets Level 1 (A\$'000)	Significant observable inputs Level 2 (A\$'000)	Unobservable inputs Level 3 (A\$'000)
Short Term Securities	2,050,414	2,044,454	5,960	-
Australian Fixed Interest	2,720,589	2,724	2,717,865	-
International Fixed Interest	834,373	(1,358)	835,731	-
Australian Equities	9,720,878	9,171,767	549,087	24
International Equities	12,093,667	9,026,207	2,078,766	988,694
Property	3,650,267	1,113,253	618,946	1,918,068
Alternatives	7,115,949	470,130	3,122,185	3,523,634
<b>Total ^</b>	<b>38,186,137</b>	<b>21,827,177</b>	<b>9,928,540</b>	<b>6,430,420</b>

The percentage invested in each asset class at the reporting date is:

As at	30 Jun 16	30 Jun 15
Short Term Securities	5.4%	6.5%
Australian Fixed Interest	7.1%	6.6%
International Fixed Interest	2.2%	2.5%
Australian Equities	25.5%	25.7%
International Equities	31.7%	32.4%
Property	9.5%	8.6%
Alternatives	18.6%	17.7%
<b>Total</b>	<b>100%</b>	<b>100%</b>

^Additional to the assets disclosed above, at 30 June 2016 the Pooled Fund has provisions for receivables/(payables) estimated to be around \$2.83 billion. This gives total estimated assets of \$41.01 billion.

Level 1 - quoted prices in active markets for identical assets or liabilities. The assets in these levels are listed shares; listed unit trusts.

Level 2 - inputs other than quoted prices observable for the asset or liability either directly or indirectly. The assets in this level are cash; notes; government, semi-government and corporate bonds; unlisted trusts containing where quoted prices are available in active markets for identical assets or liabilities.

Level 3 - inputs for the asset or liability that are not based on observable market data. The assets in this level are unlisted property; unlisted shares; unlisted infrastructure; distressed debt; hedge funds.

Derivatives, including futures and options, can be used by investment managers. However, each manager's investment mandate clearly states that derivatives may only be used to facilitate efficient cashflow management or to hedge the portfolio against market movements and cannot be used for speculative purposes or gearing of the investment portfolio. As such managers make limited use of derivatives.

22(b). **EMPLOYEE BENEFITS (Continued)**

**Fair value of entity's own financial instruments**

**The disclosures below relate to total assets of the Pooled Fund.**

The fair value of the Pooled Fund assets include as at 30 June 2016 include \$189.6 million in NSW government bonds.

Of the direct properties owned by the Pooled Fund;

- SAS Trustee Corporation occupies part of a property 100% owned by the Pooled Fund with a fair value of \$222 million (30 June 2015: \$159 million).

- Health Administration Corporation occupies part of a property 50% owned by the Pooled Fund with a fair value of \$243 million (30 June 2015: \$204 million).

**Significant Actuarial Assumptions at the Reporting Date**

As at	30 Jun 16	30 Jun 15
Discount rate	1.99% pa	3.03% pa
Salary increase rate (excluding promotional increases)	2.50% 2016/2017 to 2018/2019; 3.50% 2019/2020 and 2020/2021; 3.00% pa 2021/2022 to 2025/2026; 3.50% pa thereafter	2.50% pa 2015/2016 to 2018/2019; 3.50% pa 2019/2020 and 2020/2021; 3.00% pa 2021/2022 to 2024/2025; 3.50% pa thereafter.
Rate of CPI increase	1.50% 2015/2016; 1.75% 2016/2017; 2.25% 2017/2018; 2.50% pa thereafter	2.50% pa
Pensioner mortality	as per the 2015 Actuarial investigation of the Pooled Fund	as per the 2012 Actuarial investigation of the Pooled Fund

**Sensitivity Analysis**

The entity's total defined benefit obligation as at 30 June 2016 under several scenarios is presented below. The total defined benefit obligation disclosed is inclusive of the contribution tax provision which is calculated based on the asset level at 30 June 2016.

Scenarios A to F relate to sensitivity of the total defined benefit obligation to economic assumptions, and scenarios G and h relate to sensitivity to demographic assumptions.

	Base Case	Scenario A -1.0% discount rate	Scenario B +1.0% discount rate
Discount rate	1.99%	0.99%	2.99%
Rate of CPI increase	as above	as above	as above
Salary inflation rate	as above	as above	as above
Defined benefit obligation (A\$'000)	73,864	85,200	64,604
	Base Case	Scenario C +0.5% rate of CPI increase	Scenario D -0.5% rate of CPI increase
Discount rate	as above	as above	as above
Rate of CPI increase	as above	above rates plus 0.5% pa	above rates less 0.5% pa
Salary inflation rate	as above	as above	as above
Defined benefit obligation (A\$'000)	73,864	79,038	69,137
	Base Case	Scenario E +0.5% salary increase rate	Scenario F -0.5% salary increase rate
Discount rate	as above	as above	as above
Rate of CPI increase	as above	as above	as above
Salary inflation rate	as above	above rates plus 0.5% pa	above rates less 0.5% pa
Defined benefit obligation (A\$'000)	73,864	74,054	73,680
	Base Case	Scenario G Higher mortality *	Scenario H Lower mortality **
Defined benefit obligation (A\$'000)	73,864	72,935	75,016

\* Assumes the long term pensioner mortality improvement factors for years post 2021 also apply for years 2016 to 2021.

\*\* Assumes the short term pensioner mortality improvement factors for years 2016-2021 also apply for years after 2021.

The defined benefit obligation has been recalculated by changing the assumptions as outlined above, whilst retaining all other assumptions.

**Asset-Liability matching strategies**

The Trustee monitors its asset-liability risk continuously in setting its investment strategy. It also monitors cashflows to manage liquidity requirements. No explicit asset-liability matching strategy is used by the Trustee.

22(b). EMPLOYEE BENEFITS (Continued)

Funding arrangements

Funding arrangements are reviewed annually at least every three years following the release of the triennial actuarial review and was last reviewed following completion of the triennial review as at 30 June 2015. Contribution rates are set after discussions between the employer, STC and NSW Treasury.

Funding positions are reviewed annually and funding arrangements may be adjusted as required after each annual review.

Surplus/Deficit

The following is a summary of the 30 June 2016 financial position of the Fund calculated in accordance with AAS 25 "Financial Reporting by Superannuation Plans".

