

NSW DEPARTMENT OF INDUSTRY

Annual Report 2016–17

Published by NSW Department of Industry

Annual Report 2016–17

First published October 2017.

ISSN 2208-5572

More information

NSW Department of Industry, MLC Centre, 19 Martin Place, Sydney NSW 2000 Australia
www.industry.nsw.gov.au

© State of New South Wales through Department of Industry 2017.

This publication is copyright. You may download, display, print and reproduce this material provided that the wording is reproduced exactly, the source is acknowledged, and the copyright, update address and disclaimer notice are retained. To copy, adapt, publish, distribute or commercialise any of this publication you will need to seek permission from the Department of Industry.

Disclaimer: The information contained in this publication is based on knowledge and understanding at the time of writing October 2017. However, because of advances in knowledge, users are reminded of the need to ensure that the information upon which they rely is up to date and to check the currency of the information with the appropriate officer of the Department of Industry or the user's independent advisor.

Letter of submission



Department
of Industry

Office of the Secretary

INT17/208014

The Hon. Niall Blair MLC

Minister for Primary Industries
Minister for Regional Water
Minister for Trade & Industry

Dear Minister Blair,

Submission of NSW Department of Industry 2016–17 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 2016–17 annual report of the NSW Department of Industry for tabling in Parliament.

The department's report includes the 2016–17 annual report of the Independent Liquor and Gaming Authority as an appendix. Part 5, Section 39 of the *Gaming and Liquor Administration Act 2007* notes that a report under the *Annual Reports (Departments) Act 1985* in respect of the department may include any annual report required to be made in respect of the Independent Liquor and Gaming Authority under the *Annual Reports (Statutory Bodies) Act 1984*.

The Independent Liquor and Gaming Authority Annual Report 2016–17 has been prepared in accordance with the *Casino Control Act 1992*, the *Liquor Act 2007*, the *Annual Reports (Statutory Bodies) Act 1984* and the *Annual Reports (Statutory Bodies) Regulation 2010*.

The NSW Department of Industry's annual report outlines achievements for the 2016–17 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.

Following the tabling of report in Parliament, it will be available for public access on the department's website at www.industry.nsw.gov.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S A Y Smith', followed by the date '30/10/17'.

Simon A Y Smith
Secretary
NSW Department of Industry

Contents

Letter of submission	i
Message from the Secretary	1
NSW Department of Industry	2
Departmental overview.....	2
Aims and objectives.....	2
Our purpose.....	2
Our vision.....	2
Our values	2
Our services.....	3
Our priorities	3
Organisational structure	3
Machinery of government changes	4
Incoming and outgoing divisions or functions.....	4
Incoming and outgoing associated functions or agencies.....	4
Functions included in this report.....	5
Related annual reports.....	6
Organisational charts.....	7
As at 31 March 2017.....	7
As at 30 June 2017	8
Meeting key challenges	9
Achieving positive results.....	9
Our results.....	28
Financial overview 2016–17	29
Budget structure.....	29
Appendices	31
Appendix 1—Principal officers.....	32
As at 31 March 2017.....	32
Appendix 2—Legislation and legal change	33
Acts administered before 30 January 2017	33
Acts administered between 30 January 2017 and 31 March 2017	36
Acts administered on or after 1 April 2017.....	39
Legal change	42
Appendix 3—Significant judicial decisions 1 July 2016–30 June 2017.....	44
Mineral resources and mine safety law	44
Land law	44
Water law.....	45

Fisheries law	45
Biosecurity law	45
Aboriginal Land Rights	45
Appendix 4—Evaluation and improvement	46
Appendix 5—Risk management and insurance	47
Risk management activities	47
Insurance activities	48
Appendix 6—Internal audit and risk policy attestation	51
Internal Audit and Risk Management Attestation Statement for the 2016–17 Financial Year for NSW Department of Industry	51
Appendix 7—NSW Digital information security policy compliance attestation statement 2016–17	53
Appendix 8—Work health and safety	54
Appendix 9—Human resources	56
Staff numbers	56
Number of female and male staff within salary levels	56
Appendix 10—Workforce diversity	58
Gender equality	58
Aboriginal employment and inclusion	59
Disability employment	59
Appendix 11—Overseas travel	61
Appendix 12—Requirements arising from employment arrangements	76
Appendix 13—Credit card use	76
Appendix 14—Consultants	77
Appendix 15—Payment of accounts	88
Small business payment performance	88
Penalty interest payments	88
Initiatives to improve payment performance	88
Aged analysis of payments made by payment quarter	88
Accounts paid on time each quarter	89
Appendix 16—Land disposal	91
Appendix 17—Capital works	91
Appendix 18—Disclosure of controlled entities	92
Water Administration Ministerial Corporation	92
Lands Administration Ministerial Corporation	92
Fisheries Administration Ministerial Corporation	93
Appendix 19—Disclosure of subsidiaries	93
Appendix 20—Implementation of price determinations	93
Water	93

Appendix 21—Funds granted to non-government community organisations.....	94
State parks.....	94
Financial counselling services.....	94
Animal welfare.....	95
Recreational fishing programs.....	95
Office of the Chief Scientist & Engineer.....	101
Murray–Darling Basin Diversification Program.....	103
Adult and Community Education.....	105
Elsa Dixon Aboriginal Employment Program.....	107
Group training organisations (GTOs).....	108
Industry training advisory boards (ITABs).....	110
Youth Attainment and Transitions Pre-Apprenticeship Training Program.....	111
Club Grants Category 3.....	111
Regional Communities Development Program.....	113
Port Kembla Community Investment Fund.....	115
Boosting Business Innovation.....	115
Appendix 22—Fisheries trust fund reports.....	116
Commercial Fishing Trust Fund.....	116
Aquaculture Trust Fund.....	116
Fish Conservation Trust Fund.....	116
Recreational and Charter Fishing Trust Funds.....	117
Appendix 23—Mineral resources fund reports.....	117
Minerals and Petroleum Administrative Fund.....	117
Minerals and Petroleum Investment Fund.....	118
Small-Scale Titles Levy Fund.....	118
Appendix 24—Annual report production costs.....	118
Appendix 25—Research and development.....	119
Office of the NSW Chief Scientist and Engineer.....	119
Office of the NSW Small Business Commissioner.....	120
NSW Department of Primary Industries (NSW DPI).....	120
NSW Department of Industry—Skills and Economic Development.....	123
NSW Department of Industry—Resources and Energy.....	123
NSW Department of Industry—Liquor and Gaming.....	126
Appendix 26—Native game birds.....	128
Appendix 27—Implementation of recovery and threat abatement plans.....	128
Eastern Freshwater Cod (<i>Maccullochella ikei</i>).....	129
Oxleyan Pygmy Perch (<i>Nannoperca oxleyana</i>).....	129

Silver Perch (<i>Bidyanus bidyanus</i>)	129
Trout Cod (<i>Maccullochella macquariensis</i>).....	130
River Snails (<i>Notopala sublineata</i> and <i>Notopala hanleyi</i>)	130
Black Rockcod (<i>Epinephelus daemeli</i>)	130
Removal of large woody debris—key threatening process	130
Joint management agreements.....	131
Appendix 28—Multicultural Policies and Services Program	132
Human resources.....	132
Multicultural provision in corporate accommodation	133
Multicultural community engagement	133
Energy Accounts Payment Assistance Scheme	133
Skills and education	134
Refugee Employment Support Program.....	134
Business and Skilled Migration Program.....	135
Responsible Gambling Fund.....	135
Trade and investment	135
NSW Small Business Commissioner.....	135
Business Connect program.....	136
Future plans and directions	136
Agreements with Multicultural NSW	136
Appendix 29—Consumer response 2016–17	136
Actions and decisions of staff members	137
Timeliness.....	137
Inaction or inadequate action	137
Biased decision-making	137
Systems and processes	137
Actions of other parties	137
Liquor & Gaming NSW.....	138
Appendix 30—Fishcare volunteer program.....	139
‘Get hooked...it’s fun to fish’ primary schools education program	139
Appendix 31— <i>Government Information (Public Access) Act 2009</i> (GIPA Act).....	140
Statistical information on 2016-2017 GIPA applications	141
Appendix 32—Public interest disclosures	145
Appendix 33—Privacy management.....	146
Appendix 34—Exemptions from reporting provisions.....	146
Appendix 35—Responsible Gambling Fund	147
Appendix 36—Independent Liquor & Gaming Authority’s Annual Report 2016–17	148

Promoting fair and transparent decision-making under the <i>Gaming and Liquor Administration Act 2007</i>	148
Chairperson’s report	149
Significant activities.....	150
Management and structure	151
Liquor operations	154
Gaming operations—casino.....	156
Gaming operations—clubs and hotels.....	159
Attachment A—Land disposal.....	162
Attachment B—Promotion and overseas travel.....	162
Attachment C—Consultants.....	162
Attachment D—Budget review and plan.....	163
Budget for 2017–18	164
Attachment E—Liquor operations statistics	166
Attachment F—Gaming operations statistics.....	177
Attachment G—Internal audit and risk management statement.....	183
Independent Liquor & Gaming Authority’s financial statements June 2017	185
NSW Department of Industry financial statements June 2017.....	220
Statement by the Secretary, NSW Department of Industry	221
Independent Auditor’s report	222
Statement of comprehensive income for the year ended 30 June 2017.....	224
Statement of financial position as at 30 June 2017.....	225
Statement of changes in equity for the year ended 30 June 2017.....	226
Statement of cash flows for the year ended 30 June 2017.....	227
1. Summary of significant accounting policies.....	228
2. Expenses excluding losses.....	239
3. Revenues	241
4. Gain/loss on disposal	242
5. Other gains/(losses)	242
6. Conditions of contributions	242
7(a). Acceptance by the Crown entity of employee benefits and other liabilities	242
7(b). Transfer to NSW Treasury.....	242
8. Transfer payments.....	242
9. Service groups of the department.....	243
9. Service group statements for the year ended 30 June 2017	244
9. Service group statements for the year ended 30 June 2016.....	247
10. Current assets—cash and cash equivalents	250
11. Current/non-current assets—receivables.....	250

12. Current/non-current assets—inventories.....	252
13. Non-current assets—financial assets at fair value	252
14. Non-current assets—property plant and equipment.....	253
15. Intangible assets.....	257
16. Fair value measurement of non-financial assets	257
17. Current/non-current other financial assets	261
18. Non-current assets held for sale	261
19. Biological assets.....	261
20. Current liabilities—payables	261
21(a). Current/non-current liabilities—provisions	262
21(b). Employee benefits.....	263
22. Current/non-current liabilities—other	269
23. Increase/decrease in net assets from equity transfers	269
24. Commitments for expenditure.....	272
25. Contingent liabilities.....	273
26. Budget review.....	274
27. Reconciliation of cash flows from operating activities to net result	275
28. Trust funds	275
29. Administered assets and liabilities	276
30. Administered expenses and income	276
31. Joint arrangements.....	277
32. Financial instruments.....	279
33. Related party disclosures	282
34. Events after reporting date.....	283
Index.....	284
Access.....	285

Message from the Secretary

Throughout the 2016–17 financial year, the New South Wales (NSW) Department of Industry has worked to drive economic growth and job creation across the state, strengthen industries, support small business, ensure the workforce is equipped for the jobs of the future and provide effective stewardship of our state's resources.

The important reforms we have supported in 2016–17 include new Acts for biosecurity, Crown land management and greyhound racing. We have also collaborated on reforms to ensure that the state's commercial fishing industry is robust, viable and sustainable, as well as launching the NSW Coastal Dredging Strategy to improve access to state-owned regional ports and harbours.

This year, the department has worked to make it easier to do business in NSW, launching our Small Business Strategy to provide the foundation. The NSW Government's Retail Leases Amendment (Review) Bill 2017 will benefit small businesses, while the Easy to do Business program has reduced the average time taken to start a café, restaurant or small bar from 18 months to 90 days or fewer. Through our Business Connect program, we provided business advice and business skills training to almost 11,100 small businesses this year. The NSW Regional Development Framework will help to ensure that businesses and communities across the state have the opportunity to thrive.

In 2016–17, the department also provided emergency response and support services for communities and businesses during extreme heatwave conditions, bushfires and floods. Our staff mobilised to prevent rolling power blackouts, support primary producers, answer hotlines for landholders and liaise with communities. The Small Business Commissioner brokered a deal with the Australian Taxation office to assist businesses affected by bushfires and chaired the Lismore Flood Recovery Taskforce, while Business Connect advisors and the Rural Assistance Authority provided support.

In April 2017, we successfully managed machinery of government changes that have given the department broader responsibilities to deliver not only the right conditions for creating jobs and driving economic growth, but for improving the quality of life in NSW. The changes gave us an opportunity to set new goals for delivering the best conditions for business growth, investment, fulfilling and sustainable employment, active recreation, a strong visitor economy and robust industries.

Our purpose is to lead the state government's contribution to making NSW a prosperous state, creating the conditions for NSW to be a place where people want to live and work and businesses choose to invest and grow. Our new corporate plan, released in July 2017, encapsulates what the NSW Government wants us to do for the people of NSW across our areas of accountability. This is reflected in the seven goals that we have set for ourselves: to sustain the conditions for economic development; innovate in primary industries to improve resilience and boost productivity; increase jobs and investment in NSW; develop skills-based programs for employment; use and access natural resources in a sustainable manner; manage risks for natural resources, farming and food; and foster a vibrant and valued sport and active recreation sector.

The department's achievements are made possible through the clear leadership of our five portfolio ministers (Hon. John Barilaro MP, Hon. Niall Blair MLC, Hon. Paul Toole MP, Hon. Stuart Ayres MP and Hon. Adam Marshall MP) and the dedicated work of all our staff. I thank them all for their contribution.

Simon A Y Smith
Secretary
NSW Department of Industry

NSW Department of Industry

Departmental overview

The NSW Department of Industry (known until 1 April 2017 as the NSW Department of Industry, Skills and Regional Development) was established on 1 July 2015 to lead the state government's contribution to making NSW a prosperous state—a place where people want to live and have good jobs, and where businesses choose to invest and grow.

We achieve this by:

- investing in skills and education to ensure that our residents are ready for work now and for the jobs of the future
- driving economic growth in primary industries by enabling the sustainable use of natural resources and the production of food and fibre
- providing independent research and scientific advice that creates economic, social and environmental benefits for NSW
- promoting a vibrant and valued sport and active recreation sector that enhances the lives of the people of NSW
- growing the visitor economy of NSW by promoting our attractiveness as a major tourism centre and destination for events
- supporting small businesses in NSW to start and grow
- creating the conditions that support the growth of industries that supply to domestic and international markets
- applying a risk-based intelligence approach to all our licensing, compliance and enforcement activities across a range of sectors to balance economic and social outcomes for the people of NSW.

Aims and objectives

Our 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.

Our 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.

Our values

Integrity—Trust—Service—Accountability.

Our 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 services
- research and development
- business development
- food safety
- grant provision
- policy development and advice
- migration services
- Crown lands management
- biosecurity and emergency services
- commercial services through the Soil Conservation Service.

Our priorities

The NSW Department of Industry Corporate Plan 2015–19 sets our direction and focus. 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](#).¹

Organisational structure

From 1 July 2016 to 31 March 2017, the department had three operational divisions delivering to our industries:

- NSW Department of Primary Industries
- Economic, Skills and Regional Development
- Resources and Energy (including Lands).

A single, central division, Finance, Strategy and Operations, provided departmental services and coordination across a range of operational and strategic functions throughout the 2016–17 financial year.

¹ <https://www.nsw.gov.au/improving-nsw/premiers-priorities/>

Machinery of government changes

Following the appointment of NSW Premier Berejiklian and her new Cabinet, the NSW Government made changes to the machinery of government. In accordance with [Administrative Arrangements \(Administrative Changes—Public Service Agencies\) Order 2017](#)², some agencies, divisions, and functions joined the NSW Department of Industry on 1 April 2017, while others left. The department welcomed 1,200 new colleagues into the Industry cluster.

Effective 1 April 2017, the department's four operational divisions are:

- NSW Department of Primary Industries
- Skills and Economic Development
- Lands and Forestry
- Liquor & Gaming NSW and the Office of Racing.