Year ended 30 June 2016	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Accrued benefits	2,817	531	36,196	39,544
Net market value of Fund assets	(1,913)	(356)	(41,914)	(44,183)
Net (Surplus)/Deficit	904	175	(5,718)	(4,639)
Financial Year to June 2015	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Accrued benefits	4,812	944	43,356	49,112
Net market value of Fund assets	(4,465)	(978)	(53,676)	(59,119)
Net (Surplus)/Deficit	347	(34)	(10,320)	(10,007)

Contribution recommendations

Recommended contribution rates for the entity are:

Year ended 30 June 2016	SASS multiple of member contributions	SANCS % member salary	SSS multiple of member contributions
	1.9	2.5%	1.6
As at 30 June 2015	SASS multiple of member contributions	SANCS % member salary	SSS multiple of member contributions
	2.0	2.5	1.6

Economic assumptions

The economic assumptions adopted for the 30 June 2015 actuarial investigation of the Pooled Fund are:

Weighted-Average Assumptions	June 2016	June 2015
Expected rate of return on Fund assets backing current pension liabilities	7.8% pa	8.3% pa
Expected rate of return on Fund assets backing other liabilities	6.8% pa	7.3% pa
Expected salary increase rate	3.0% to 30 June 2019, then 3.5%pa thereafter	SASS, SANCS, SSS 2.7% pa (PSS 3.5% pa) to 30 June 2018, then 4.0% pa thereafter
Expected rate of CPI increase	2.5% pa	2.5% pa

Expected contributions

	SASS Financial Year to 30 June 2017 \$000	SANCS Financial Year to 30 June 2017 \$000	SSS Financial Year to 30 June 2017 \$000	Total Financial Year to 30 June 2017 \$000
Expected employer contributions	99	25	58	182

Profit and Loss Impact

	SASS Financial Year to 30 June 2016 \$000	SANCS Financial Year to 30 June 2016 \$000	SSS Financial Year to 30 June 2016 \$000	Total Financial Year to 30 June 2016 \$000
Current service cost	143	29	10	182
Net interest	42	8	536	586
Past service cost	-	-	-	-
(Gains)/Loss on settlement	-	-	-	-
Defined benefit cost	185	37	546	768

22(b). **EMPLOYEE BENEFITS (Continued)**

**Profit and Loss Impact**

	SASS Financial Year to 30 June 2015 \$000	SANCS Financial Year to 30 June 2015 \$000	SSS Financial Year to 30 June 2015 \$000	Total Financial Year to 30 June 2015 \$000
Current service cost	445	137	604	1,186
Net interest	147	33	1,520	1,700
Past service cost	-	-	-	-
(Gains)/Loss on settlement	-	-	-	-
<b>Defined benefit cost</b>	<b>592</b>	<b>170</b>	<b>2,124</b>	<b>2,886</b>

**Other Comprehensive Income**

	SASS Financial Year to 30 June 2016 \$000	SANCS Financial Year to 30 June 2016 \$000	SSS Financial Year to 30 June 2016 \$000	Total Financial Year to 30 June 2016 \$000
Actuarial (gains) losses on liabilities	121	37	9,505	9,663
Actual return on Fund assets less interest income	9	1	(41)	(31)
Adjustment for effect of asset ceiling	-	-	-	-
<b>Total remeasurement in Other Comprehensive Income</b>	<b>130</b>	<b>38</b>	<b>9,464</b>	<b>9,632</b>

	SASS Financial Year to 30 June 2015 \$000	SANCS Financial Year to 30 June 2015 \$000	SSS Financial Year to 30 June 2015 \$000	Total Financial Year to 30 June 2015 \$000
Actuarial (gains) losses on liabilities	1,487	469	16,283	18,239
Actual return on Fund assets less interest income	(1,051)	(173)	(5,615)	(6,839)
Adjustment for effect of asset ceiling	-	-	-	-
<b>Total remeasurement in Other Comprehensive Income</b>	<b>436</b>	<b>296</b>	<b>10,668</b>	<b>11,400</b>

23. **CURRENT / NON-CURRENT LIABILITIES - OTHER**

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
<b>CURRENT</b>				
Liability to Consolidated Fund (see also Note 7)	757	35,095	757	35,095
Unearned Income	12,637	32,802	12,058	20,131
<b>Total Current Liabilities - Other</b>	<b>13,394</b>	<b>67,897</b>	<b>12,815</b>	<b>55,226</b>
<b>NON-CURRENT</b>				
Other Creditors	-	13	-	13
<b>Total Non-Current Liabilities - Other</b>	<b>-</b>	<b>13</b>	<b>-</b>	<b>13</b>

24. **INCREASE / DECREASE IN NET ASSETS FROM EQUITY TRANSFERS**

	Consolidated		Parent	
	2016 \$000 increase/(decrease)	2015 \$000 increase/(decrease)	2016 \$000 increase/(decrease)	2015 \$000 increase/(decrease)
Transfer of Assets within Total State Sector agencies	(30)	(5,627)	3,530	(17,990)
Transfer of Assets and liabilities as a result of administrative restructures	(271,670)	8,362	(271,670)	299,963
	<b>(271,700)</b>	<b>2,735</b>	<b>(268,140)</b>	<b>281,973</b>
<b>(a) Transfer of Assets within Total State Sector agencies</b>				
Transfers via Lands Repository System	(30)	2,595	3,530	(9,768)
Transfer of numerous properties to GPNSW	-	(8,222)	-	(8,222)
	<b>(30)</b>	<b>(5,627)</b>	<b>3,530</b>	<b>(17,990)</b>

24. INCREASE / DECREASE IN NET ASSETS FROM EQUITY TRANSFERS (continued)

(b) The following Administrative restructures affecting equity occurred in 2016.

Consolidated	DPC	DOJ	STS	MSB	Total Increase / (Decrease)
	\$000	\$000	\$000	\$000	\$000
Admin Restructure - PP&E - Transferred in	-	-	23	-	23
Admin Restructure - PP&E & Intangibles - Transferred out	(240)	(252,438)	-	-	(252,678)
Admin Restructure - Cash Transferred out	(247)	(18,334)	-	-	(18,581)
Admin Restructure - Other Assets Transferred out	(97)	(296)	-	-	(393)
Admin Restructure - Employee entitlements Transferred out	159	3,260	-	8,665	12,084
Admin Restructure - Payables Transferred in	-	-	(5,526)	-	(5,526)
Admin Restructure - Payables Transferred out	148	1,913	-	419	2,480
Admin Restructure - Receivables Transferred in	-	-	5	-	5
Admin Restructure - Receivables Transferred out	-	-	-	(9,084)	(9,084)
<b>Equity - Net</b>	<b>(277)</b>	<b>(265,895)</b>	<b>(5,498)</b>	<b>-</b>	<b>(271,670)</b>

Parent	DPC	DOJ	STS	MSB	Total Increase / (Decrease)
	\$000	\$000	\$000	\$000	\$000
Admin Restructure - PP&E - Transferred in	-	-	23	-	23
Admin Restructure - PP&E & Intangibles - Transferred out	(240)	(252,438)	-	-	(252,678)
Admin Restructure - Cash Transferred out	(247)	(18,334)	-	-	(18,581)
Admin Restructure - Other Assets Transferred out	(97)	(296)	-	-	(393)
Admin Restructure - Employee entitlements Transferred out	159	3,260	-	8,665	12,084
Admin Restructure - Payables Transferred in	-	-	(5,526)	-	(5,526)
Admin Restructure - Payables Transferred out	148	1,913	-	419	2,480
Admin Restructure - Receivables Transferred in	-	-	5	-	5
Admin Restructure - Receivables Transferred out	-	-	-	(9,084)	(9,084)
<b>Equity - Net</b>	<b>(277)</b>	<b>(265,895)</b>	<b>(5,498)</b>	<b>-</b>	<b>(271,670)</b>

Department of Premier and Cabinet (DPC); Department of Justice (DOJ); State Training Services (STS); Mine Safety Board (MSB).  
Effective date of transfer for all the entities was 1 July 2015.

25. COMMITMENTS FOR EXPENDITURE

	Consolidated		Parent	
	2016	2015	2016	2015
	\$000	\$000	\$000	\$000
<b>(a) Capital Commitments</b>				
Aggregate capital expenditure for acquisition contracted for at balance date but not provided for:				
Not later than one year	25,050	14,770	25,050	14,770
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
<b>Total (including GST)</b>	<b>25,050</b>	<b>14,770</b>	<b>25,050</b>	<b>14,770</b>
<b>(b) Operating Lease Commitments</b>				
Future non-cancellable operating lease rentals not provided for and payable:				
Not later than one year	26,888	27,198	26,888	27,198
Later than one year and not later than five years	65,203	49,808	65,203	49,808
Later than five years	9,948	2,421	9,948	2,421
<b>Total (including GST)</b>	<b>102,040</b>	<b>79,427</b>	<b>102,040</b>	<b>79,427</b>
Representing:				
Non-Cancellable Operating Leases	102,040	79,427	102,040	79,427

Operating Leases predominantly comprise office accommodation 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.

## 26. CONTINGENT LIABILITIES

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
Negligence (1)	500	-	500	-
Contamination (1)	400	400	400	400
Appeals (1)	349	592	180	503
Compulsory acquisition (2)	5,000	5,000	5,000	5,000
Other (1)	972	-	972	-
	<b>7,221</b>	<b>5,992</b>	<b>7,052</b>	<b>5,903</b>

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.

Contingent liability estimates for the following cannot be quantified.

### Contaminated Land

The Contaminated Sites Register records those Crown land sites that are known to be, or are potentially, contaminated. Liabilities to remediate these sites are quantified once appropriate investigations and assessments have been completed. Financial provisions are determined following detailed site investigations have quantified the scale and cost of remediation and orders have been issued by the Environment Protection Authority.

DPI-Lands has finalised a Contaminated Land Management Strategy and is proactively assessing high risk categories of potentially contaminated land across the whole Crown land portfolio. This process identifies sites where further investigation is required, leading to remediation plans being prepared for high risk cases. Remediation works are nearing completion on sites at Urunga and the Coffs Harbour slipway which are subject to remediation orders. No additional remediation orders have been issued by the Environment Protection Authority.

Four of the five high risk sites with known financial liabilities at 30 June 2015 (Urunga, Coffs Harbour, Woodsreef and Mt. Costigan) are expected to have these commitments acquitted by end June 2016 or early in 2016-2017 financial year. Wollongong Harbour is in the planning stage and will require future funding.

The proactive assessment of high risk categories of potentially contaminated land has determined that at end June 2016 there are 115 high risk sites and 1 very high risk site (Urunga - with remediation scheduled for completion in 2016). Most of these sites are subject to preliminary site investigations or clean up works which may determine a lower risk rating and not incur a financial liability for further investigation or remediation.

### Aboriginal Land Claims

The Department has approximately 29,300 Aboriginal land Claims to review. The land in question is fully impaired when the Minister or the Court approves the claim.

### Insurance

NSW Department of Industry is insured by the Treasury Managed Fund.

### Letter of Comfort

The Department provided a letter of comfort to; Agricultural Scientific Collections Trust, Coal Innovation Fund, Marine Estate Management Authority, Public Reserves Management Fund, Recreational Fishing (Freshwater) Trust Fund, Recreational Fishing (Saltwater) Trust Fund, Commercial Fishing Trust Fund, Charter Fishing Trust Fund, Fish Conservation Trust Fund, Aquaculture Trust Fund, Cemeteries and Crematoria NSW, Water Administration Ministerial Corporation, NSW Food Authority, Lands Administration Ministerial Corporation, Dams Safety Committee, NSW Rural Assistance Authority, Game and Pest Management Trust, NSW Skills Board and Technical and Further Education Commission, to ensure the ongoing financial viability during 2016-17 financial year.

The Department continues to provide financial and other support for these organisations for 12 months from the date of the signed audit opinion of the agencies, to the extent that such support is required, and subject to any intervening decision of Government in relation to these entities.

## 27. 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 Department of Industry 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.