As a result of these changes, the department launched a new corporate plan in July 2017 and our 2017–18 annual report will reflect this.

Incoming and outgoing divisions or functions

The following divisions or functions have been affected by machinery of government changes.

Table 1. Incoming and outgoing divisions/functions of the NSW Department of Industry

Joined the department on 1 April 2017	Left the department on 1 April 2017
<ul style="list-style-type: none"> • Liquor & Gaming NSW • Office of Racing • Trade and Investment 	<ul style="list-style-type: none"> • Resources and Energy • Resources Regulator • Regional Development

Incoming and outgoing associated functions or agencies

The following functions, public service executive agencies and Crown services were also aligned with the department.

Table 2. Functions or agencies associated with the NSW Department of Industry

Function/agency/Crown service	Period
Office of the NSW Chief Scientist & Engineer	1 July 2016–30 June 2017
Jobs for NSW	1 July 2016–30 June 2017
Land & Water Commissioner	1 July 2016–30 June 2017
Office of the NSW Small Business Commissioner	1 July 2016–30 June 2017
Local Land Services	1 July 2016–30 June 2017
TAFE Commission	1 July 2016–30 June 2017
Cross-Border Commissioner	1 July 2016–31 March 2017

² <http://www.legislation.nsw.gov.au/regulations/2017-79.pdf>

Function/agency/Crown service	Period
Sydney Water Corporation	1 July 2016–31 March 2017
Hunter Water Corporation	1 July 2016–31 March 2017
Destination NSW	1 April–30 June 2017
Office of Sport	1 April–30 June 2017
NSW Institute of Sport	1 April–30 June 2017

The functions/agencies/services in Table 2 that are required to produce annual reports do so separately from the NSW Department of Industry's annual report.

Functions included in this report

As a result of machinery of government changes that came into effect on 1 April 2017³, this report reflects the department's functions during two periods.

Table 3. Functions included in the NSW Department of Industry's annual report

1 July 2016 to 31 March 2017	1 April 2017 to 30 June 2017
<p>Includes:</p> <ul style="list-style-type: none"> Resources and Energy (including Industry Investment & Export Support) Resources Regulator Cross-Border Commissioner Regional Development (including the Centre for Economic & Regional Development and the Economic Appraisal Unit) 	<p>Includes:</p> <ul style="list-style-type: none"> Liquor & Gaming NSW Office of Racing Trade and Investment Industry Investment & Export Support

³ <http://www.legislation.nsw.gov.au/regulations/2017-79.pdf>

Related annual reports

For the activities and financial statements of incoming functions or entities from 1 July 2016 to 31 March 2017, please refer to these departments' annual reports:

Table 4. Related annual reports for the nine months to 31 March 2017

Function, 1 July 2016–31 March 2017	Reporting department
Liquor & Gaming NSW and Office of Racing	NSW Department of Justice
Trade and Investment	NSW Department of Premier and Cabinet

For the activities and financial statements of outgoing functions or entities from 1 April to 30 June 2017, please refer to these departments' annual reports:

Table 5. Related annual reports for the three months from 1 April 2017

Function, 1 April–30 June 2017	Reporting department
Resources and Energy	NSW Department of Planning and Environment
Resources Regulator	
Regional Development	NSW Department of Premier and Cabinet
Cross-Border Commissioner	

Figure 1. NSW Department of Industry organisational chart as at 31 March 2017

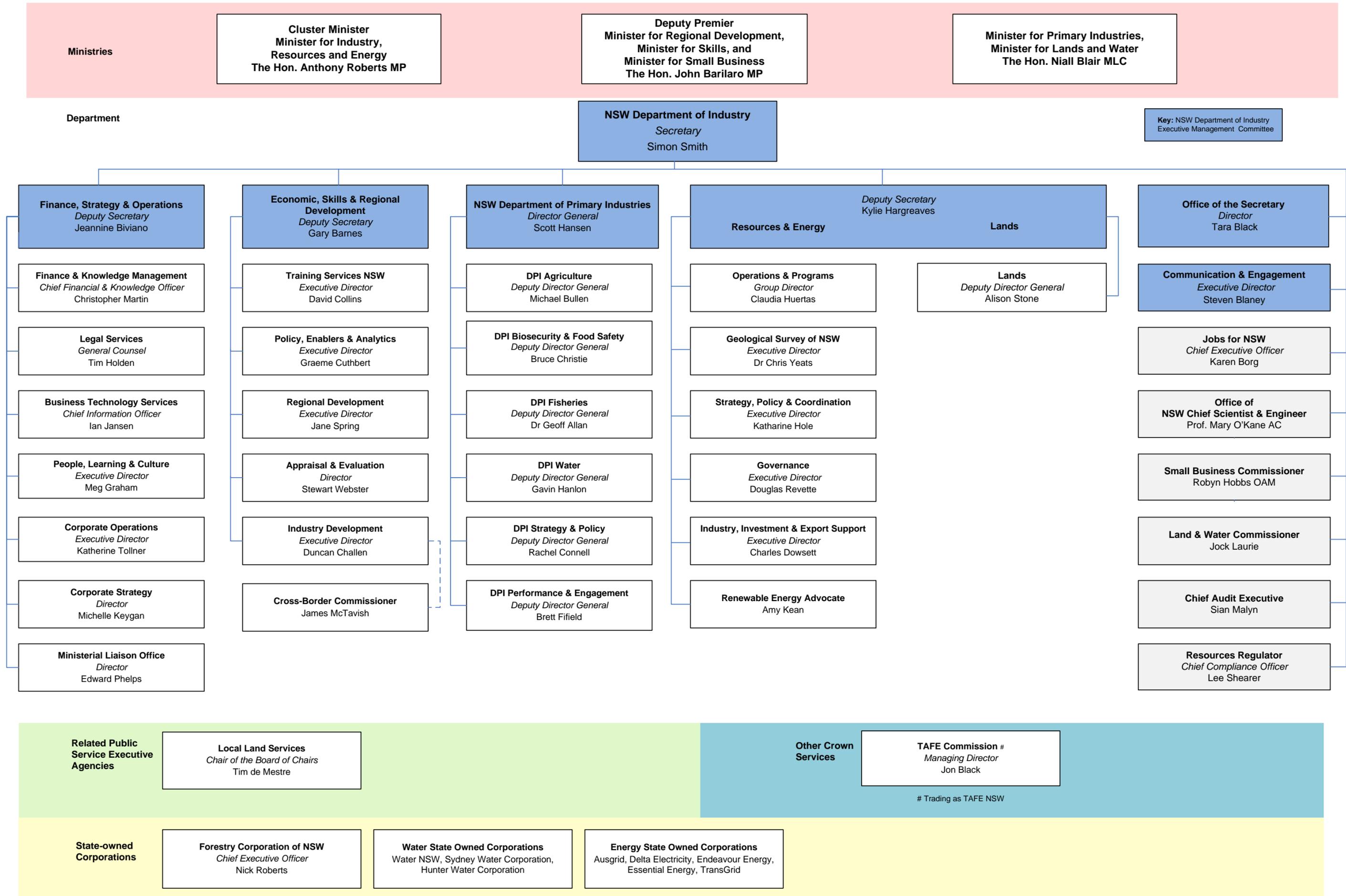
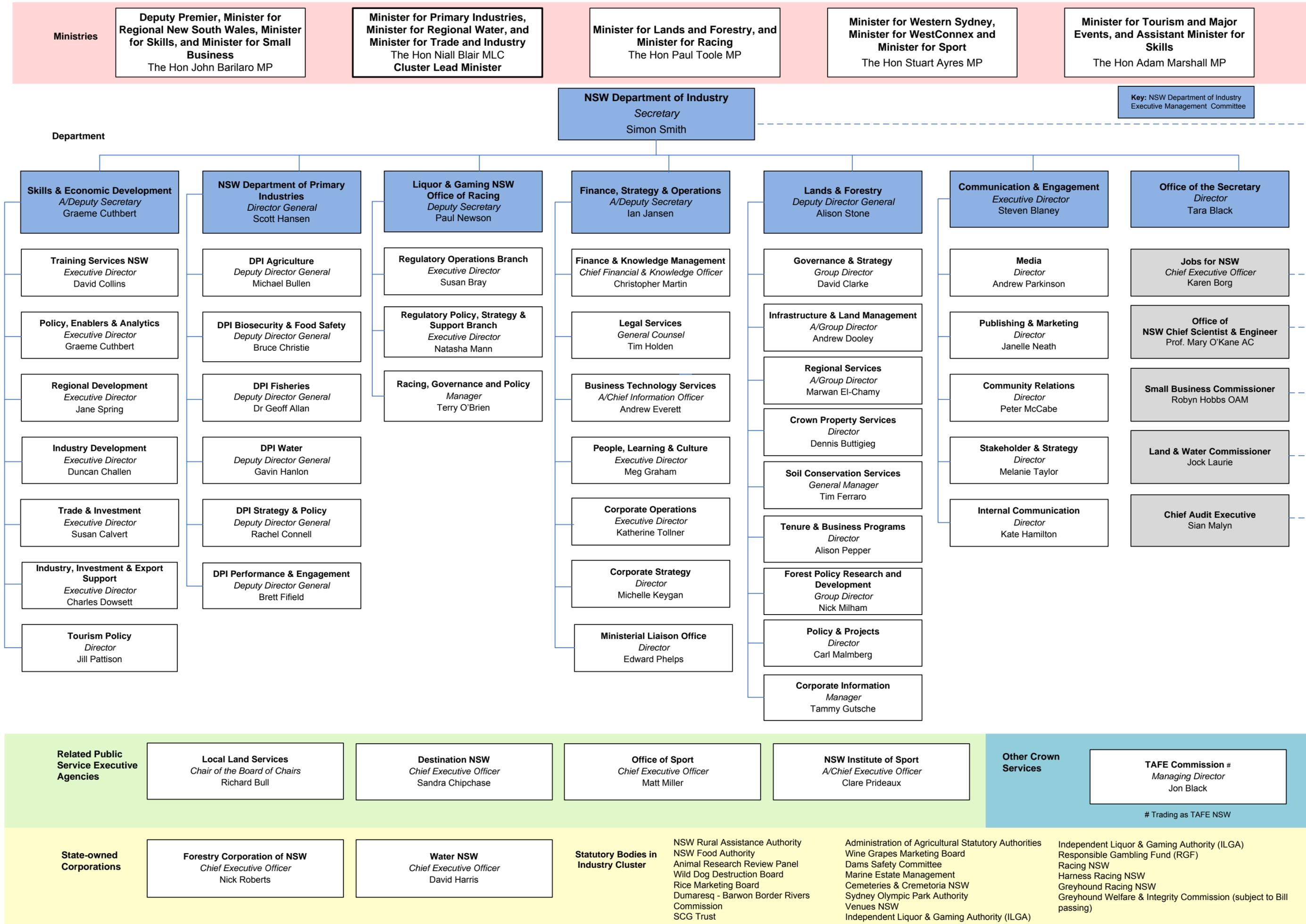


Figure 2. NSW Department of Industry organisational chart as at 30 June 2017



Meeting key challenges

Throughout the 2016–17 financial year, the department's key challenges included:

- introducing regulatory and legislative reform for Crown land management, retail leasing, biosecurity, greyhound racing, liquor and gaming
- making NSW the best state for starting and growing a small business
- improving the sustainable management of the state's resources and coastal infrastructure
- increasing the uptake and completion of apprenticeships and traineeships
- reviewing the apprenticeship and traineeship system.

Achieving positive results

The NSW economy is strong, both in metropolitan and regional areas. Business confidence in regional NSW reached a record high in June 2017, and is well ahead of all other regional areas in Australia⁴.

NSW leads the country on a range of important measures. NSW:

- had the strongest economic growth in 2015–16 of all states and territories, at 3.5%⁵
- contributed \$539 billion to GDP in 2015–16⁶
- contributed 42% of the national total for service exports in 2015–16⁷
- was the largest state for private business investment in 2015–16⁸
- is home to 41% of start-ups and 710,000 small businesses⁹
- has the highest level of government investment in infrastructure¹⁰
- had business research and development expenditure of \$7 billion in 2013–14, which was more than \$2 billion higher than the second-ranked state¹¹
- is the headquarter location for 45% of the top 500 companies in Australia, as at March 2017.¹²

In 2016–17, the department coordinated programs to support the Premier's Priority target of 150,000 new jobs. This has already been met, with an extra 185,800 people employed in NSW between April 2015 and June 2017, well ahead of the expected 2019 deadline.¹³

NSW has a low unemployment rate of 4.8%, seasonally adjusted, as at June 2017. Only the Australian Capital Territory and Northern Territory, the two smallest labour markets in the country, have lower rates.¹⁴ Regional NSW employment increased by 61,000 people from April 2015 to June 2017, also exceeding its jobs target of

4 Source: Sensis Business Index, June 2017

5 Source: ABS Cat. No. 5220.0, 2015–16

6 Source: ABS Cat. No. 5220.0, 2015–16.

7 Source: ABS Cat. No. 5368.0.55.003, 2015–16

8 Source: ABS Cat. No. 5220.0, 2015–16

9 Source: Startup Muster 2016; ABS Cat. No. 8165.0, June 2016

10 Source: various State Government Budget Papers for 2017–18

11 Source: ABS Cat. No. 8104.0, 2013–14

12 Source: IBISWorld, 3 March 2017

13 ABS Cat. No. 6202.0 - Labour Force, Australia, Aug 2017

14 Source: ABS Cat. No. 6202.0, June 2017

30,000.¹⁵ Of the NSW residents aged 15–74, 60% hold post-school qualifications as at May 2016—only the ACT has a higher rate.¹⁶

Strategic priority: Act to enable job creation and opportunities for economic growth

Supporting small business and startups

In January 2017, the NSW Department of Industry launched Business Connect, a \$30 million small business advisory program that helps small businesses to get started, grow, and create jobs. The program assisted almost 11,100 small businesses during the 2016–17 financial year.

Business Connect provided more than 37,500 hours of face-to-face business advice and business skills training to small businesses during this time, including 530 workshops and seminars. Of the small businesses that received advisory services, the percentage who described themselves as ‘fairly’ or ‘extremely’ confident on first contact rose significantly from 56% to 73% after program engagement.

Business Connect, in partnership with almost 100 local councils and business groups, also held Back to Business Week from 26 February to 4 March 2017. This included over 160 workshops, seminars and events that attracted over 5,000 attendees across NSW.

The department launched the Small Business Strategy in June 2017 to provide the foundation for NSW to become the easiest place in the country to start and grow a business. The Small Business Strategy includes \$30 million in funding for the Skills for Business initiative, which makes partial and complete qualifications available for business owners to build skills that are central to starting and growing a business.

Another initiative that supports emerging businesses is Jobs for NSW, a private sector-led, NSW Government-backed agency. Over 2016–17, Jobs for NSW launched its product portfolio to provide emerging high-growth, early-stage businesses with a wide offering of innovative financial tools to address barriers and unlock opportunities for job creation. These products include loans, loan guarantees and grants that allow:

- promising startups to gather customer feedback and test their business model
- revenue-generating startups to establish new customers and marketing partnerships
- fast-growth small to medium-sized enterprises to overcome barriers to accessing capital and creating jobs
- incubators and accelerators to nurture promising startups and strengthen NSW’s startup network.

As part of its commitment to drive job creation in regional NSW, Jobs for NSW also developed a dedicated regional package, Regional Jobs Now. Businesses of all different stages of expansion can access the support they require to grow and create regional jobs that are critical to the NSW economy.

In August 2016, Jobs for NSW launched the *Jobs for the Future* report, which was the result of groundbreaking research completed in partnership with McKinsey & Company. *Jobs for the Future* outlines a 20-year vision for work in NSW, including emerging challenges and opportunities, and a whole-of-government Agenda for Action that outlines actions for the next four years to maximise long-term future of employment. The report also identifies the key segments of the NSW economy that represent the greatest opportunities for job creation.

Since the launch, Jobs for NSW has been coordinating the implementation of the Agenda for Action across government, and has targeted its support to key economic segments to ensure that the jobs we create will not only benefit NSW now, but well into the future.

In February 2016, the NSW Government announced that Jobs for NSW is leading the development of the Sydney Startup Hub. The Hub, the first initiative of its kind in Australia, will bring together leading incubators

¹⁵ Source: ABS Cat. No. 6291.0.55.001, June 2017, where regional NSW is defined as including the Central Coast but excluding Newcastle–Lake Macquarie and Illawarra, as per the jobs target definition.

¹⁶ Source: ABS Cat. No. 6227.0, May 2016

and accelerators in a high-density startup cluster to support innovation, connect the startup ecosystem, and grow new sustainable high-value jobs in NSW. The Hub, which is set to open in late 2017, will also feature a Regional Landing Pad to promote connections and collaboration between Sydney and regionally-based entrepreneurs, and increase the diversity, size and strength of the broader NSW startup community.

Driving economic growth and job creation in regional NSW

In 2016–17, the department developed and launched the NSW Regional Development Framework. An important part of the framework is a commitment to build the evidence-base for future investments and, through a whole-of-government approach, ensure that these investments maximise the potential for growth and new jobs in each region.

The framework explains investment and service delivery by:

- providing quality services and infrastructure in regional NSW
- aligning effort to support growing regional centres
- identifying and activating economic potential.

The framework commits to delivering the following actions:

- improving regional structures to facilitate regional development
- building the evidence-base for investment in regional development
- attracting investment and co-investment
- building regional workforce capability.

In 2016–17, the Future Towns fund provided \$1 million in grant funding to 20 regional towns to help communities activate their retail main streets, and increase their digital capability. The projects are now all near completion, and no additional funding will be allocated in future years for this grants program.

During the financial year, the NSW Government announced the launch of a new fund, the Stronger Country Communities Fund (SCCF). The fund is to deliver \$200 million for local infrastructure projects in regional communities. All necessary steps have been taken to prepare for the launch of the program in the next financial year, including the establishment of governance frameworks with inter-agency weekly steering committee meetings led by the Department of Industry. A probity adviser has been engaged, and has helped inform the program design. A project plan and risk register have been set up. Grants software systems and initial communications activities have been implemented. The initial team has been recruited. The fund has some innovative approaches for infrastructure funding in its use of community consultation and community preference surveys to inform government decision making.

In December 2016, the NSW Government established the Centre for Economic and Regional Development, led by one of Australia's top economists, to deliver expert advice on new measures to create jobs, build infrastructure and grow the state's economy.

Dr Andrew Stoeckel—founding Chairman of the Centre of International Economics and former head of the Australian Bureau of Agricultural Economics—leads the Centre for Economic and Regional Development. The Centre also has access to a panel of experts drawn from across Australia and internationally, all with expertise in economic and regional development.

The *Regional Growth Enablers* report released in December 2016 allows non-economists to access the latest thinking and analysis pertinent to regional development and seeks to inform regional public investment and policy decisions at all levels of government. The report also provides a resource for regional communities in planning their economic development strategies.

The Office of Regional Development worked with the Commonwealth in 2016–17 to start delivery of the NSW North Coast (\$25 million) and South Coast (\$20 million) packages as part of the \$220 million Regional Jobs and Investment Packages. These packages support the Australian Government's commitment to stimulate economic growth in Australian regions.

The program's intended outcomes are to drive economic growth and create jobs in 10 pilot regions by investing in projects that will:

- diversify regional economies
- stimulate long-term growth
- deliver sustainable employment
- enable applicants to enter new markets and sectors.

There are 10 packages and each is a locally led pilot, enabling each region to determine local priorities and growth industries to drive economic growth in their region and create jobs.

During 2016–17, the Office of Regional Development continued to deliver the NSW elements of the Murray–Darling Basin Regional Economic Diversification Program. The program allocates \$32.5 million of Australian Government funding to assist economic development projects that support regional NSW communities that are most likely to be affected by the implementation of the Murray–Darling Basin Plan.

Through the program, 41 regional business investment projects have been awarded funding of over \$28 million across a diverse range of industries including manufacturing, aquaculture, recycling and sustainable energy.

These projects aim to deliver approximately 900 new jobs across the NSW Murray–Darling Basin. The Energise Enterprise stream of the program has allocated a further \$2.4 million to councils and not-for-profit organisations to fund 101 diversification projects across regional communities in the Murray–Darling Basin.

The Office for Regional Development and the Centre for Economic and Regional Development were transferred to the Department of Premier and Cabinet as part of machinery of government changes which took effect on 1 April 2017.

In 2016–17, the department's Lands & Forestry division commenced planning and design work for the \$44 million Eden wharf extension project. A significant increase in the number of cruise ships visiting each year is expected as a result of the project, which will deliver significant economic growth and employment opportunities during and following construction.

The sale of approximately 9,000 square metres of industrial-zoned Crown land in Armidale to a locally owned and operated manufacturer of prefabricated buildings has given the local business an opportunity to expand their existing operations, and increase employment within the community.

Providing the workforce with the skills for today and the future

As at 30 June 2017, there were 87,617 apprentices and trainees in training, with 64% of these being apprentices. Seventy per cent of apprentices and trainees in training at 30 June 2017 were 25 years old and under.

Approvals of apprenticeships in NSW grew by 7.9% in the 12 months to 30 June 2017, with this growth reflected across most industries. Infrastructure projects across the state contributed significantly to this growth, with a 10% increase in construction-related trades.

Approvals for school-based apprenticeships rose by 39% and school-based traineeships by 13% on the previous 12 months, with significant increases in the plumbing, electrical and carpentry trades. School-based traineeships supporting the electrical, carpentry and automotive trades also increased.

The department has conducted a comprehensive review of the apprenticeship and traineeship system in NSW. Across the state, 25 consultative sessions were held, with 636 stakeholder representatives attending. As an outcome of the review, policy and legislative changes will be proposed, with the legislative package being introduced for consideration by Parliament in the second half of 2017.

There were 28,166 completions of apprenticeships and traineeships during the 12 months to 30 June 2017. The completion rate for apprenticeships and traineeships during 2016–17 was 58.8%.

To achieve the State Priority of a 65% completion rate for apprenticeships by 2019, Training Services NSW is implementing a range of strategies. These include:

- providing free workshops for workplace supervisors of apprentices and trainees
- rolling out a new front-end, institution-based model to fast-track apprentices through stage one of their training
- trialling, in collaboration with the Department of Premier and Cabinet, the Behavioural Insights Project to provide additional support and learning strategies for 200 targeted employers with low completion rates and 1,029 learners in Central and Northern Sydney. An evaluation will be carried out in November 2017.
- assisting apprentices through the Continuing Apprenticeship Placement Service
- increasing the fuel and subsidy allowance and the accommodation allowance for apprentices and new entrant trainees
- extending fee-free scholarships to young people who are, or have been, in out-of-home care and to people who are experiencing, or have experienced, family or domestic violence and their dependents.

Funding of \$17.8 million for 2016–17 was allocated to the 34 Adult and Community Education (ACE) colleges funded under the Smart and Skilled Community Service Obligation (CSO) program. The ACE CSO program provides training and support for disadvantaged students across NSW, and students from regional and remote communities who encounter barriers and cannot access training under a Smart and Skilled entitlement. It is a pathway program to help students to access further training under Smart and Skilled, find employment or advance their careers.

In 2016–17, a Regional Thin Markets grant payment was made to five regional and remote ACE providers to ensure regional communities in NSW receive the highest quality training and do not face barriers due to their remote location.

ACE providers also delivered the Tech Savvy Seniors program, delivering over \$700,000 worth of training to seniors with limited or no previous experience in using computers, or those needing additional help to develop their digital literacy skills. The Tech Savvy Seniors Program is a joint program between the NSW Government and Telstra and is delivered in libraries across NSW, including regional and remote locations.

Boosting the science, technology, engineering and mathematics (STEM) skills of our workforce is vital to ensuring a flow of workers for the high-paying jobs of the knowledge economy. In 2016–17, the department invested \$25 million in establishing the NSW STEM Foundation to drive this take-up of STEM skills across the state.

A collaborative partnership between the department, the Science and Industry Endowment Fund, and the CSIRO, the NSW STEM Foundation will work with partners in the education sector, industry and across government to develop targeted programs, scholarships, awards and other incentives to encourage more students in NSW to take up—and stay in—STEM studies. Funding and activity of the NSW STEM Foundation will be overseen by the CSIRO and supported by an expert consultative council.

Supporting Aboriginal people in gaining further education and employment is an important aspect of the department's work. The 2016–17 budget for the Elsa Dixon Employment Strategy is \$3.6 million. The strategy comprises three programs:

- Elsa Dixon Aboriginal Employment Program provides funding to subsidise the salary, development and support costs of Aboriginal employees in the public sector or with local government. The program provided funding for 96 pathways for Aboriginal school students to undertake school-based traineeships, in line with the NSW Government's Making it Happen Plan and the OCHRE strategy.
- New Careers for Aboriginal People Program (NCAP) funds organisations to employ and train people as Aboriginal employment advisors to assist Aboriginal people into employment and/or training. In 2016–17, NCAP assisted close to 6,200 people and had more than 900 employment and more than 850 training outcomes.
- Aboriginal Enterprise Development Officer Program contracts organisations to employ and train Aboriginal people as Aboriginal Enterprise Development Officers to act as mentors and provide support for Aboriginal people establishing a business. In 2016–17, the program assisted 575 clients, resulting in 48 Aboriginal businesses being established and 76 employment positions created.

The Way Ahead for Aboriginal People Program continued to provide valuable mentoring services for Aboriginal apprentices and trainees who need targeted support in the workplace.

In 2016–17, Training Services NSW, in partnership with the Department of Premier and Cabinet, developed and implemented the Refugee Employment Support Program (RESP). The \$22 million program addresses the challenges that refugees and asylum seekers face in finding long-term, skilled employment opportunities. By providing refugees and asylum seekers with employment support, the RESP will enable them to contribute productively to our community and the NSW economy.

The RESP will assist up to 6,000 refugees and 1,000 asylum seekers across Western Sydney and Illawarra, the areas where the majority of refugees settle in NSW. The RESP will encourage incoming refugees and asylum seekers to help meet skills shortages and—through the creation of small businesses—to support employment in our local communities.

Investing in infrastructure programs that create jobs

The department implemented the Infrastructure Skills Legacy Program (ISLP) during 2016–17. The program ensures that the NSW Government's record infrastructure investment of \$73 billion is providing new job opportunities for young people. The ISLP will help to generate positive social outcomes for disadvantaged groups in the community, create greater diversity in the workforce and help close the skills shortage gap in the construction industry.

Ambitious and achievable employment and training targets have been set for infrastructure projects including:

- 20% of the total labour force to be made up of learning workers (defined as trainees and workers who need to update their qualifications)
- 20% of all trades positions on a project to be made up apprentices
- double the number of women in trade-related work (up from the NSW average of 1% to 2%)
- 1.5% of the total contract value of a project to support Aboriginal and Torres Strait islander participation
- 8% of the project workforce to be aged under 25
- strategies to ensure that projects employ and train people from the local region.

There are three main demonstration projects: the \$180 million Lismore Base Hospital Stage 3B, which has met these targets; the WestConnex M4E project, which is meeting its targets; and the Sydney Metro City and South West contract, which will commence in July 2017.

Driving industry growth

The NSW Government has continued to lead in facilitating industry growth and global competitiveness through industry advocacy, skills and capability building, investment facilitation, partnering with universities and co-developing key sector strategies in partnership with industry (cybersecurity, defence, creative industries, financial services, medical technology, aerospace and advanced manufacturing).

In February 2017, the Hon. Niall Blair MLC launched *Strong, smart and connected*, the NSW Government's strategy to drive growth across the NSW defence industry. This strategy will provide a coordinated, whole-of-government approach to prioritise the defence sector as a key driver of growth and innovation across industry, especially in regional NSW. The strategy will provide a major boost to regional NSW, strengthen the economy and further support Australia's defence needs.

NSW is home to the largest number of Defence (Department of Defence and Australian Defence Force) bases and facilities of any Australian state or territory. In 2014–15, Defence contributed just over 20,000 jobs to the NSW economy, with a direct spend of approximately \$7.9 billion, including \$5.5 billion in operations and \$2.4 billion in capital expenditure. In addition, there are around 6,500 defence industry jobs and a further 29,500 jobs from supporting industries whose activities make a major contribution to the wider NSW economy.

The strategy includes the establishment of a new central coordination body—Defence NSW—within the Department of Industry. Through Defence NSW, we will work with the Commonwealth, and with other states and territories, to move towards a more national approach to meeting Australia's defence needs.

Through the former Division of Resources and Energy, the department delivered a number of key policies and projects in 2016–17 that helped to support the safe and sustainable development of the NSW minerals and

energy sectors. By actively promoting resources and energy investment opportunities, acquiring and sharing best available geoscience information, and developing policies that support safe and sustainable industry development, the department helped to create or maintain:

- 3,200 direct full-time equivalent positions
- 9,600 indirect full-time equivalent positions
- \$3,059 million in capital investment.

In the gas industry, the department completed the full suite of 17 actions under the NSW Gas Plan, which will help to secure gas supplies for NSW households and businesses by establishing a safe, sustainable industry.

In support of our world-class mining services, equipment and technology (METS) industry, the department launched an interactive, online database of METS organisations operating within the state, along with their location and capability. This is in addition to the creation of METS NSW and Energy NSW, a strategic collaborative partnership to leverage the strengths of the METS business and R&D activity. Our management of events such as the Unearthed Hackathon helped to connect the entrepreneur and technology community in the resources sector.

For 2017–18, the Industry Investment & Export Support team will work on projects and initiatives to unlock demand for NSW coal from new growth markets from the ASEAN region, position the state as a secure, stable and alternate supplier of strategic and critical metals (such as cobalt, scandium and rare earth elements) and facilitate more efficient investment into the NSW renewable energy and gas sector.

In 2016–17, the department also worked to increase transparency in the resources and energy sectors through a number of important, large-scale information sharing projects. These include:

- the development of the Sharing and Enabling Environmental Data (SEED) portal, a best-of-class online resource for community to engage with environmental data in NSW
- development of the NSW Renewable Energy Map, the first comprehensive state-wide renewable energy resource map which illustrates the full scale and potential of renewables across the state
- delivery of the Solar Bonus Scheme Closure Communication Plan, which informed 146,000 customers of the impending closure of the scheme and provided details on how to maximise the benefits of their solar system following scheme closure.

These initiatives were so well received that SEED was nominated for two Australian Information Industry Association awards, and the Renewable Energy Map was nominated for a NSW Premier's Award.

On 1 April 2017, the Tourism Policy function joined the department. Between 1 April and 30 June 2017, the team:

- administered round three of the grants under the Tourism Driver Demand Infrastructure (TDDI) Program, which distributes \$4.2 million in funding to projects across regional NSW
- designed and opened the final round of TDDI grants worth over \$3 million
- commenced preparation of the Cruise Development Plan, which will provide short, medium and long-term solutions to resolve capacity constraints in Sydney Harbour
- supported the Cruise Industry Reference Group and Independent Chair The Hon. Peter Collins.

The NSW Department of Primary Industries (NSW DPI) continues to make strong progress in working with the primary industries sector to improve productivity and profitability in sustainable ways.

The Gross Value Product of NSW primary industries has grown from \$12.7 billion in 2014–15 to a forecasted \$15.1 billion in 2016–17. This is significant progress against the NSW DPI's strategic plan goal of 30% growth in the value of primary industries by 2020.

Growth in 2016–17 has been led by a number of key sectors:

- wheat and beef each contributing more than \$2.5 billion
- cotton, horticulture and wool each contributing more than \$1 billion
- poultry and sheep-and-goat meat each contributing more than \$800 million.

During 2016–17, NSW DPI enabled the establishment of two new agricultural industries in licit poppies and medicinal cannabis. The licit poppy industry offers strong economic potential for NSW, with estimates of 4,000 Ha under cultivation in two years and returns of \$100 million per year to NSW within 10 years. Medicinal cannabis will also generate medical research and pharmaceutical manufacturing industry opportunities in NSW.

NSW DPI reviewed marketing arrangements in the rice industry by consulting extensively with industry and determined that the benefits of vesting continue to outweigh its costs. Vesting was extended for a period of five years until 30 June 2022. This provides the rice industry with the confidence that it can coordinate export sales in a way that has achieved export price premiums.