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016					
	Consolidated				
Net Result	Actual 2016 \$000	Budget* 2016 \$000	Variance 2016 \$000	Variance 2016 %	Comment
<b>Expenses excluding losses</b>					
Operating expenses					
Employee related	543,048	513,669	(29,379)	(5.7%)	Unbudgeted redundancies \$12m, increase in LSL entitlement provision due to increase in bond rates \$18m.
Other operating expenses	407,259	509,633	102,374	20.1%	Expenditure delays in State Priority Projects \$69m, Coal Innovation \$17m, Aboriginal Land Claims \$43m, offset by derecognition of Crown Lands (\$20m), Lightning Ridge Voluntary Surrender Scheme (\$7m) and increased fleet costs (\$4m).
Depreciation and amortisation	100,313	89,524	(10,789)	(12.1%)	Joint arrangements assets accounted for on a proportional basis \$9m and depreciation of levee banks \$2m.
Grants & subsidies	1,176,799	1,525,388	348,589	22.9%	Lower than budgeted demand for Smart & Skilled training grants \$269m, Sustain the Basin grants \$25m, Energy assistance rebates and grants \$23m, Jobs for NSW \$32m and new Skills initiatives (\$37m).
Finance Costs	-	204	204	100.0%	
Other expenses	24,167	15,510	(8,657)	(55.8%)	Crown lease waivers \$7m.
<b>Total expenses excluding losses</b>	<b>2,251,586</b>	<b>2,653,928</b>	<b>402,342</b>	<b>15.2%</b>	
<b>Revenue</b>					
Recurrent appropriation (net of transfer payments)	1,539,769	1,989,700	(449,931)	(22.6%)	Not fully drawn down due to approved rollovers and underspend totalling \$451m.
Capital appropriation (net of transfer payments)	28,743	35,149	(6,406)	(18.2%)	Projects carried over to 2017 \$6m.
Sale of goods and services	290,725	321,555	(30,830)	(9.6%)	Income from research operations (\$8m), budget classification difference for Personnel Services disclosed separately (\$20m).
Investment revenue	18,316	7,848	10,468	133.4%	Budget excludes finance lease interest \$11m
Fees and fines	-	22,344	(22,344)	(100.0%)	Fishing licence revenue no longer recognised due to deconsolidation of Fish Trusts.
Grants and contributions	100,355	79,344	21,011	26.5%	Land grant contributions \$10m, Commonwealth training grants \$7m, other minor variances \$4m.
Acceptance by the Crown Entity of employee benefits and other liabilities	39,901	14,405	25,496	177.0%	
Transfers to NSW Treasury	(62,393)	(63,268)	875	(1.4%)	Crown Land sales and lease revenues.
Other revenue	27,603	30	27,573	91910.0%	Major variance made up of Insurance claim recoveries \$12m.
Personnel services revenue	25,231	-	25,231	100.0%	Personnel Services budgeted in Sales of goods and services \$20m, lower than budget due to transfer of Mine Subsidence Board to DFSI (\$3m) and NSW Food Authority \$7m above budget.
<b>Total Revenue</b>	<b>2,008,250</b>	<b>2,407,107</b>	<b>(398,857)</b>	<b>(16.6%)</b>	
<b>Gain / (loss) on disposal</b>	<b>1,381</b>	<b>24,480</b>	<b>(23,099)</b>	<b>(94.4%)</b>	In line with prior year actuals.
<b>Other Gains / (losses)</b>	<b>19,883</b>	<b>-</b>	<b>19,883</b>	<b>100.0%</b>	Proportional recognition of impairment reversal in MDBA joint arrangement \$16m.
<b>Net Result</b>	<b>(222,072)</b>	<b>(222,341)</b>	<b>269</b>	<b>(0.1%)</b>	

\* Consolidated budgets information (refer 1(p)), includes budgets for certain funds and entities which are reported separately and whose results are not included in actuals. In relation to these funds/entities, the budget includes income approximately \$40m and expense of approximately \$22m. The funds or entities are Responsible Gambling Fund, Coal Innovation Fund, Public Reserves Management Fund, Agricultural Scientific Collections Trust, Recreational Fishing (Freshwater) Trust Fund, Recreational Fishing (Saltwater) Trust Fund, Commercial Fishing Trust Fund, Charter Fishing Trust Fund, Fish Conservation Trust Fund, Aquaculture Trust Fund, Jobs for NSW Fund and Cemeteries and Crematoria NSW.

Budget reflects the addition of the Treasury announced budget of NSW Industry and Water Administration Ministerial Corporation (WAMC) (Note 1p). Budget adjusted for the net of transfer payments to recurrent appropriations and elimination of functions recognised in Industry and WAMC (Note 1p).

27. BUDGET REVIEW (continued)  
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

Consolidated					
Assets and Liabilities	Actual 2016 \$000	Budget** 2016 \$000	Variance 2016 \$000	Variance 2016 %	Comment
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	278,612	320,083	(41,471)	(13.0%)	Reduction in cash holding in line with NSW Treasury cash management requirements.
Receivables	146,626	175,838	(29,212)	(16.6%)	Improved management of trade debtors.
Inventories	2,585	14,446	(11,861)	(82.1%)	Reduction in land development stocks, due to Crown Land Home Site program.
Biological assets	2,485	-	2,485	100.0%	In line with prior year.
Other financial assets	7,096	2,953	4,143	140.3%	Not budgeted separately, Crown Land loans.
Non-Current Assets held for sale	412	2,192	(1,780)	(81.2%)	No significant individual variances.
<b>Total Current Assets</b>	<b>437,816</b>	<b>515,512</b>	<b>(77,696)</b>	<b>(15.1%)</b>	
<b>Non-Current Assets</b>					
Receivables	159,271	188,131	(28,860)	(15.3%)	In line with prior year actuals.
Inventories	2,554	21,521	(18,967)	(88.1%)	Reduction in land development inventory due to Crown land Home Site program.
Financial assets at fair value	4,965	-	4,965	100.0%	Holdings of Gold and shares not budgeted.
Total Property Plant and Equipment	8,128,956	7,259,722	869,234	12.0%	Joint arrangements assets now proportionally consolidated.
Total Intangible assets	196,145	42,982	153,163	356.3%	Joint arrangements assets now proportionally consolidated.
Investments accounted for under the equity method*	-	882,685	(882,685)	(100.0%)	Joint arrangements assets now proportionally consolidated refer total PPE.
Biological assets	5,280	-	5,280	100.0%	In line with prior year.
Other financial assets	11,445	-	11,445	100.0%	Balances held in line with prior year, Crown Land loans.
<b>Total Non-Current Assets</b>	<b>8,508,616</b>	<b>8,395,041</b>	<b>113,575</b>	<b>1.4%</b>	
<b>Total Assets</b>	<b>8,946,432</b>	<b>8,910,553</b>	<b>35,879</b>	<b>0.4%</b>	
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Payables	216,546	160,871	(55,675)	(34.6%)	Budget assumed regular monthly payments whereas payments to training providers vary depending on supply of student data.
Borrowings	-	2,785	2,785	100.0%	Deconsolidation of trusts.
Provisions	107,825	70,501	(37,324)	(52.9%)	Higher due to Levee bank provision \$12m, Lightning Ridge Voluntary Licence Surrender Scheme \$8m, and change in long service leave discount rates \$5m, balance other minor items.
Other	13,394	21,345	7,951	37.2%	Reduction in liability to Consolidated fund in line with new cash management requirements, and timing of invoicing.
<b>Total Current Liabilities</b>	<b>337,765</b>	<b>255,502</b>	<b>(82,263)</b>	<b>(32.2%)</b>	
<b>Non-Current Liabilities</b>					
Provisions	40,952	41,983	1,031	2.5%	In line with prior year.
<b>Total Non-Current Liabilities</b>	<b>40,952</b>	<b>41,983</b>	<b>1,031</b>	<b>2.5%</b>	
<b>Total Liabilities</b>	<b>378,717</b>	<b>297,485</b>	<b>(81,232)</b>	<b>(27.3%)</b>	
<b>Net Assets</b>	<b>8,567,715</b>	<b>8,613,068</b>	<b>(45,353)</b>	<b>(0.5%)</b>	
<b>EQUITY</b>					
Reserves	886,979	801,956	85,023	10.6%	
Accumulated funds	7,680,736	7,811,112	(130,376)	(1.7%)	
<b>Total Equity</b>	<b>8,567,715</b>	<b>8,613,068</b>	<b>(45,353)</b>	<b>(0.5%)</b>	

\* For comparability, the budget for "Other Financial Assets" has been allocated to "Investments accounted for under the equity method" and Non-Current "Provisions" which are Aboriginal Land Claims have been offset against "Total Property Plant and Equipment".

\*\* The NSW Department of Industry budget includes Coal Innovation Fund, Public Reserves Management Fund, Agricultural Scientific Collections Trust, Recreational Fishing (Freshwater) Trust Fund, Recreational Fishing (Saltwater) Trust Fund, Commercial Fishing Trust Fund, Charter Fishing Trust Fund, Fish Conservation Trust Fund, Aquaculture Trust Fund, Jobs for NSW Fund and Cemeteries and Crematoria NSW.

Budget reflects the addition of the Treasury announced budget of NSW Department of Industry and Water Administration Ministerial Corporation (WAMC) (Note 1p). Budget adjusted for the net of transfer payments to recurrent appropriations and elimination of functions recognised in industry and WAMC (Note 1p).

27. BUDGET REVIEW (continued)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2016

	Consolidated				
	Actual 2016 \$000	Budget* 2016 \$000	Variance 2016 \$000	Variance 2016 %	Comment
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
<b>Payments</b>					
Employee related	(548,991)	(499,100)	(49,891)	-10.0%	Payments in line with additional pay period during current year.
Grants and subsidies	(1,195,805)	(1,510,388)	314,583	(20.8%)	Variance in line with items noted in Net result commentary.
Finance costs	-	(204)	204	(100.0%)	
Other	(366,427)	(554,186)	187,759	(33.9%)	Variance in line with items noted in Net result commentary & reduction in prepayments.
<b>Total Payments</b>	<b>(2,111,223)</b>	<b>(2,563,878)</b>	<b>452,655</b>	<b>(17.7%)</b>	
<b>Receipts</b>					
Sale of goods and services	353,418	338,079	15,339	4.5%	In line with revenue and improved receivable management.
Interest received	18,697	7,848	10,849	138.2%	Higher than average expected cash balances.
Recurrent appropriation	1,505,431	1,989,700	(484,269)	(24.3%)	Not fully drawn down due to approved rollovers and underspend \$451m, and application of Treasury cash reforms.
Cash transfers to the Consolidated Fund	(62,258)	(63,268)	1,010	(1.6%)	
Grants and Contributions	105,021	11,026	93,995	852.5%	Budget to be reallocated from Other.
Capital appropriation (excluding equity appropriation)	28,743	35,149	(6,406)	(18.2%)	
Other	68,033	159,502	(91,469)	(57.3%)	In line with last year. Budget to be reallocated to Grants & contributions combined with movements in receivables.
<b>Total Receipts</b>	<b>2,017,085</b>	<b>2,478,038</b>	<b>(460,951)</b>	<b>(18.6%)</b>	
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>(94,138)</b>	<b>(85,842)</b>	<b>(8,296)</b>	<b>9.7%</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sale of Land and Buildings, Plant and Equipment and Infrastructure Systems	43,731	27,576	16,155	58.6%	No individual significant variances.
Purchases of Land and Buildings, Plant and Equipment and Infrastructure Systems	(47,890)	(48,221)	331	(0.7%)	No individual significant variances.
Other	-	(5,489)	5,489	(100.0%)	
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(4,159)</b>	<b>(26,134)</b>	<b>21,975</b>	<b>(84.1%)</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Repayment of borrowings and advances	(13)	(1,796)	1,783	(99.3%)	Repayment of finance leases.
Other	-	(400)	400	(100.0%)	
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>(13)</b>	<b>(2,196)</b>	<b>2,183</b>	<b>(99.4%)</b>	
<b>NET INCREASE/(DECREASE) IN CASH</b>	<b>(98,310)</b>	<b>(114,172)</b>	<b>15,862</b>	<b>(13.9%)</b>	
Opening cash and cash equivalents	378,882	434,255	(55,373)	(12.8%)	
Cash transferred in / (out) as a result of administrative restructuring	(1,960)	-	(1,960)	100.0%	
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>278,612</b>	<b>320,083</b>	<b>(41,471)</b>	<b>(13.0%)</b>	

\* The NSW Department of Industry budget includes Coal Innovation Fund, Public Reserves Management Fund, Agricultural Scientific Collections Trust, Recreational Fishing (Freshwater) Trust Fund, Recreational Fishing (Saltwater) Trust Fund, Commercial Fishing Trust Fund, Charter Fishing Trust Fund, Fish Conservation Trust Fund, Aquaculture Trust Fund, Jobs for NSW Fund and Cemeteries and Crematoria NSW.

Budget reflects the addition of the Treasury announced budget of NSW Department of Industry and Water Administration Ministerial Corporation (WAMC) (Note 1p). Budget adjusted for the net of transfer payments to recurrent appropriations and elimination of functions recognised in Industry and WAMC (Note 1p).