The department has been working with the grains and cotton industries to develop the industry-led AgSkilled strategy, which is administered under the NSW Government's Smart and Skilled program to fund vocational training to support the grains and cotton industries.

The strategy aims to:

- drive the productivity, profitability and competitiveness of the cotton and grains industries by developing a workforce capable of managing current and future challenges
- establish the cotton and grains industries as employers of choice by creating a clearly defined career pathway, underpinned by an appetite for training and professional development.

Cotton Australia and the Grains Research and Development Corporation are leading all aspects of the strategy, including identifying industry training needs, sourcing participants, and deciding on their preferred Smart and Skilled training providers.

Driving trade and investment

On 1 April 2017, the NSW Trade and Investment branch joined the Department of Industry.

During the April to June 2017 period, the branch helped facilitate two international investment wins from the UK market in the cyber and infrastructure sectors with a value of over \$100 million, creating 170 new jobs.

The branch and partners, including Austrade, the Department of Foreign Affairs and Trade, business chambers and bilateral councils also delivered 32 export capability-building events to over 690 businesses across NSW.

The internationally based NSW Trade and Investment commissioners and directors travelled to Sydney to participate in the annual NSW Trade and Investment Week. The intensive program developed for the visit to NSW included regional visits, meetings with investors, and external events with key stakeholders designed to share market insights and enhance the effectiveness of our in-market representation. Nearly 30 events with 700 attendees were held in collaboration with key partners such as the Export Council of Australia, AsiaLink, bilateral business chambers and NSW Government allies.

On 20 June 2017, the Hon. Niall Blair, MLC, launched the NSW Trade & Investment Action Plan 2017–18. This whole-of-government plan positions NSW to compete globally, attract international investment, grow trade and create jobs, as well as setting out the NSW Government's trade and investment targets.

Strategic priority: Transform the delivery of vocational education and training services

In 2016–17, the department implemented the \$14.4 million Group Training Organisations (GTO) Pre-Apprenticeship and Pre-Traineeship Partnering Program, which aims to increase growth in apprenticeships and traineeships by improving the transition of young people 15–24 years old into pre-apprenticeship or pre-traineeship training.

GTOs are funded to recruit and refer suitable applicants for pre-apprenticeship training with the view to employing participants on completion (where possible).

Training is provided by a partner provider via the Smart and Skilled pre-apprenticeship and pre-traineeship part qualifications program streams. Contributions are encouraged from other program partners such as jobactive providers, schools and industry. GTOs receive an incentive payment of \$1,500 for each young person they recruit and who completes the pre-apprenticeship training.

The program aims to achieve over 2,000 commencements in pre-apprenticeship and pre-traineeship training across NSW, plus an 85% completion rate for training over the three years of the program.

To increase apprenticeship completions in NSW, an outcome-driven GTO Apprenticeship Completion Incentive Program is also available to GTOs, with a \$1,000 payment for each target apprenticeship completion.

The \$2.65 million Training Services NSW Aboriginal Employment Strategy initiative builds on work currently done by Training Services NSW to drive economic development for local businesses and the community across NSW and to improve training and employment outcomes for Aboriginal people.

Twenty-nine Aboriginal-identified roles across all Training Services NSW regional offices resource the strategy. In each regional office, a Grade 9/10, Training Services Manager; Clerk Grade 7/8, Training Coordinator; and Clerk Grade 3/4 Assistant Training Advisor will be available to drive jobs growth and facilitate training for Aboriginal people to skill them ready for employment.

The staff work in close partnership with Regional Development and Small Business, regional Aboriginal Affairs staff and regional coordinators in the Department of Premier and Cabinet.

A Clerk Grade 11/12, Strategic Policy Officer manages the development of strategies and drives cross Government and external stakeholder strategic relationships.

As at 30 June 2016, there were over 440 providers contracted to deliver Smart and Skilled training. A new provider application and assessment process was introduced to support the NSW Government's priorities for Smart and Skilled, which include ensuring high-quality training, greater competition and choice of providers for consumers, and responsible budget management.

For the 2016 Smart and Skilled application, 90 training providers applied with approximately 80 passing the assessment process.

Training Services NSW undertakes performance monitoring of all registered training providers contracted to deliver government subsidised training under Smart and Skilled. This monitoring is conducted under the auspice of the NSW Quality Framework to ensure that providers are meeting their obligations under the Smart and Skilled contract and providing high-quality vocational education and training (VET).

By December 2016, all contracted private providers had undergone performance monitoring. In the first half of 2017, monitoring of TAFE NSW was undertaken. In 2016–17, 12 providers had their Smart and Skilled contract terminated.

The Smart and Skilled contract has enforceable sanctions for providers found to be non-compliant. Sanctions include the withholding of payments, removing financial cap allocations and suspension or termination of the contract. Between July 2016 and June 2017, 11 training providers had their Smart and Skilled contract terminated due to quality issues.

Training Services NSW works to identify opportunities to improve and streamline regulation and build consistent collaborative approaches that encourage a sector-wide culture of quality compliance. In order to effectively achieve this, the Department has entered into a Memorandum of Understanding with the Australian Skills Quality Authority.

Training Services NSW also works in conjunction with states and territories to identify common concerns and be more responsive to systemic matters and VET quality issues.

In 2016–17, Training Services NSW implemented the first phase of a Smart and Skilled contract management system to facilitate and improve compliance requirements. The system enables approximately 470 providers contracted to deliver Smart and Skilled government-subsidised training to access and provide information associated with contractual and performance monitoring requirements.

Training Services NSW handles many enquiries from training providers, students, industry and other individuals regarding vocational education and training and Smart and Skilled. On average, 2,500 emails and 1,300 phone calls are completed per month. Enquiries range from the operational aspects of Smart and Skilled, to parents and students needing advice on vocational education and training as a career choice.

On 4 May 2017, the department implemented a new customer phone service system, leading to a more streamline allocation of phone calls for providers, employers and students.

The department continues to improve accessibility to vocational education and training, including extending Smart and Skilled Fee-Free Scholarships to survivors of domestic and family violence. Since 1 July 2016, survivors of domestic and family violence and their eligible dependents have been able to gain a qualification fee-free. This helps them to enter the workforce, upskill or change careers and supports these vulnerable members of the community to become independent and to rebuild their lives.

In 2016–17, the department collaborated with the Australian Tax Office to investigate and pilot a study to understand if we could undertake a data-driven approach to assess employment outcomes in the vocational education and training market for NSW.

The department established the Sydney School of Entrepreneurship with a \$25 million grant from the NSW Government in 2016–17. The school is a joint venture of NSW universities and TAFE NSW and will teach students from across the state the practical entrepreneurship skills they need to start successful high-growth businesses. In 2017–18, the School established an eminent Board of Directors chaired by Professor Mark Wainwright, and appointed Mr Nick Kaye as CEO. The school will be officially launched with academic classes in early 2017–18.

In January 2017, the department launched a Jobs Skills Portal to the public and secondary school career advisers to provide students with better visibility and trends of demand for different skills and jobs in the labour market.

NSW DPI's Tocal College continues to connect and educate the next generation of farmers to meet the needs of a changing agricultural sector. During 2016–17, the schools team reached 258 schools and 4,010 students, improving school students' knowledge of where their food and fibre comes from, the importance of primary industries and the variety of careers available. The full-time youth residential training program provided high-quality training and national qualifications to 119 young people, achieving a completion rate double that of the national average. Of full-time graduates, 90% had employment within two months of completing their course.

Strategic priority: Create a positive business environment

Underpinning our work with the primary industries sector is a commitment to sustainable use and access to water. The Safe and Secure Water Program is an historic \$1 billion investment over 10 years to co-fund critical regional water infrastructure projects across NSW. With the potential to reach across the 1.9 million people living in more than 500 regional communities, it will assist in providing fundamental services and support the future growth and sustainability of our regional economies.

In February 2017, construction of a new monitoring bore commenced in the Gunnedah Basin commenced as part of the NSW Government's \$22.8 million Water Monitoring Strategy. This new water monitoring bore is one of a series to be constructed in coal and gas basins across NSW by 2020 and will be an important tool in the ongoing management of groundwater.

A robust and transparent water market is critical to the agriculture sector and the broader NSW economy. NSW DPI Water announced in March 2017 the completion of the first ever in-depth analysis of the water market in NSW. The report was commissioned as a health-check and to identify where government and industry could do better. It highlights the opportunities for government and industry to drive further growth and demonstrates the long and effective partnership between the NSW Government and local councils in meeting community needs for water supply and sewerage services to regional NSW.

The NSW Government is committed to ensuring water sources across the NSW Murray–Darling Basin are sustainably managed, while balancing the requirements of industry, communities and the environment to achieve economic, social and environmental outcomes. Key to this commitment is the delivery of Water

Resource Plans for both surface and groundwater across all NSW Basin areas—there are 22 plans to be prepared in total.

Community consultation has already commenced, with approximately 12,000 water users and other stakeholders being directly invited to participate. Water users and stakeholders will be given another opportunity to comment when the draft plans are prepared. Finalised water resource plans will be implemented in 2019.

30 June 2017 marked the final day of the Country Towns Water Supply and Sewerage Program. This represents delivery of \$1.32 billion of government grants over 20 years and more than 500 projects that maintain vibrant communities and help protect the natural environment. The program has helped deliver in excess of \$3 billion worth of water and sewerage infrastructure and made a significant contribution across regional NSW.

NSW DPI Water promotes continuing performance improvement by NSW local water utilities, with the aim of providing better quality and greater efficiency of services to all NSW residents, together with positive environmental and economic outcomes. The 2015–16 NSW Water Supply and Sewerage Performance Monitoring Report produced by NSW DPI Water outlined the performance of the state's 92 local water utilities, and showed that NSW local water utilities are performing well and continue to provide safe, secure and affordable services for regional communities.

Floodplain Management Plans outline a coordinated approach to the management of risks to life and property from flooding, coordinate the development of flood works and maintain connectivity to existing flood-dependent features. There were six Floodplain Management Plans being prepared under the NSW Healthy Floodplains Project over the last 2.5 years, in partnership between NSW DPI Water and the NSW Office of Environment and Heritage. In 2016, the department achieved many significant milestones, including preparing drafts, holding a number of public exhibitions and the Gwydir plan going live.

Biosecurity protects the NSW economy, environment and community from pests, disease, weeds and contaminants. It is estimated that pest animals cost the NSW economy \$170 million annually. During 2016–17, the NSW Government has set a tougher target on regional pest management and improved deer control strategies as part of its response to the Natural Resource Commission's review of pest animal management.

These measures are part of an extensive reform package with a regional planning focus to better safeguard the state from biosecurity risks. The NSW Government response is based on the principle that biosecurity is a shared responsibility—binding Government, public land managers, private landholders and the broader community equally.

2016–17 saw the completion of a huge amount of work to draft, consult on and finalise a new biosecurity Act. The *NSW Biosecurity Act* commenced on 1 July 2017, demonstrating an ongoing commitment to safeguarding the \$14 billion primary industries sector, protecting the environment and ensuring the state's reputation for safe, disease-free food and fibre remains the best in the world. The Act will provide greater flexibility in managing biosecurity risks, including new powers to allow faster response times in an emergency.

Rabbits cause over \$200 million in lost agricultural production every year and are Australia's single worst, most widespread, destructive and costly environmental and agricultural vertebrate pest animal. This year marked a significant turning point in Australian pest rabbit management with the strategic release of a new control, the naturally-occurring rabbit virus RHDV1 K5. The community is leading and managing the strategic release of the virus across NSW, with support from NSW DPI and Local Land Services.

The NSW Food Authority's contributed significantly to the work enabling the Australia and New Zealand Ministerial Forum on Food Regulation to approve low-THC hemp for sale as food. With a high nutrition profile containing a near perfect ratio of Omega 3 and Omega 6 and high levels of protein, low-THC hemp is a hardy and sustainable crop that has enormous potential for both domestic and export markets.

NSW DPI, in conjunction with the National Parks and Wildlife Service, has developed and trialled a unique initiative to enhance wilderness fishing opportunities via an eco-hut program in the Kosciuszko National Park. The trial is promoting wilderness and remote fishing opportunities to NSW anglers and their families. Not only do the huts provide a unique angling experience, they have the potential to increase economic opportunities

for rural communities in a low-impact, sustainable way. We will now explore additional opportunities to develop a network of eco-huts at inland and coastal national parks.

The NSW DPI International Engagement Strategy was launched in June 2017 and provides a clear direction for how the NSW Government will work with industry and other governments to accelerate trade growth, innovation and productivity across NSW agribusiness. In June 2017, NSW DPI appointed an Agribusiness Business Development Manager in China.

The Resources Regulator, which was aligned with the NSW Department of Industry until 1 April 2017, is responsible for compliance and enforcement functions across NSW's mining sector. The Regulator's primary focus is compliance activities within the resources sector, including compliance with the *Mining Act 1992*, and regulating safety and health performance in NSW mines.

From July 2016 to 30 March 2017, the NSW Resources Regulator conducted:

- 96 compliance training and education workshops
- 60 targeted safety assessments and interventions
- 1,457 mine safety inspections.

The Regulator issued 1,047 safety notices under Work, Health and Safety legislation, including 82 prohibition notices.

Following on from this work, the Regulator also assessed and provided an appropriate level of response and investigation to 1,551 mine safety incident notifications and commenced nine major safety investigations.

The Regulator also received 682 allegations of non-compliance in relation to the *Mining Act 1992*, 69 of which have been classified as major investigations. This resulted in the Regulator issuing 30 penalty notices, with mining operations suspended at two sites.

Liquor & Gaming NSW joined the Department of Industry in April 2017. The 2016–17 financial year was the first full year of operation for the agency following major reforms that have resulted in improved outcomes for customers, stakeholders and the community.

Marked improvements in addressing the historical backlog of liquor licence applications saw a 52% reduction in pending applications by the end of June 2017 and an increase in the online delivery of services.

In 2016–17, Liquor & Gaming NSW delivered a major package of regulatory reforms. The details for the majority of these changes can be found in the NSW Department of Justice's annual report, as these occurred before April 2017.

Liquor & Gaming NSW has continued to reform liquor laws since joining the Department of Industry. These changes have included:

- extending the liquor licence freeze in Sydney CBD and Kings Cross until 1 June 2018, with some minor changes to help businesses improve their offerings to customers
- amending the Three Strikes disciplinary scheme for hotels and other privately owned and operated businesses by attaching strikes to licensees rather than the venue. This improves business certainty and viability, while ensuring the scheme remains effective in encouraging venues to provide safe environments for patrons.
- appointing the Independent Liquor & Gaming Authority as decision-maker for first offences under the Minor Sanctions scheme
- moving Kings Cross into the prescribed precinct framework to ensure a common framework is used to implement regulatory interventions at the precinct level.

Further exemptions were also granted as part of a two-year trial of live entertainment exemptions (2.00 am lockout, last drinks 3.30 am) for Kings Cross and Sydney CBD venues, with 11 venues receiving exemptions by the end of June 2017.

In May 2017, Liquor & Gaming NSW released a discussion paper for public comment on the Local Impact Assessment scheme, which helps control gaming machine numbers, to inform a review of the scheme. Following this, in June 2017, Liquor & Gaming NSW commenced community and stakeholder consultation on

the Community Impact Statement requirement for liquor licence applications, the process through which community views are sought. The outcomes of these reviews are yet to be determined.

The Office of Racing joined the Department of Industry on 1 April 2017. In 2016–17, the Office of Racing continued its role of developing and managing racing governance frameworks, which includes supporting appointment processes for the boards of racing control bodies.

The Office of Racing made a significant contribution to the reforms of the NSW greyhound industry that were announced in May 2017, following the NSW Government's response to the Greyhound Industry Reform Panel report. The Office of Racing:

- co-led (with the Department of Premier and Cabinet) the development of the *Greyhound Racing Act 2017*
- commenced implementation of the recommendations of the Greyhound Industry Reform Panel, including the establishment of the Greyhound Welfare & Integrity Commission.

The *Greyhound Racing Act 2017* provides for a new governance framework that separates the industry's commercial and regulatory functions and introduces measures to ensure the industry delivers a comprehensive, best-practice animal welfare plan, rebuilding community trust in the NSW greyhound racing industry.

The Office of Racing will work closely with the Commission and Greyhound Racing NSW to ensure a deliberate and orderly transfer of functions from Greyhound Racing NSW to the Commission over the coming 12 months.

During 2016–17, the Office of Regional Development continued to deliver the NSW elements of the Mobile Black Spots Program. This program is delivering improved mobile network coverage for regional areas. It will make it easier for residents and businesses to stay connected by fixing mobile phone black spots and improving coverage along major transport routes, in small communities, and in locations prone to experiencing natural disasters.

The Mobile Black Spots Program will deliver improved infrastructure and service amenity to regional communities by providing over 183 new mobile towers. The Mobile Black Spot Program is jointly funded by the Commonwealth Government, NSW Government and telecommunications providers, with a total investment to date in NSW of \$132 million.

The program is delivering the greatest increase in mobile network coverage to regional and remote areas by a single public funding program in the history of Australian mobile communications.

In 2016–17, the department consolidated and delivered substantial growth to position NSW as a globally competitive destination for high-quality business, investor and skilled migrants. Under the Business and Skilled Migration program, NSW nominated 703 new business and investor migrants to apply for a visa, an increase of 103% on nominations in 2015–16. NSW also successfully delivered roadshows in four key international markets to showcase the NSW migration program to high-calibre business and investor migrants.

In 2016–17, NSW-nominated business and investor migrants demonstrated investment of \$66.6 million and creation of 67 new full-time jobs in NSW. As at 31 May 2017, NSW-nominated Significant Investor Visa migrants invested \$555 million in complying investments.

The NSW Government's Western Sydney Sector Development team provides a dedicated business engagement service for Western Sydney businesses. The team engages regularly with local councils, chambers of commerce, business organisations, universities and businesses. In 2016–17, over 175 engagements took place. The team published the Western Sydney Procurement Toolkit in 2016, and delivered five procurement workshops focusing on supply chain development and tender writing to over 50 small to medium-sized enterprises.

The Western Sydney team partnered with Western Sydney University to establish three Launch Pads in the region. The Launch Pads provide a one-stop shop business and an innovation support program that provides facilities, assistance and resources for startup and high-growth, technology-based businesses in Western Sydney. The Launch Pads have already created approximately 75 new jobs.

During 2016, the Office of the NSW Small Business Commissioner (OSBC), in partnership with Service NSW and the Department of Premier and Cabinet, progressed the Easy to do Business initiative. The initiative creates opportunities for businesses by reducing and removing barriers, reducing costs and complexity and making existing regulation easier to navigate. A digital-by-design trail was implemented in the City of Parramatta with great success, cutting down the time it takes to open a café, restaurant or small bar from over 18 months to 90 days or fewer. This success has seen the Easy to do Business initiative extended to Dubbo Regional Council, Georges River Council and Northern Beaches Council.

The OSBC, partnering with the Australian Small Business and Family Enterprise Ombudsman, implemented a new initiative to help small businesses reduce late payments. A range of resources were developed to assist business.

In 2016–17, the OSBC continued to help businesses respond to disruptive events and changes. This included helping more than 700 commercial fishers who were affected by the Commercial Fisheries Business Adjustment Program.

In January 2017, the Retail Leases Amendment (Review) Bill 2017 was passed and came into effect from 1 July 2017. The amendments aim to improve the *Retail Leases Act's* efficiency and effectiveness, reduce red and tape and compliance costs, and increase compliance with obligations arising under the Act.

In partnership with the NSW Department of Industry, the NSW Government has delivered an industry-led solution to the key issues faced by the motor vehicle repair industry. The OSBC assisted the Code Administration Committee to negotiate amendments to the Motor Vehicle Insurance and Repair Industry Code of Conduct, addressing key recommendations of the NSW Parliament Select Committee on the Motor Vehicle Repair Industry 2014. The new code came into effect on 1 May 2017.

In May 2017, the OSBC released the Cyber Scare report, following research of medium-sized businesses and the emergence of cybercrime in Australia. The success of the NSW survey created interest for a national cybersecurity survey, led by NSW in partnership with Small Business Commissioners in other states.

In 2016–17, the NSW Government released the NSW Forestry Industry Roadmap, which outlines the government's role and commitment to the NSW forestry industry. Key actions are outlined for regulatory modernisation and environmental sustainability, balancing supply and demand, enhancing community understanding and confidence, and improved Industry innovation and new markets.

The *Crown Land Management Act 2016* was passed by NSW Parliament to consolidate and modernise legislation to improve the management of Crown land. The Crown estate continues to provide significant social, economic, environmental and cultural heritage benefits to the people of NSW.

The department's Lands & Forestry division successfully delivered over \$10 million of improvements to coastal infrastructure at regional ports and river entrances across NSW. An additional \$3.5 million in dredging projects was delivered to improve channel access and boating safety and navigation. A statewide Contaminated Land Management Strategy was developed with operating procedures for managing contaminated risks and sites on Crown land. The strategy comprises proactive and reactive management measures that identify, assess and manage potentially contaminated sites.

Lands & Forestry completed 1,639 road closure applications, which resulted in the sale of around 1,200 Crown roads that are no longer required for public access. This returned the targeted \$17.2 million to NSW Treasury.

NSW DPI, as the premier agricultural research organisation in Australia, continues to lead innovation that supports productivity and economic growth. In 2016–17, DPI established long-term research agreements that will benefit producers and the economy. Highlights include a bilateral agreement with the Grains Research and Development Corporation, which is jointly valued at \$130 million over 10 years, and an innovative agreement for animal genetics with the National Livestock Genetics Consortia and other livestock research initiatives, valued at over \$20 million over five years.

NSW DPI has also made legislative reforms to assist the operating environment for the agricultural sector and businesses. In 2016–17, the department successfully implemented the Right to Farm policy, which included:

- improving industry engagement by establishing the Intensive Agriculture Consultative Committee
- surveying local regional councils and analysing agricultural land use complaints received by councils

- establishing an active network so that governments can share and learn from each other
- implementing a program to identify and map important agricultural lands.

Future projects include targeted industry workshops with councils and buffer guidelines.

In 2016, NSW DPI—in partnership with NSW Farmers—commenced a 12-month pilot, the Young Farmers Business Project, to examine ways to expand agricultural opportunities.

The Farm Innovation Fund, introduced in 2015, is an incentive-based initiative to help farmers identify and address risks to their farming enterprises, improve permanent farm infrastructure, ensure long-term productivity and sustainable land use, as well as aiding in meeting changes to seasonal conditions. The fund has approximately \$250 million available to farmers over five years.

The Commercial Fisheries Business Adjustment Program is a major reform that will help to secure the industry's future in NSW. It aims to restructure the industry so that it can ensure a steady, future supply of locally caught, high-quality seafood, which in turn will also help to increase the economic contribution of fishing and aquaculture. Support for the industry through the transition period includes:

- helping fishers invest in their business
- providing tools for better business management
- the operation of a subsidised share trading market
- providing grants for financial and legal advice
- providing low interest rate loans.

CommFish NSW, an independent advisory council charged with providing independent advice to the NSW government, was established as part of the reforms and provides commercial fishing stakeholders with greater representation in strategic and policy discussions.

NSW DPI continues to deliver the five-year, \$16 million Shark Management Strategy. This investment has contributed to a greater understanding of shark movements and the potential for new technology to help reduce the risk for swimmers and surfers. This investment has included:

- increased aerial shark surveillance from helicopters
- trialling of new drone technologies
- the deployment of SMART drumlines and VR4G listening stations to identify tagged sharks
- launching the NSW Shark Smart mobile phone application, which provides real-time data of tagged sharks' movements along our coastline
- collaborative research with a number of different NSW universities
- a Small Grants Program, which allows funding of emerging and innovative ideas for shark management.

The government, in consultation with the community, implemented a trial of shark mesh nets and expanded its SMART Drumline program. This will complement the Shark Management Strategy and ensure safety for bathers along the NSW North Coast. The trial will test and compare the effectiveness of mesh nets and SMART drumlines in capturing target shark species, while minimising harm to other marine animals. The successful trial of SMART drumlines has led to an extension of this program up and down the coast during 2016–17.

NSW DPI supported the Minister for Primary Industries and Regional Water and the Minister for Lands and Forestry in progressing a record number of reforms through Cabinet and Parliament in 2016–17, comprising 28 submissions through Cabinet and Cabinet Sub-Committees and eight pieces of legislation through Parliament.

In 2016–17, NSW DPI coordinated with the NSW Environmental Planning and Assessment System to provide responses to more than 300 requests for advice and input on major development proposals and planning matters.

The NSW Food Authority is responsible for regulating and monitoring food safety across the entire food industry supply chain in NSW—from paddock to plate. The NSW Food Authority conducted more than 12,000 audits and inspections of licensed food businesses. The overall compliance rate with the standards required of

licensed food businesses was 95%, achieving the 95% compliance goal of the NSW Government Food Safety Strategy 2015–2021.

Strategic priority: Engage and collaborate, facilitating mutually beneficial relationships

In 2016–17, the Office of the NSW Small Business Commissioner (OSBC) assisted over 21,000 small businesses, providing them with procedural and strategic advice on managing commercial relationships to prevent and resolve disputes. The OSBC helped small business operators develop stronger business relationship management with each other, landlords and government agencies.

In 2016–17, the OSBC contributed to the Civil Justice Reform Strategy and increased engagement with NSW Local Courts to establish information and referral protocols, resulting in 43 referrals involving the general civil division. These matters are usually business-to-business contract matters that would otherwise be going into a contested hearing before a magistrate.

To support people in regional and rural NSW undertaking higher education, in 2016–17 the NSW Department of Industry provided a \$5 million grant to support the creation of the Country University Centres (CUC) and the establishment of at least five additional CUC affiliates in regional locations in NSW over the next year.

It is anticipated that the CUC affiliates will provide campus-like facilities and services for people undertaking higher education distance studies. The CUC affiliates will improve choice and equity for people in regional and rural NSW, allowing them to remain in their local areas while undertaking higher education, as opposed to relocating to metropolitan centres.

Further grant funding for the CUC is contingent on the initial five CUC affiliates establishing industry and community collaborations, as well as partnerships with universities. The ultimate objective is for all CUC affiliates to be self-sufficient in the model of the initial Cooma Universities Centre. The Department of Premier and Cabinet Regional NSW Group will oversee implementation and management of the CUC grant.

The \$18 million Boosting Business Innovation Program is accelerating innovation in NSW by supporting greater collaboration between the 11 NSW universities and the CSIRO, startups, and small to medium-sized enterprises (SMEs).

The program has established a network of innovation spaces including incubators and makerspaces to serve business communities in metropolitan and regional areas. The program also includes the TechVouchers **scheme**, which provides funding for SMEs to access high-tech equipment and expertise on research projects with one of the 12 delivery partners.

In 2016–17, \$17.8 million was provided through the Public Reserve Management Fund to support 460 projects across NSW that maintain, improve and protect Crown reserves.

The NSW Government, in partnership with the NSW Aboriginal Land Council, launched the Aboriginal Land Agreement Negotiation Framework to ensure Aboriginal Land Agreement negotiations are fair and likely to succeed in the shared objectives of:

- speeding the processing of Aboriginal Land Claims
- providing more sustainable social, cultural and economic outcomes for Local Aboriginal Land Councils and Aboriginal communities from the return of land
- providing greater certainty to all parties over Crown land.

During 2016–17, negotiations commenced to secure an Indigenous Land Use Agreement (ILUA) with the Western Bundjalung People to ensure that it can continue to effectively manage land where non-exclusive native title rights have been recognised.

The department's Lands & Forestry division commenced ILUA negotiations in three native title consent determination areas (Bandjalang, Barkandji and Yael People) to enable the reissuance of Crown land tenures that have terminated and cannot be reissued without the agreement of the native title holders.

Our program to build and foster positive relationships with business, industry, government and community partners is driven by our goal to increase stakeholder satisfaction by 20% by 2020. In 2016, the stakeholder satisfaction index increased by 2.4% to 74.9%.

In 2016–17, NSW DPI developed a suite of industry reporting metrics and reports that have been endorsed and used openly by the department and the Minister's Office. From the Weekly Commodities report, to monthly executive presentations, frequent tracking of NSW primary industry performance culminated in two publicly available reports. This included the inaugural *NSW DPI 2016 Performance, Data & Insights*, and a condensed version for the NSW Farm Writers' luncheon in June 2017.

The NSW Food Authority continued to play an important role in the coordination and leadership of NSW DPI's response to multi-agency investigation into PFAS (per- and poly-fluoroalkyl substances) contamination sites across the state, which is led by the NSW Environment Protection Authority. The NSW Food Authority provided sample collection, analysis of results and support and advice to the expert panel, industry and consumers.

NSW DPI Biosecurity and Food Safety Branch commissioned a research program in 2016 that made a significant start in determining what the NSW urban, regional and primary industry population understand about biosecurity and their attitudes to managing it. The findings from this research are being used to tailor information programs that specifically address issues and improve engagement and awareness generally.

The Sydney Peri-Urban Biosecurity program is working with small holding farmers in the Sydney basin who have specific biosecurity needs and the research findings have been used to develop information packages and training that relates directly to their situation. In the 2016–17 year, over 200 landholders and 37 different organisations (including three levels of government, universities, industry bodies, community groups and non-government organisations) have contributed to and engaged with the project.

Peri-urban biosecurity was the focus for NSW DPI at the Sydney Royal Easter Show this year, with thousands of new biosecurity warriors learning about safe food practices. Approximately 77,000 people visited the stand across the duration of the show, leaving with some important knowledge and awareness of how they can improve biosecurity in their backyards and food safety in their kitchens.

The Office of the NSW Cross-Border Commissioner advocates for the resolution of cross-border issues which impact on communities, businesses organisations and individuals as a result of them living, working or operating in multiple jurisdictions. The NSW Cross-Border Commissioner's goals and strategies are outlined in the NSW Cross-Border Commissioner Business Plan 2015-18. A principle element of the NSW Cross-Border Commissioner's activity has been in the development of extensive networks and deep relationships with a diverse range of government and non-government stakeholders in NSW and neighbouring jurisdictions.

In 2016–17, the NSW Cross-Border Commissioner successfully negotiated two significant agreements: the [ACT-NSW MoU for Regional Collaboration](#), signed on 9 December 2016, and the [Qld-NSW Statement of Principles and Priorities for Cross-Border Collaboration](#), signed on 27 January 2017. Robust governance arrangements associated with these agreements require the Commissioner to lead work to develop annually revised worklists and priority actions, and in reporting progress to stakeholders through an annual reporting cycle. The Commissioner has resolved a significant number issues outside of these agreements, and has established mechanisms within NSW and with neighbouring jurisdictions which allow constituents, businesses, government agencies and local government to actively identify, analyse and resolve cross-border issues, and escalate difficult and complex issues through local, regional, state-wide and inter-jurisdictional means.

In April 2017, the Office of the NSW Cross-Border Commissioner moved to the Regional NSW Group, Department of Premier and Cabinet.

Strategic priority: Foster an innovative, commercially focused and collaborative department

In 2016–17, NSW DPI partnered with the OSBC to develop and apply design-thinking principles to policy design, regulatory reform and service delivery. Design-thinking ensures that the policies and services we design improve the satisfaction of citizens and other stakeholders, and responds to community needs.

Design-thinking methodology was applied to a commercial beekeeping policy reform, and resulted in increased industry engagement in policy development and a much stronger evidence base. Insights obtained during the design-thinking pilot will inform other industry development activities.

In 2016, NSW DPI participated in the establishment and launch of Innovation Central Sydney, a partnership with Cisco, Data61, University of NSW and NSW Farmers. The partnership is yielding significant results, most notably the Farm Decision Platform project, led by NSW DPI in partnership with Cisco. This solution addresses a key challenge faced by farmers—namely on-farm connectivity—in harnessing the opportunities offered by digital agriculture. In six months, this project has developed a long-range, low-power connectivity (LoRaWAN) solution to capture and stream data from a range of in-field sensors on-farm to a centralised data platform.