**28. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET RESULT**

	Consolidated		Parent	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000
Net Cash used on operating activities	(94,138)	37,341	(99,615)	36,936
Depreciation and amortisation	(100,313)	(108,053)	(85,177)	(93,818)
Non-cash expenses	14	(120,219)	(191)	(84,163)
Non-cash revenues	-	49,551	-	25,900
Gain / (loss) on disposal of PPE	23,253	-	23,706	-
Non-cash Grants	(37,852)	-	(28,729)	-
Impairment of Property Plant and Equipment	-	-	-	-
WAMC valuation decrement	50	-	-	-
Superannuation actuarial gains / (losses)	9,632	-	9,632	-
Provision for doubtful debt expense	(851)	-	(851)	-
Non-cash expense from MOG transfers	(5,250)	-	(5,250)	-
Decrease / (Increase) in provisions	(23,430)	48,827	(23,645)	60,318
Increase / (Decrease) in receivables	5,048	(47,604)	(518)	(61,063)
Increase / (Decrease) in other financial assets	(710)	465	(328)	465
Increase / (Decrease) in inventories	(8,625)	(13,367)	(8,625)	(13,367)
Decrease / (Increase) in creditors	(32,310)	(30,935)	(33,963)	(39,198)
Decrease / (Increase) in other liabilities	43,626	(30,872)	42,421	(25,004)
Net gain / (loss) in sale of plant and equipment	(216)	(689)	-	(689)
<b>Net Result</b>	<b>(222,072)</b>	<b>(215,555)</b>	<b>(211,133)</b>	<b>(193,683)</b>

**29. TRUST FUNDS**

Minerals Related Trust Funds are excluded from consolidated financial statements.

	2016 \$000	2015 \$000
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**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 Industry 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 Department of Industry cannot use them for the achievement of its objectives.

Bank guarantees from various mining enterprises for the amount of \$2,165,637,418 are also held as at 30 June 2016 (\$1,886,455,522 in 2015).

The following is a summary of the transactions in the trust account.

Balance at the beginning of the Financial Year	29,315	20,073
Add: Receipts	5,201	12,658
Less: Expenditure	(10,655)	(3,416)
<b>Balance at the end of the reporting period</b>	<b>23,861</b>	<b>29,315</b>

### 30. ADMINISTERED ASSETS AND LIABILITIES

#### Royalties and Licences

NSW Department of Industry administers certain activities on behalf of other bodies. The assets and liabilities associated with these activities are listed below:

	2016 \$000	2015 \$000
<b>Administered Assets</b>		
Receivables – Royalties/Mining lease	409	2,553
Less Provision for Doubtful Debts	(175)	(175)
	<b>234</b>	<b>2,378</b>
<b>Administered Liabilities</b>		
<b>Current</b>		
Income received in Advance	-	7,667
<b>Non Current</b>		
Income received in Advance *	-	42,500
	<b>-</b>	<b>50,167</b>

\* From 1 July 2015, this is administered by the Department of Justice.

#### Retail Tenancy Trust Fund

Retail Lease Security Bonds are lodged with the Secretary in accordance with Section 16C of the Retail Leases Act 1994. These monies are excluded from the financial statements of NSW Department of Industry as NSW Department of Industry cannot use them for the achievement of its objectives other than the recovery of expenses relating to administration of the Retail Leases Act.

NSW Department of Industry holds money with NSW T-Corp in relation to Retail Tenancy Trust Fund:

	Interest Account \$000	Trust Account \$000	Total \$000
<b>Cash Balance at 30 June 2015</b>	<b>9,916</b>	<b>148,300</b>	<b>158,216</b>
<b>Add:</b>			
Bonds Lodgements	-	43,136	43,136
Transfer between Interest and Trust Account	3,208	-	3,208
Interest Revenue	60	3,785	3,845
<b>Less:</b>			
Transfer between Interest and Trust Account	-	(3,208)	(3,208)
Bonds Released	-	(28,301)	(28,301)
Confund Support	(8,068)	-	(8,068)
Transfer to the Crown Entity	(4,000)	-	(4,000)
<b>Balance at 30 June 2016</b>	<b>1,116</b>	<b>163,712</b>	<b>164,828</b>
	<b>Interest Account \$000</b>	<b>Trust Account \$000</b>	<b>Total \$000</b>
<b>Cash Balance at 30 June 2014</b>	<b>2,527</b>	<b>144,585</b>	<b>147,112</b>
<b>Add:</b>			
Bonds Lodgements	-	34,218	34,218
Transfer between Interest and Trust Account	7,295	-	7,295
Interest Revenue	94	4,053	4,147
<b>Less:</b>			
Transfer between Interest and Trust Account	-	(7,295)	(7,295)
Bonds Released	-	(27,261)	(27,261)
Confund Support	-	-	-
Transfer to the Crown Entity	-	-	-
<b>Balance at 30 June 2015</b>	<b>9,916</b>	<b>148,300</b>	<b>158,216</b>

### 31. ADMINISTERED EXPENSES & INCOME

#### INCOME

	2016 \$000	2015 \$000
The following monies have been collected on behalf of the Crown Entity and forwarded to NSW Treasury:		
Fees	4,383	4,034
Fines	672	903
Licences	8,387	31,270
Royalty on Minerals*	-	117,985
	<b>13,442</b>	<b>154,192</b>

\* Responsibility for the collection of royalties has transferred to The Office of State Revenue, for amounts levied during or after 1 July 2014. Administration of Royalties calculated and paid in arrears for royalty periods prior to 1 July 2014 remain the responsibility of the Department.

### 32. JOINT ARRANGEMENTS

NSW Department of Industry is engaged with several joint arrangements.

As at the financial year ended 30 June 2016, NSW Department of Industry had an interest in the following joint arrangements:

- 50% share in the joint arrangement entity Dumaresq-Barwon Border Rivers Commission
- 26.67% share in the joint arrangement entities Living Murray initiative and the River Murray Operations. These assets are administered by the Murray-Darling Basin Authority.

An assessment of AASB 11 - Joint Arrangements has determined that River Murray Operations, Living Murray Operations and Dumaresq-Barwon Borders Rivers Commission are all joint operations that require recognition of a share of assets and liabilities.

(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 arrangements were established to hold the jurisdictional assets previously held by the MDBC on behalf of the jurisdictions. The joint arrangements were established through agreements called "Asset Agreement for River Murray Operations Assets" (River Murray Operations Joint Arrangement) 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 Arrangement)

	2016	2015
	\$000	\$000
Ownership Interest	26.67%	26.67%
Reporting Date	30 June	30 June
Net Assets	3,233,908	3,130,239
<b>Summarised financial information</b>		
<b>Statement of Financial Position</b>	<b>2016</b>	<b>2015</b>
	<b>\$000</b>	<b>\$000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Infrastructure Assets	2,617,945	2,584,701
Property, Plant and Equipment	9,147	9,661
Intangibles	606,816	535,877
Other	-	-
<b>Net Assets</b>	<b>3,233,908</b>	<b>3,130,239</b>
<b>Statement of Comprehensive Income</b>	<b>2016</b>	<b>2015</b>
	<b>\$000</b>	<b>\$000</b>
Revenues	80,632	126,399
Expenses	37,908	37,739
<b>Surplus / (Deficit) for the year</b>	<b>42,724</b>	<b>88,660</b>
<b>Aggregate asset revaluation increment for the financial year</b>	<b>60,945</b>	<b>22,067</b>

Revenues of \$79,145,000 in 2016 include reversal of impairment of \$67,972,000.