During 2016–17, a major milestone was reached in securing long-term prosperity of an 84,000 hectare property in south western NSW, known as Nimmie-Caira, which represents a significant water-saving project for the state and particularly for the Murrumbidgee region. The government is seeking innovative submissions from the market to utilise the natural resource site, with the market encouraged to put forward submissions for the site that generate innovative environmental, Aboriginal cultural heritage and commercial solutions for this diverse landscape.

In 2016–17, the department continued evaluating its programs to provide evidence of their efficiency and effectiveness, and to strengthen community confidence in the investment of public money. Activity included:

- conducting 85 economic appraisals and cost-benefit analyses of projects to inform government programs that promote economic development and support new and expanding businesses creating jobs in NSW
- completion of seven full program evaluations and six evaluation plans.

A performance audit by the Audit Office of NSW into program evaluation during 2016–17 found that, of the five departments reviewed, only the NSW Department of Industry demonstrated all the good practice elements they expected to see.

The NSW Chief Scientist & Engineer (CSE) provides leadership on science, engineering and research matters in NSW. In response to requests from the Premier and other Ministers, she has provided formal advice on a range of issues including:

- rail coal dust emissions management practices in the NSW coal chain
- the independent review into the decline of koala populations in key areas of NSW
- the independent human health risk assessment for the Lord Howe Island Rodent Eradication Program.

The largest piece of work being undertaken by the CSE relates to energy security in NSW. In February 2017, the NSW Minister for Energy asked the CSE to chair the Energy Security Taskforce. The Taskforce was asked for advice on the resilience of the NSW electricity system to changing conditions, particularly climate and extreme weather events, and the adequacy of the state's arrangements for managing energy emergencies. The Taskforce delivered its initial report in May 2017, which provides recommendations for priority actions to ensure NSW is well prepared for any possible energy incidents this coming summer. The Taskforce will provide its final report by the end of 2017.

The CSE also chairs a range of special-purpose committees involving officers from various portfolios and co-opted external experts. These include:

- NSW PFAS Contamination Expert Panel
- NSW Air Quality in Tunnels Committee
- NSW Medical Devices Fund
- Koala Advisory Group.

The Office of the CSE manages the Research Attraction and Acceleration Program (RAAP), which in 2016–17 contributed funding support for a number of NSW-headquartered Australian Research Council Centres of Excellence in fields such as:

- quantum computation
- climate extremes
- biodiversity and heritage
- population ageing research.

The RAAP also supports:

- the newly established Cyber Security Research Network
- the NSW Smart Sensing Network
- an investment in CSIRO's Data61 under the new whole-of-government agreement between the NSW Department of Industry and the Department of Finance Services and Innovation.

The RAAP also supports science outreach activities in NSW and funds the Science & Research Breakfast Seminar series held at NSW Parliament throughout the year and the annual NSW Premier's Prizes for Science & Engineering.

The CSE is also the Director of the Centre of Medicinal Cannabis Research and Innovation, which is providing support for the establishment and consolidation of an evidence-based system for a nationally consistent approach to medicinal cannabis. The CSE completed a Review of Medicinal Cannabis Compassionate Use Scheme (formerly known as the Terminal Illness Cannabis Scheme).

In 2016, the NSW Innovation and Productivity Council (IPC) was renewed with 15 eminent thought leaders from business and academia, including Neville Stevens, AO, as Chair. The IPC is an independent body that advises the NSW Government on innovation-led economic development and productivity.

Our results

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

Table 6. Results against Premier's Priorities and State Priorities

Priority	Type	Headline indicator (definition)	2016–17 actual (as at 30 June 2017)	Data source
150,000 new jobs by 2019	Premier's Priority	NSW job growth	The priority target of 150,000 new jobs has already been met, with an extra 185,800 people employed in NSW between April 2015 and June 2017.	Australian Bureau of Statistics (ABS Cat. No. 6202.0 - Labour Force, Australia, Aug 2017)
Be the leading state in business confidence	State Priority	Average ranking among Australian states in major business confidence indicators	NSW's ranking is 2nd	Composite (NAB Monthly business survey; ANZ–Roy Morgan business index; Sensis Business index)
Increase the proportion of people completing apprenticeships and traineeships to 65% by 2019	State Priority	Percentage of the apprentices and trainees successfully completing their apprenticeship or traineeship	58.8%	NSW Department of Industry's Integrated Vocational Education and Training System (IVETS)

Financial overview 2016–17

Budget structure

The NSW Department of Industry is an entity (for the purpose of financial reporting) for the entire 2016–17 year. This overview presents information on the NSW Department of Industry (the Parent entity), excluding controlled entities. For consolidated financial information, please refer to the *Financial statements* section.

Revenue (\$2,734 million)

Total revenue for the NSW Department of Industry for the year ending 30 June 2017 was \$2,734 million. The main sources of revenue were NSW Treasury funding \$2,403 million, sale of goods and services \$231 million, personnel services income \$6.6 million and \$100 million in grants and contributions received from external parties.

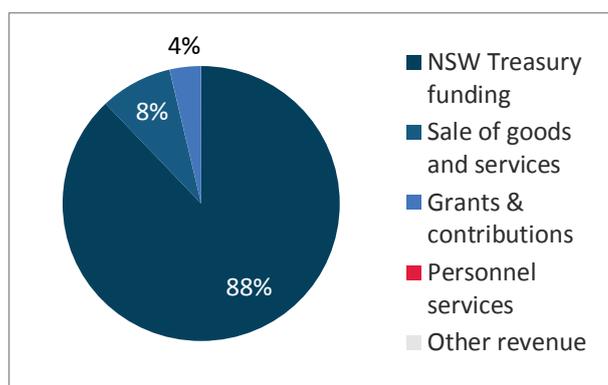


Figure 3. Revenue

Expenses excluding losses (\$2,941 million)

Expenses excluding losses for the year ending 30 June 2017 were \$2,941 million. Of this total, \$502 million was for employee-related costs including personnel services provided to entities within the NSW Department of Industry cluster.

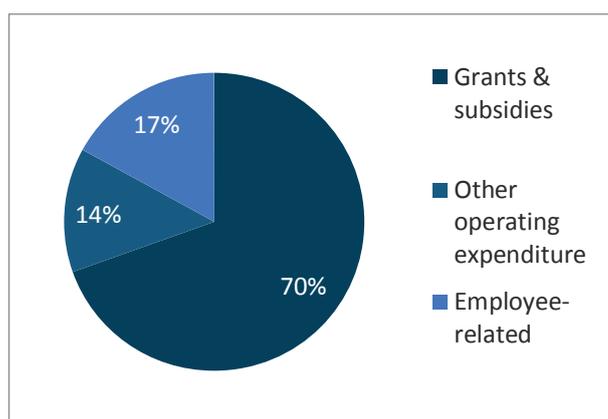


Figure 4. Expenses

Grants and subsidies of \$2,041 million included the following payments:

- \$759.8 million for TAFE NSW Commission
- \$650.2 million for Industry Training Services
- \$139.2 million for the Low Income Household Energy Rebate
- \$111.7 million for Sydney Water Corporation
- \$37.2 million for Water NSW
- \$25.1 million for the STEM Foundation
- \$28.5 million for Murray Darling Basin Authority
- \$26.8 million for the Country Towns Water Supply and Sewerage Scheme
- \$12.8 million for the Research Attraction & Acceleration Program
- \$13.7 million for the NSW Gas Rebate for Low Income Households
- \$12.8 million for Surface Water Management
- \$15.7 million for Forestry Corporation of NSW
- \$11.1 million for Hunter Water Corporation
- \$12.8 million for Sustain the Basin Projects
- \$19.3 million for Jobs for NSW
- \$11.1 million for the Energy Accounts Payment Assistance.

Other operating expenditure of \$398 million includes:

- \$115.2 million for contractors and other fees
- \$82.7 million for depreciation and amortisation of the Department's fixed assets
- \$32.8 million for operating lease rental expenses relating primarily to buildings.

Assets (\$7,682 million) and liabilities (\$470 million)

The department's net assets at 30 June 2017 were approximately \$7.2 billion comprised of total assets of \$7.7 billion and total liabilities of \$0.5 billion. The largest component of the asset base relates to the value of Crown Lands and infrastructure.

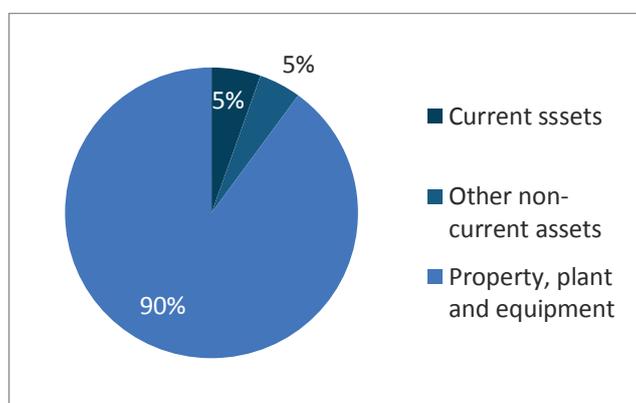


Figure 5. Assets

Appendices

Appendix 1—Principal officers

As at 31 March 2017

Simon Smith BA (Economics) Hons

Secretary, NSW 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

Tara Black B. Commerce (Liberal Studies)

Director, Office of the Secretary

Jock Laurie

NSW Land and Water Commissioner

Karen Borg BA GAICD

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

As at 30 June 2017

Simon Smith BA (Economics) Hons

Secretary, NSW Department of Industry

Susan Calvert BSc (Hons 1) MEM

Acting Deputy Secretary, Skills & Economic Development

Ian Jansen

Acting Deputy Secretary, Finance Strategy & Operations

Scott Hansen BRurSc Grad Cert Comms GAICD

Director General, NSW Department of Primary Industries

Paul Newson BA (Politics) LLB MLS MLM

Deputy Secretary, Liquor, Gaming & Racing

Alison Stone BEc MEnv Studies GAICD

Deputy Director General, Lands & Forestry

Steven Blaney Dip Fin Mkts (Banking and Finance)

Executive Director, Communication & Engagement

Tara Black B. Commerce (Liberal Studies)

Director, Office of the Secretary

Matt Miller BEng BEcon MSc

Chief Executive Officer, Office of Sport

Sandra Chipchase B.Bus Comms GAICD

Chief Executive Officer, Destination NSW

Karen Borg BA GAICD

Chief Executive Officer, Jobs for NSW

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

NSW Chief Scientist & Engineer

Robyn Hobbs OAM MMgmt JP

NSW Small Business Commissioner

Jock Laurie

NSW Land and Water Commissioner

Effie Chen MSc (Business Administration) BSc (Commerce) CISA CRISC CPA Member ISACA

Chief Audit Executive

Appendix 2—Legislation and legal change

Acts administered before 30 January 2017

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 s. 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, s. 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 No 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

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, s. 34 (3) and (4) (remainder, the Minister for Finance, Services and Property)

Roads Act 1993 No 33, Parts 2, 4 and 12 (s. 178 (2) excepted), s. 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, s. 57 (remainder, the Minister for Industry, Resources and Energy)

Soil Conservation Act 1938 No 10 (except Parts 2A, 3 and 4, and ss. 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, ss. 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)

Acts administered between 30 January 2017 and 31 March 2017

Minister for Resources

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
Mine and Petroleum Site Safety (Cost Recovery) Act 2005 No 116
Mining Act 1992 No 29 (except part, the Attorney General)
Offshore Minerals Act 1999 No 42
Petroleum (Offshore) Act 1982 No 23
Petroleum (Onshore) Act 1991 No 84
Uranium Mining and Nuclear Facilities (Prohibitions) Act 1986 No 194
Work Health and Safety (Mines and Petroleum Sites) Act 2013 No 54

Minister for Energy and Utilities

AGL Corporate Conversion Act 2002 No 16
Central Coast Water Corporation Act 2016 No 105
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)
Hunter Water Act 1991 No 53
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
Pipelines Act 1967 No 90

Snowy Hydro Corporatisation Act 1997 No 99 (except s. 57, the Minister for Lands and Water)

Snowy Mountains Cloud Seeding Act 2004 No 19

Water Efficiency Labelling and Standards (New South Wales) Act 2005 No 12

Water Industry Competition Act 2006 No 104 (except Part 3, the Premier)

Minister for Regional New South Wales

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

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 1998 No 73
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
Game and Feral Animals 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

Poppy Industry Act 2016 No 37

Prevention of Cruelty to Animals Act 1979 No 200

Rice Marketing Act 1983 No 176

Rural Assistance Act 1989 No 107

Soil Conservation Act 1938 No 10 (except parts 2A, 3 and 4, and ss. 15 and 30A in so far as they relate to Parts 2A, 3 and 4, jointly with the Minister for the Environment)

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 Minister for Lands and Forestry

Minister for Skills

Apprenticeship and Traineeship Act 2001 No 80

Innovation and Productivity Council Act 1996 No 77

Jobs for NSW Act 2015 No 25

Skills Board Act 2013 No 99

Vocational Education and Training (Commonwealth Powers) Act 2010 No 131

Minister for Small Business

Retail Leases Act 1994 No 46

Small Business Commissioner Act 2013 No 22

Minister for Regional Water

Dams Safety Act 1978 No 96

Dams Safety Act 2015 No 26

Googong Dam Catchment Area Act 1975 No 4

New South Wales – Queensland Border Rivers Act 1947 No 10

Public Works and Procurement Act 1912 No 45, s. 34(3) and (4) (remainder, Minister for Finance, Services and Property)

Snowy Hydro Corporatisation Act 1997 No 99, s. 57 (remainder, the Minister for Energy and Utilities)

Water Act 1912 No 44

Water (Commonwealth Powers) Act 2008 No 69

Water Management Act 2000 No 92

Water NSW Act 2014 No 74

Minister for Lands and Forestry

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

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

Forestry Act 2012

Hay Irrigation Act 1902 No 57

Irrigation Areas (Reduction of Rents) Act 1974 No 83

Murrumbidgee Irrigation Areas Occupiers Relief Act 1934 No 52

Plantations and Reafforestation Act 1999

Public Reserves Management Fund Act 1987 No 179

Public Works and Procurement Act 1912 No 45, s. 34 (3) and (4) (remainder, the Minister for Finance, Services and Property)

Roads Act 1993 No 33, Parts 2, 4 and 12 (s. 178(2) excepted), s. 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 Environment, and parts
Minister for Local Government)

Trustees of Schools of Art Enabling Act 1902 No 68

*Tweed River Entrance Sand Bypassing Act 1995 No
55*

*Wagga Wagga Racecourse Act 1993 No 109, ss. 4
and 5 (remainder, the Minister for Racing)*

Wentworth Irrigation Act 1890 54 Vic No 7

Western Lands Act 1901 No 70

*Wild Dog Destruction Act 1921 No 17, jointly with
Minister for Primary Industries*

Visy Mill Facilitation Act 1997 No 139

Assistant Minister for Skills

*Technical and Further Education Commission Act
1990 No 118*

Technical Education Trust Funds Act 1967 No 95

Acts administered on or after 1 April 2017

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 1998 No 73

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

Game and Feral Animals 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

Poppy Industry Act 2016 No 37

Prevention of Cruelty to Animals Act 1979 No 200

Rice Marketing Act 1983 No 176

Rural Assistance Act 1989 No 107

Soil Conservation Act 1938 No 10 (except parts 2A, 3 and 4, and ss. 15 and 30A in so far as they relate to Parts 2A, 3 and 4, jointly with the Minister for the Environment)

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 Minister for Lands and Forestry

Minister for Skills

Apprenticeship and Traineeship Act 2001 No 80

Innovation and Productivity Council Act 1996 No 77

Jobs for NSW Act 2015 No 25

Skills Board Act 2013 No 99

Vocational Education and Training (Commonwealth Powers) Act 2010 No 131

Minister for Small Business

Retail Leases Act 1994 No 46

Small Business Commissioner Act 2013 No 22

Minister for Regional Water

Dams Safety Act 1978 No 96

Dams Safety Act 2015 No 26

Googong Dam Catchment Area Act 1975 No 4

New South Wales – Queensland Border Rivers Act 1947 No 10

Public Works and Procurement Act 1912 No 45, s. 34(3) and (4) (remainder, Minister for Finance, Services and Property)

Snowy Hydro Corporatisation Act 1997 No 99, s. 57 (remainder, the Minister for Energy and Utilities)

Water Act 1912 No 44

Water (Commonwealth Powers) Act 2008 No 69

Water Management Act 2000 No 92

Water NSW Act 2014 No 74 (except Part 4, jointly with the Minister for Energy and Utilities)

Minister for Lands and Forestry

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

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

Forestry Act 2012

Hay Irrigation Act 1902 No 57

Irrigation Areas (Reduction of Rents) Act 1974 No 83

Murrumbidgee Irrigation Areas Occupiers Relief Act 1934 No 52

Plantations and Reafforestation Act 1999

Public Reserves Management Fund Act 1987 No 179

Public Works and Procurement Act 1912 No 45, s. 34 (3) and (4) (remainder, the Minister for Finance, Services and Property)

Roads Act 1993 No 33, Parts 2, 4 and 12 (s. 178(2) excepted), s. 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 Environment, and parts Minister for Local Government)

Trustees of Schools of Art Enabling Act 1902 No 68

Tweed River Entrance Sand Bypassing Act 1995 No 55

Wagga Wagga Racecourse Act 1993 No 109, ss. 4 and 5 (remainder, the Minister for Racing)

Wentworth Irrigation Act 1890 54 Vic No 7

Western Lands Act 1901 No 70

Wild Dog Destruction Act 1921 No 17, jointly with Minister for Primary Industries

Visy Mill Facilitation Act 1997 No 139

Minister for Racing

Australian Jockey and Sydney Turf Clubs Merger Act 2010 No 93

Betting and Racing Act 1998 No 114

Casino Control Act 1992 No 15

Gambling (Two-Up) Act 1998 No 115

Gambling and Liquor Administration Act 2007 No 91

Gaming Machine Tax Act 2001 No 72, Part 4 and Schedule 1 (remainder, jointly with the Treasurer and the Minister for Finance, Services and Property, except Part 3, the Treasurer and the Minister for Finance, Services and Property, jointly)

Gaming Machines Act 2009 No 127

Greyhound Racing Act 2009 No 19

Harness Racing Act 2009 No 20

Hawkesbury Racecourse Act 1996 No 74

Liquor Act 2007 No 90

Lotteries and Art Unions Act 1901 No 34

Public Lotteries Act 1996 No 86

Racing Appeals Tribunal Act 1983 No 199

Registered Clubs Act 1976 No 31

Thoroughbred Racing Act 1996 No 37

Totalizer Act 1997 No 45 (except s. 76, the Treasurer)

Unlawful Gambling Act 1998 No 113

Wagga Wagga Racecourse Act 1993 No 109 (except ss. 4 and 5, the Minister for Lands and Forestry)

Minister for Sport

Combat Sports Act 2013 No 96

Crown Lands Act 1989 No 6, so far as it relates to the Crown Reserve known as Parramatta Park, the Crown Reserve known as Wollongong Showground, the Crown Reserve known as Newcastle International Sports Centre, the Crown Reserve known as Newcastle Showground (remainder, parts the Premier, parts, the Minister for Finance, Services and Property, and parts, the Minister for Lands and Forestry)

Institute of Sport Act 1995 No 52

Motor Vehicle Sports (Public Safety) Act 1985 No 24

Mount Panorama Motor Racing Act 1989 No 108

Sporting Bodies' Loans Guarantee Act 1977 No 3

Sporting Venues Authorities Act 2008 No 65

Sydney Cricket and Sports Ground Act 1978 No 72

Sydney Olympic Park Authority Act 2001 No 57

Minister for Tourism and Major Events

Destination NSW Act 2011 No 21

Motor Racing (Sydney and Newcastle) Act 2008 No 106

Motor Sports (World Rally Championship) Act 2009 No 55

Assistant Minister for Skills

Technical and Further Education Commission Act 1990 No 118

Technical Education Trust Funds Act 1967 No Legal change

Legal change

New legislation

Crown Land Management Act 2016 (commenced in part only)

Greyhound Racing Act 2017 (commenced in part only)

Poppy Industry Act 2016

Amending legislation

Crown Land Legislation Amendment Act 2017 (commenced in part only)

Electricity Supply Act (Advanced Meters) Act 2016

Fisheries Management Amendment (Shark Management Trials) Act 2016

Retail Leases Amendment (Review) Act 2017 (commenced in part only)

Sporting Venues Authorities Amendment Act 2017

New Regulations

Agricultural Livestock (Disease Control Funding) Regulation 2016

Apprenticeship and Traineeship Regulation 2017

Hemp Industry Regulation 2016

Meat Industry (Meat Industry Levy) Regulation 2016

Mining Regulation 2016

Motor Racing (Sydney and Newcastle) Regulation 2017

Petroleum (Offshore) Regulation 2016

Petroleum (Onshore) Regulation 2016

Poppy Industry Regulation 2016

Rural Assistance Regulation 2016

Amending Regulations

Agricultural Industry Services Amendment (Recognised Foundation Instrument) Regulation 2016

Apiaries Amendment (Registration Exemptions) Regulation 2017

Exhibited Animals Protection Amendment (Standards) Regulation 2016

Fisheries Management Amendment (Noxious Fish) Regulation 2016

Fisheries Management Legislation Amendment (Consequential Amendments) Regulation 2016

Fisheries Management Legislation Amendment (Fees, Charges and Contributions) Regulation 2016

Fisheries Management Legislation Amendment (Quota Shares) Regulation 2017

Fisheries Management (General) Amendment (Commercial Fishing NSW Advisory Council) Regulation 2017

Forestry Amendment (Delegation) Regulation 2016

Liquor Amendment (Special Licence Conditions) Regulation 2017

Local Land Services Amendment (Voting) Regulation 2017

Mining Legislation Amendment (Arbitration) Regulation 2016

Petroleum (Onshore) Legislation Amendment (Arbitration and Compensation) Regulation 2016

Sporting Venues Authorities Amendment (Boards of Management) Regulation 2017

Water Management (General) Amendment (Access Licence) Regulation 2016

Water Management (General) Amendment (Floodplains) Regulation 2016

Water Management (General) Amendment (Miscellaneous) Regulation 2016

Water Management (General) Amendment (Licences) Regulation 2017

Water Management (General) Amendment (Floodplain) Regulation 2017

Statute Law (Miscellaneous Provisions) Act (No. 2) 2016

Amendments made to:

Biosecurity Act 2015

Cemeteries and Crematoria Act 2013

Fisheries Management Act 1994

Fisheries Management (General) Regulation 2010

Food Act 2003

Mining Act 1992

Petroleum (Onshore) Act 1991

Work Health and Safety (Mines) Act 2014

Statute Law (Miscellaneous Provisions) Act 2017

Amendments made to:

Apprenticeships and Traineeship Act 2001

Betting and Racing Act 1998

Deer Act 2008

Destination NSW Act 2011

Fisheries Management Act 1994

Gaming Machines Act 2001

Gaming Machine Tax Act 2001

Local Land Services Act 2013

Meat Industry Act 1978

Prevention of Cruelty to Animals Act 1979

Registered Clubs Act 1976

Sporting Venues Authorities Act 2008

Technical and Further Education Commission Act 1990

Technical Education Trust Funds Act 1967

Vocational Education and Training (Commonwealth Powers) Act 2010

Water Management Act 1994

Water NSW Act 2014

New and Amending Water Sharing Plans

Water Sharing Plan for the Brunswick Unregulated and Alluvial Water Sources 2016

Water Sharing Plan for the Clarence River Unregulated and Alluvial Water Sources 2016

Water Sharing Plan for the Clyde River Unregulated and Alluvial Water Sources 2016

Water Sharing Plan for the Deua River Unregulated and Alluvial Water Sources 2016

Water Sharing Plan for the Hunter Regulated Water Source 2016

Water Sharing Plan for the Lachlan Regulated Water Source 2016

Water Sharing Plan for the Macleay Unregulated and Alluvial Water Sources 2016

Water Sharing Plan for the Murrumbidgee Regulated Water Source 2016

Water Sharing Plan for the New South Wales Murray and Lower Darling Regulated Water Source 2016

Water Sharing Plan for the North Coast Coastal Sands Groundwater Sources 2016

Water Sharing Plan for the North Coast Fractured and Porous Rock Groundwater Sources 2016

Water Sharing Plan for the Snowy Genoa Unregulated and Alluvial Water Sources 2016

Water Sharing Plan for South Coast Groundwater Sources 2016

Water Sharing Plan for the Tross River Unregulated and Alluvial Water Sources 2016

Water Sharing Plan for the Gwydir Regulated Water Source 2016

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

Water Sharing Plan for the Upper Namoi and Lower Namoi Regulated Water Source 2016

Electronic Transactions Legislation Amendment (Government Transactions) Act 2017

Amendments made to:

Exhibited Animals Protection Act 1986

Fisheries Management (Aquaculture) Regulation 2012

Marine Estate Management Act 2014

Soil Conservation Act 1938

Veterinary Practice Act 2003

Other

Dams Safety Amendment (Prescribed Dams) Proclamation 2017

Appendix 3—Significant judicial decisions 1 July 2016–30 June 2017

Mineral resources and mine safety law

On 1 April 2017, responsibility for regulating mineral resources and mine safety was transferred from the NSW Department of Industry to the NSW Department of Planning and Environment, pursuant to machinery of government changes. Prior to this, the NSW Department of Industry brought several successful prosecutions in relation to breaches of work health and safety obligations at mines resulting in death or serious injury to workers and received significant judgments in relation to terms of approvals granted.

In *People for the Plains Incorporated v. Santos NSW (Eastern) Pty Ltd*, the NSW Court of Appeal dismissed a challenge to approvals granted by the department under the *Petroleum (Onshore) Act 1991* to Santos' Leewood Project for the treatment of water associated with gas exploration near Narrabri. The Court of Appeal held that the Leewood Project should be characterised as one which is for the treatment of produced water for the purposes of petroleum exploration and not waste or resource disposal or management. Accordingly, the *Mining State Environmental Planning Policy* applied and the Leewood Project did not require development consent under the *Environmental Planning and Assessment Act 1979*.

In *Nash v. Silver City*, a drilling contractor plead guilty to breaching its work health and safety duties in relation to a drilling incident at a mine site that left a worker with serious injuries. The District Court fined the drilling company \$112,000. The Attorney General and Prosecutor appealed this judgment to the Court of Criminal Appeal, which found that it was appropriate to resentence and increased the fine imposed to \$212,500. The Court of Criminal Appeal also held that it was appropriate that the prosecutor be awarded costs of the proceedings.

Land law

The department has received judgments providing judicial guidance on the management of reserve trusts and the scope of the *Farm Debt Mediation Act 1994*, as well as decisions in relation to disputes over unformed crown roads.

In *Application of Willoughby City Council (as manager of the Talus Reserve Trust)* the Council, as manager of the Talus Street Reserve Trust, sought judicial advice from the Supreme Court as to whether the Reserve Trust could seek and obtain consent from the Minister for a tennis association to enter into a sublease of the reserve with a tennis business. The Minister was granted leave to intervene in the proceedings and made submissions to the Court on the proper construction of s. 34(AA) of the *Crown Lands Act 1989*. The Court held that the Reserve Trust could not seek and obtain consent from the Minister for the sublease because the head lease over the reserve did not provide for the reserve to be used for public recreation and was therefore invalid.

In *Gooley v. NSW Rural Assistance Authority* the Supreme Court dismissed a summons seeking judicial review of the Rural Assistance Authority's decision to issue a certificate certifying that a satisfactory mediation had taken place in relation to a farm debt. In 2015, proceedings to recover money from a debt had been brought and the District Court had ordered payment. In dismissing these judicial review proceedings, the Supreme Court held that the debt now owed arose from the District Court's orders and therefore was not a 'farm debt'. Accordingly, the *Farm Debt Mediation Act 1994* did not apply and a satisfactory mediation did not need to take place. The Court also held that, even if the debt owed was a 'farm debt', it was satisfied that a satisfactory mediation had taken place.

In *Kirkman v. Minister Administering the Crown Lands Act 1989* the Supreme Court set aside a decision made under delegated power from the Minister to sell an unformed crown road. The Court found that jurisdictional error had been made in taking into account an earlier change to the description of enclosure permits authorising the use of the crown road for grazing.

In an interlocutory judgment in *O'Connor v. State of NSW* the Supreme Court did not grant leave to file a statement of claim alleging that decisions made in 1985 and 1993 in relation to an unformed crown road were subject to jurisdictional error and had denied procedural fairness due to allegations that the access along the road was impeded. The Court found that, given the significant time since the decisions had been made, leave should not be granted for a challenge to be brought.

Water law

The department has received a significant judgment interpreting a term in legislative instruments made under the *Water Management Act 2000* and has been involved in public inquiries under the *Water Act 1912* in relation to the issuing of water licences.

In the interlocutory hearing of *Sharkey v. the Minister administering the Water Management Act 2000*, the Land and Environment Court found against the Minister's interpretation of the phrase 'the upper limit of the storage of Hume Dam', which marks one of the boundaries of the regulated river for the purposes of Regulated River Order No 6 published on 26 February 2003 and the Murray Water Management Area Regulated River Order published on 1 July 2004. The Court preferred the interpretation that the phrase referred to the point at which the river bed (rather than the river banks) reached an elevation representing the full storage level of the dam. The Minister has appealed the decision and the appeal judgment is currently reserved.

In two matters, *Water Administration Ministerial Corporation & Atwal v. Wear* and *Water Administration Ministerial Corporation & Singh v. Wear*, the NSW Civil and Administrative Tribunal upheld the Water Administration Ministerial Corporation's decisions to grant surface water licences to two different Licence Applicants under s. 10 of the *Water Act 1912*. As required in s. 11(5) of the *Water Act*, public inquiries were held into the desirability of granting the surface water licences after it received objections from members of the public to the granting of the licences. In both matters, NCAT agreed with and adopted WAMC's submissions.

Fisheries law

In the area of fisheries law, the department has obtained a number of convictions for fisheries offences. Convictions for serious offences led to prohibition orders restricting persons from engaging in particular fishing activities and possessing specified equipment, the forfeiture of boats and motor vehicles and significant terms of imprisonment.

The department has also been involved in prosecution proceedings in relation to fisheries offences for the taking of abalone which were unsuccessfully challenged by the defendants on constitutional grounds, namely that the *Fisheries Management Act 1994* and Fisheries Management (Abalone Share Management Plan) Regulation 2000 are invalid as they were made contrary to s. 51 of the *Commonwealth of Australia Constitution Act*.

Biosecurity law

In *Brown v. Director General, Department of Primary Industries* the Supreme Court struck out a Summons seeking judicial review of the Director General's decision to decline Mr Brown's application for a cultivation licence under the *Hemp Industry Act 2008*. The Summons alleged that the Director General had denied Mr Brown procedural fairness by refusing to provide a statement of reasons for the decision. In striking out the Summons, the Supreme Court held that, as s. 10 of the *Hemp Industry Act 2008* did not require the Director General to give reasons for a decision to refuse a cultivation licence, there was no basis for seeking review of the decision.

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. Minister Administering the Crown Lands Act* the Minister successfully defended an appeal to the High Court 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.

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 2016–17. 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 three independent members, including the Chair and one non-independent member, during the year and met on seven occasions during 2016–17. The following audits/reviews were conducted in 2016–17:

- Minerals and Petroleum Administrative Funds
- Exhibiting Animals in NSW Licence Profile and Observations Against IPART's Licensing Framework
- Conducting Animal Research in NSW Licence Profile and Observations Against IPART's Licensing Framework
- Hunting in NSW Licence Profile and Observations Against IPART's Licensing Framework
- Growing and Supplying Industrial Hemp in NSW Licence Profile and Observations Against IPART's Licensing Framework
- Mineral and Petroleum Exploration and Extraction in NSW Licence Profile and Observations Against IPART's Licensing Framework
- Liquor Licence Fee Invoicing, Collection and Reconciliation
- Irrigated Farm Modernisation—Grant Application, Assessment and Acquittal Processes
- Payroll Tax.