**32. JOINT ARRANGEMENTS (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 the sharing of 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.

	2016	2015
	\$000	\$000
Ownership Interest	50.00%	50.00%
Reporting Date	30 June	30 June
Net Assets	139,949	139,230

**Summarised financial information**

Statement of Financial Position	2016	2015
	\$000	\$000

**ASSETS**

**Current assets**

Cash and cash equivalents	3,693	3,632
Receivables	29	130

**Non-Current Assets**

Property, Plant and Equipment	136,773	136,299
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<b>Total Assets</b>	<b>140,495</b>	<b>140,061</b>
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**LIABILITIES**

**Current Liabilities**

Payables	546	831
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<b>Total Liabilities</b>	<b>546</b>	<b>831</b>
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<b>Net Assets</b>	<b>139,949</b>	<b>139,230</b>
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Statement of Comprehensive Income	2016	2015
	\$000	\$000

Revenues	2,323	2,341
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Expenses	3,861	4,352
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<b>Surplus / (Deficit) for the year</b>	<b>(1,538)</b>	<b>(2,011)</b>
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<b>Aggregate asset revaluation increment for the financial year</b>	<b>2,255</b>	<b>913</b>
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### 33. FINANCIAL INSTRUMENTS

The consolidated entity's principal financial instruments are outlined below. These financial instruments arise directly from the consolidated entity's operations or are required to finance the consolidated entity's operations. The consolidated entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The consolidated entity's main risks arising from financial instruments are outlined below, together with NSW Industry's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Secretary 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 the consolidated entity's, 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 Class:	Note	Category	Carrying Amount 2016 \$000	Carrying Amount 2015 \$000
Cash and Cash Equivalents	11	N/A	278,612	378,882
Receivables <sup>1</sup>	12	Loans and receivables (at amortised cost)	271,628	287,447
Financial Assets at fair value	14	Available for sale Financial Assets	4,965	4,288
Other Financial Assets	18	Loans and receivables (at amortised cost)	18,541	20,887
			<b>573,746</b>	<b>691,504</b>
Financial Liabilities Class:	Note	Category	Carrying Amount 2016 \$000	Carrying Amount 2015 \$000
Payables <sup>2</sup>	21	Financial Liabilities measured at amortised cost	212,234	180,301
Other <sup>2,3</sup>	23	Financial Liabilities measured at amortised cost	-	13
			<b>212,234</b>	<b>180,314</b>

#### 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 the consolidated entity's debtors defaulting on their contractual obligations, resulting in a financial loss to the consolidated entity. 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 the consolidated entity, including cash, receivables, authority deposits and advances receivable. No collateral is held by the consolidated entity. The consolidated entity has not granted any financial guarantees.

Credit risk associated with the consolidated entity'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 receivable amounts at balance date. The policy is to review collectability of trade debtors on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand where necessary. 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.

The consolidated entity 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 \$25.600m (2015 \$39.934m) and past due but not considered impaired \$23.714m (2015 \$22.153m), together represent 81% (2015: 82%) of the total trade debtors. There are no debtors which are currently not past due or impaired whose terms have been renegotiated.

### 33. 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 <sup>1,2</sup>	Past due but not impaired <sup>1,2</sup>	Considered impaired <sup>1,2</sup>
	\$000	\$000	\$000
<b>2016</b>			
<3 months overdue	11,478	10,928	550
3 months - 6 months overdue	4,206	3,053	1,153
> 6 months overdue	21,872	9,733	12,139
<b>2015</b>			
<3 months overdue	10,043	9,785	258
3 months - 6 months overdue	3,486	1,708	1,778
> 6 months overdue	21,701	10,661	11,040

#### 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

The consolidated entity has no funds placed on deposit with Tcorp except as disclosed in Note 30.

#### Other Facilities

NSW Department of Industry has access to the following banking facilities:

	2016	2015
	\$000	\$000
Credit Card Limit	16,000	16,000
Guarantee	15	15

#### (c) Liquidity risk

Liquidity risk is the risk that the consolidated entity will be unable to meet its payment obligations when they fall due. The consolidated entity 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. The consolidated entity'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 the 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 Secretary may automatically pay the supplier simple interest.

The table below summarises the maturity profile of the consolidated entity's financial liabilities, together with the interest rate exposure.

33. FINANCIAL INSTRUMENTS (continued)

	Weighted Average Effective Int. Rate	Nominal Amount <sup>1</sup> \$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
<b>2016</b>								
Payables	0.0%	212,234	-	-	212,234	212,234	-	-
		<b>212,234</b>	<b>-</b>	<b>-</b>	<b>212,234</b>	<b>212,234</b>	<b>-</b>	<b>-</b>
<b>2015</b>								
Payables	0.0%	180,301	-	-	180,301	180,301	-	-
		<b>180,301</b>	<b>-</b>	<b>-</b>	<b>180,301</b>	<b>180,301</b>	<b>-</b>	<b>-</b>

Notes:

- The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the consolidated entity 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. The consolidated entity's exposures to market risk are primarily through interest rate risk on the consolidated entity's new borrowings. NSW Industry 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 the consolidated entity 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 the consolidated entity's interest bearing liabilities. This risk is minimised by undertaking mainly fixed rate borrowings, primarily with NSW Tcorp. The consolidated entity 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. The consolidated entity's exposure to interest rate risk is set out below.

	Carrying Amount \$000	Result \$000	Equity \$000	Result \$000	Equity \$000
		-1%		+1%	
<b>2016</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	278,612	(2,786)	(2,786)	2,786	2,786
Receivables	271,628	-	-	-	-
Financial assets at fair value	4,965	(50)	(50)	50	50
Other Financial Assets	18,541	(185)	(185)	185	185
<b>Financial Liabilities</b>					
Payables	212,234	-	-	-	-
<b>2015</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	378,882	(3,789)	(3,789)	3,789	3,789
Receivables	287,447	-	-	-	-
Financial assets at fair value	4,288	(43)	(43)	43	43
Other Financial Assets	20,887	(209)	(209)	209	209
<b>Financial Liabilities</b>					
Payables	180,301	-	-	-	-
Other	13	-	-	-	-

Other price risk - Tcorp Hour Glass Investment facilities

The consolidated entity holds no units in Hour-Glass investment trusts.

### 33. FINANCIAL INSTRUMENTS (continued)

#### (e) Fair value compared to carrying amount

Financial instruments are generally recognised at cost, with the exception of loans receivable and financial assets at fair value. The loans receivable are measured at fair value and calculated based on the present value of future principal and interest discounted cashflows. Financial assets at fair value are valued at cost, listed price as per the stock exchange or at specialised valuation. The amortised cost of the other financial instruments recognised in the statement of financial position approximates the fair value, because of the short term nature of many of the financial instruments.

#### (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).

	2016			
	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total \$000
Financial assets at fair value				
Loans Receivable	-	18,541	-	18,541
Share	28	39	-	67
	<b>28</b>	<b>18,580</b>	<b>-</b>	<b>18,608</b>

	2015			
	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total \$000
Financial assets at fair value				
Loans Receivable	-	20,887	-	20,887
Share	28	40	-	68
	<b>28</b>	<b>20,927</b>	<b>-</b>	<b>20,955</b>

There were no transfers between Level 1 and 2 during the year ended 30 June 2016.

### 34. EVENTS AFTER REPORTING DATE

On the 1st July 2016, the Water NSW Amendment (Staff Transfers) Bill 2016 was passed in the NSW Parliament. Which effectively gives the Minister the power to transfer to Water NSW any person designated by the Secretary of the Department of Industry to be a person required for the purpose of enabling Water NSW to exercise its functions. This facilitates the implementation and the transfer of functions and enables the consolidated entity to focus on policy, water market regulation and major water infrastructure projects. All customer transactional dealings and all in-field services relating to groundwater and surface water were transferred to Water NSW on 1 July 2016.

On the 1st July more than 200 staff were transferred from DPI Water to Water NSW. The consolidated entity will also be transferring approximately \$59m in fixed assets. The impact on the revenue and expenses of the consolidated entity in future years has not been quantified at this stage.

End of Financial Statements

# Index

## A

acts administered	21
access (offices)	163
annual report costs	73

## B

Biosecurity	6, 10
-------------	-------

## C

capital works	51
consultants	46
consumer response	87
credit card use certification	45

## D

Department of Industry (NSW)	3
organisational structure	5
digital information security	
policy attestation	32
disability program	37
disclosure of controlled entities	52
disclosure of subsidiaries	53

## E

Economic, Skills & Regional Development division	4
employment arrangements	
(requirements arising)	45
evaluation and improvement	28

## F

Finance Strategy & Operations division	4
financial overview	17
financial statements	97
fisheries trust fund reports	69
funds granted to non-government community organisations	55

## G

Government Information Public Access	90
--------------------------------------	----

## H

human resources	34
-----------------	----

## I

insurance	31
-----------	----

## J

Jobs for NSW	4, 7
--------------	------

## L

Land & Water Commissioner	4
land disposal	51
legislation and legal change	21
letter of submission	inside front cover
letters of financial statement	97
Local Land Services	4

## M

mineral resources trust funds	73
multicultural policies & services	84

## N

Native game birds	80
NSW Chief Scientist & Engineer	4
NSW Department of Primary Industries	4
NSW Gas Plan	6
NSW Small Business Commissioner	4

## O

overseas travel	38
-----------------	----

## P

payment of accounts	49
price determinations (implementation)	54
principal officers	20
privacy management	95
public interest disclosures	94

## R

research and development	74
Resources and Energy (Division of)	4
risk management	29
risk management attestation statement	30

## S

Secretary's message	2
service measure results	16
significant judicial decisions	25
statutory appendices	19

## T

TAFE NSW	4
threatened species	81

## V

volunteer program	89
-------------------	----

## W

website	inside back cover
women's employment	36
work health and safety	33
workers' compensation	33
workforce diversity	36

## NSW Department of Industry

Web: [www.industry.nsw.gov.au](http://www.industry.nsw.gov.au)

Email: [www.industry.nsw.gov.au/contact-us-email](http://www.industry.nsw.gov.au/contact-us-email)

MLC Centre

19 Martin Place

Sydney NSW 2000

GPO Box 5477

Sydney NSW 2001

Tel: +61 2 9338 6600

Fax: +61 2 9338 6950

Business hours:

Monday to Friday 9:00am – 5:00pm

323 Castlereagh St

Sydney NSW 2000

PO Box K348

Haymarket NSW 1240

Tel: +61 2 9338 6600

Fax: +61 2 9338 6950

Business hours:

Monday to Friday 9:00am – 5:00pm

10 Valentine Avenue

Parramatta NSW 2150

Locked Bag 5123

Parramatta NSW 2124

Tel: +61 2 9338 6600

Fax: +61 2 9338 6950

Business hours:

Monday to Friday 9:00am – 5:00pm

161 Kite Street

Orange NSW 2800

Locked Bag 21

Orange NSW 2800

Tel: +61 2 6391 3100

Fax: +61 2 6391 3336

Business hours:

Monday to Friday 8:30am – 4:30pm

516 High Street

Maitland NSW 2320

PO Box 344

Hunter Region Mail Centre NSW 2310

Tel: +61 2 4931 6666

Fax: +61 2 4931 6700

Business hours:

Monday to Friday 8.30am – 4.30pm

## NSW Small Business Commissioner

Web: [www.smallbusiness.nsw.gov.au](http://www.smallbusiness.nsw.gov.au)

Email: [we.assist@smallbusiness.nsw.gov.au](mailto:we.assist@smallbusiness.nsw.gov.au)

MLC Centre

19 Martin Place

Sydney NSW 2000

Tel: 1300 795 534 or +61 2 8222 4800

Fax: 1300 795 644

Business hours:

Monday to Friday 9:00am – 5:00pm

## NSW Chief Scientist & Engineer

Web: [www.chiefscientist.nsw.gov.au](http://www.chiefscientist.nsw.gov.au)

Email: [nswchiefscientist@chiefscientist.nsw.gov.au](mailto:nswchiefscientist@chiefscientist.nsw.gov.au)

MLC Centre

19 Martin Place

Sydney NSW 2000

GPO Box 5477

Sydney NSW 2001

Tel: +61 2 9338 6786

Fax: +61 2 9338 6830

Business hours:

Monday to Friday 9:00am – 5:00pm



Department  
of Industry

NSW Department of Industry

P +61 (0)2 9338 6600

[www.industry.nsw.gov.au](http://www.industry.nsw.gov.au)

Level 48, MLC Centre

19 Martin Place

Sydney NSW 2000 Australia