Appendix 5—Risk management and insurance

Risk management activities

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
- 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 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. The department's risk registers are also key inputs into the department's Internal Audit program, which is overseen by the Audit and Risk Committee. Work continues developing a methodology of incorporating risk management into the program management framework.

The 2017 machinery of government changes have altered the risk profile of the department and they offer the opportunity to review and improve the ERM framework. Improvements include enhanced risk reporting through a quarterly attestation process, risk aggregation from the departmental level to the enterprise level, a recasting of the department's fraud and corruption prevention strategy and the promotion of a cluster-wide approach to business resilience planning. These initiatives will result in a measurable improvement in the department's level of risk maturity as biennially measured by the NSW Audit Office. Work continues on developing a methodology of incorporating risk management into program management.

Insurance activities

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 2016–17 financial year is contained in the following table.

Table A5–1. Summary of claims paid by the TMF during 2016–17

Insurance category	Policy #	Agency name	Fund year	Number of claims	Amount paid	Reserve balance	Recovered to date	Net incurred
Property	MF100908	Department of Industry Lands & Forestry	FY 2016–17	4	\$12,183	\$0	\$0	\$12,183
	MF101120	Department of Industry Lands & Forestry—Reserve Trust	FY 2016–17	54	\$592,831	\$1,014,479	\$720	\$1,606,590
	MF101143	Department of Industry Lands & Forestry—Coastal Assets	FY 2016–17	0	\$0	\$0	\$0	\$0
	MF101140	Department of Primary Industries (Water)	FY 2016–17	0	\$0	\$0	\$0	\$0
	MF100030	Department of Industry, Skills and Regional Development—Primary	FY 2016–17	21	\$179,899	\$42,200	\$8,287	\$213,812

Insurance category	Policy #	Agency name	Fund year	Number of claims	Amount paid	Reserve balance	Recovered to date	Net incurred
		Industries— Agency						
			Total	79	\$784,913	\$1,056,679	\$9,007	\$1,832,585
Liability	MF100906	Department of Industry— Lands	FY 2016–17	9	\$22,991	\$54,198	\$0	\$77,188
	MF100029	Department of Primary Industries	FY 2016–17	4	\$7,179	\$85,000	\$0	\$92,179
			Total	13	\$30,170	\$139,198	\$0	\$169,367
Motor vehicles	MF100907	Department of Industry— Lands	FY 2016–17	11	\$58,002	\$7,289	\$0	\$65,292
	MF101139	Department of Primary Industries (Water)	FY 2016–17	10	\$10,506	\$2,062	\$0	\$12,568
	MF100028	Department of Primary Industries	FY 2016–17	154	\$543,789	\$22,463	\$40,032	\$526,220
			Total	175	\$612,297	\$31,814	\$40,032	\$604,080

Insurance category	Policy #	Agency name	Fund year	Number of claims	Amount paid	Reserve balance	Recovered to date	Net incurred
Miscellaneous	MF100031	Department of Primary Industries	FY 2016–17	2	\$20,031	\$17,686	\$0	\$37,717
	Total			2	\$20,031	\$17,686	\$0	\$37,717
Workers compensation	WC900871/MWJ333328	Land & Natural Resources	FY 2016–17	4	\$3,686.82	\$14,009.05		\$17,695.87
	WC900526	Office of Water	FY 2016–17	3	\$3,140.90			\$3,140.90
	MWJ3333371	State Training Services	FY 2016–17	4	\$12,721.61			\$12,721.61
	WC900267	Primary Industry	FY 2016–17	68	\$205,139.75	\$193,119.99		\$398,259.74
	Total			79	\$224,689.08	\$207,129.04	-	\$431,818.12
Overall total				348	\$1,672,100	\$1,452,506	\$49,039	\$3,075,567

Amount paid: Value paid on the claim to date

Reserve balance: Current outstanding estimate on the claim

Recovered to date: Value recovered from third party on the claim to date

Net incurred: Total estimate on the claim

Appendix 6—Internal audit and risk policy attestation

Internal Audit and Risk Management Attestation Statement for the 2016–17 Financial Year for NSW Department of Industry

I, **Simon Smith, Secretary**, am of the opinion that the NSW Department of Industry has internal audit and risk management processes in operation that are, excluding the exceptions or transitional arrangements 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:

Table A6–1. Compliance with core requirements

Item	Core requirements	Compliant, non-compliant or in transition
Risk management framework		
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
Internal audit function		
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
Audit and Risk Committee		
3.1	An independent and 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 Chair and members of the audit and Risk Committee during the 2016–17 financial year were:

- Mr Ken Barker, appointed as Independent Chair from 18 January 2016 until 17 January 2019 and previously an Independent Member from 13 October 2014 to 17 January 2016
- Ms Victoria Weekes, initially appointed as an Independent Member from 8 April 2013 until 7 April 2016, and 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, DPI Agriculture, 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 NSW Department of Industry depart from the following core requirement set out in the *Internal Audit and Risk Management Policy for the NSW Public Sector*:

Table A6–2. Departures from core requirements

Departure	Reason for departure and description of practicable alternative measures implemented/being implemented
In transition	
Core requirement 3.1	<p>During the 2016–17 financial year, the Audit and Risk Committee comprised three independent members including the Chair, and one non-independent member.</p> <p>The Audit and Risk Committee Charter was revised on 26 May 2017 which changed the composition of the Committee to independent members only and satisfied all other requirements of TPP15-03, which became effective on 1 July 2017.</p>

 28/8/17

Simon A Y Smith
Secretary
 NSW Department of Industry

Appendix 7—NSW Digital information security policy compliance attestation statement 2016–17

I, **Simon Smith, Secretary**, 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 shared services for the past year were adequate. There has been continuous effort and targeted investment in Digital Information Security and digital transformation to ensure that the department progresses its digital government agenda.

Information security management arrangements, in place during the financial year, were consistent with the core elements set out in the Digital Information Security Policy for the NSW Public Sector and ISO 27001 Standard. Given the scale and complexity of new types of cyber threats that have become prevalent, effort and investment will need to be ongoing to ensure reliable, secure and cyber resilient digital information.

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 8—Work health and safety

In 2016–17, the department continued to deliver the programs from the 2015–18 Health and Safety Strategy. These programs are continuing to support sustainable improvements in health and safety outcomes across the department.

Throughout 2016–17, the majority of health and safety indicators showed improvement on the previous year, highlighted by yet another year with no workplace fatalities. Lost Time Injury Frequency Rates (LTIFR) slipped slightly from 2.69 to 3.60, although this is still an excellent result compared to industry best-practice and as benchmarked against the sector.

The department again experienced a reduction in workers compensation premiums and, for the fourth consecutive year, again received refunds for the three and five-year hindsight adjustments to an amount in excess of \$3.9 million.

This year the department's Safety and Wellbeing Team provided a range of services for employees to support improvement in general health and wellbeing. Employees continued to benefit from savings in gym memberships, health insurance discounts and high-risk health monitoring initiatives.

Overall, 2016–17 has been another positive year. Improvements in employee awareness and competency in managing workplace safety risk is a highlight. Additionally, employees are gaining further access to healthy workplace seminars providing tools to improve personal wellbeing.

Table A8–1. Combined workplace incident statistics 2016–17

Frequency rate	5.54
Lost-time incident rate	0.6398
Average lost-time rate	11.03
No. Lost-time incidents (LTIs)	30
Lost-time severity rate	6.11

Frequency rate: The number of lost-time incidents (LTIs) per 1,000,000 hours

Lost-time incident rate: The number of LTIs per 100 employees

Average lost-time rate: The time lost in days divided by the number of lost-time injuries

Lost-time severity rate: The number of days lost per 1,000,000 hours worked

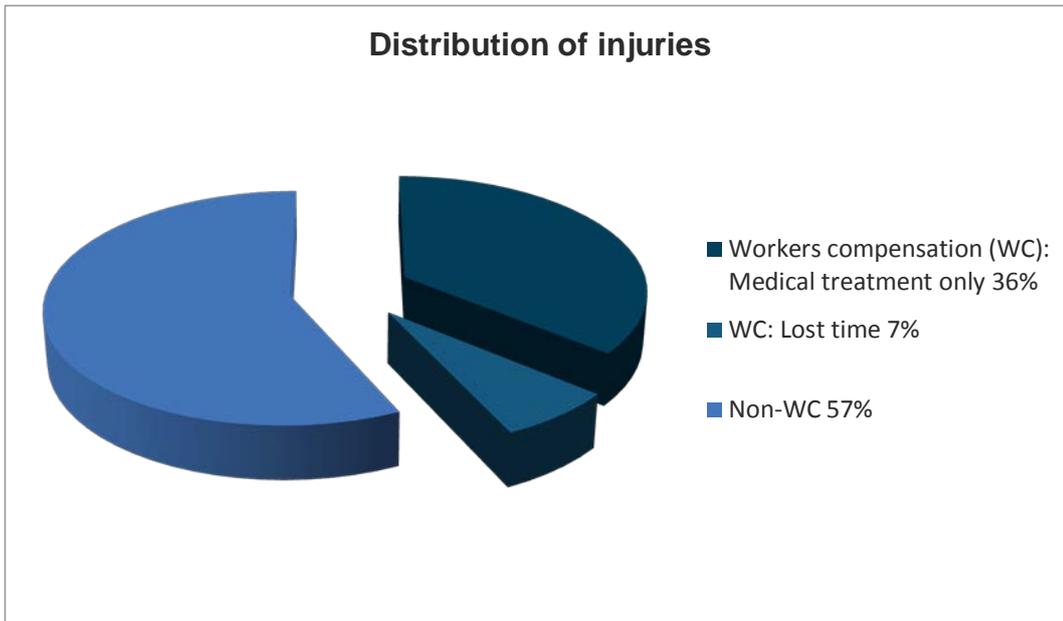


Figure A8–1. Distribution of injuries reported to Health and Safety unit 2016–17

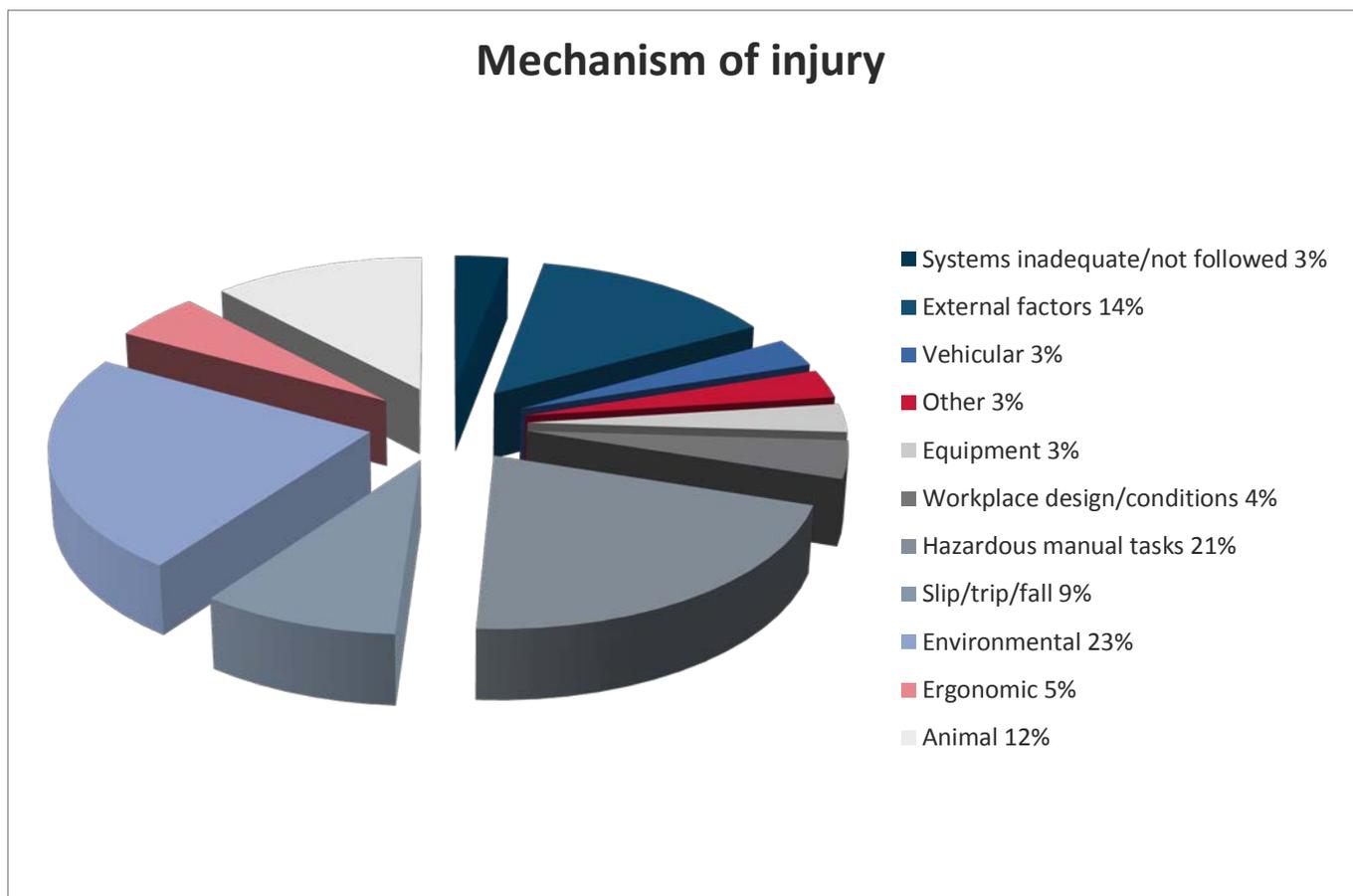


Figure A8–2. Mechanism of all injuries reported to the Health and Safety unit 2016–17

Appendix 9—Human resources

The department had an equivalent full-time (EFT) workforce of 3,848.6 for 2016–17, compared with 4,273.8 for 2015–16. 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 2016–17 occurred due to a machinery of government change that saw functions related to metropolitan water, resources and energy and some functional regional development branches leave the department, and functions relating to liquor and gaming absorbed into the department.

The percentage of senior executive-related costs over total employee-related costs for the department is 8.1% for 2016–17, compared with 6.8% for 2015–16.

Staff numbers

Table A9–1. Staff numbers 2011 to 2017

Category	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17
Permanent	4,036	3,385	2,874	3,180.24	3,126.69	2,965.60
Other	742	1,120	1,306.27	999.25	1,147.06	883.04
Total	4,778	4,505	4,180.27	4,179.49	4,273.75	3,848.64

Number of female and male staff within salary levels

Table A9–2. Female and male staff within salary levels 2016–17

Salary level	\$0– \$46,944	\$46,945– \$61,658	\$61,659– \$68,929	\$68,930– \$87,225	\$87,226– \$112,797	\$112,798– \$140,996	\$140,996> (Non-SE)	\$140,996> (SE)	Total
Female	83.32	126.22	211.79	380.04	655.84	346.21	5	72.11	1,880.53
Male	86.32	183.82	84.12	316.03	668.93	515.49	20.4	93	1,968.11
Indeterminate/ Intersex	0	0	0	0	0	0	0	0	0
Totals	169.64	310.04	295.91	696.07	1,324.77	861.70	25.4	165.11	3,848.64

Table A9–3. Female and male staff within salary levels 2015–16

Salary level	\$0– \$44,682	\$44,683– \$58,687	\$58,688– \$66,608	\$65,609– \$83,022	\$83,023– \$107,361	\$107,362– \$134,202	\$134,203> (Non-SE & SES)	\$134,203> (SE &SES)	Total
Female	72.88	162.82	238.67	418.97	615.78	386.77	12.6	66.12	1,974.61
Male	69.89	198.48	88.6	353.25	743.99	639.7	102.93	102.3	2,299.14
Indeterminate/ Intersex	0	0	0	0	0	0	0	0	0
Totals	142.77	361.30	327.27	772.22	1,359.77	1,026.47	115.53	115.53	4,273.75

Table A9–4. Female and male staff within salary levels 2014–15

Salary level	\$0– \$41,679	\$41,679– \$54,742	\$54,742– \$61,198	\$61,198– \$77,441	\$77,441– \$100,145	\$100,145– \$125,181	\$125,181> (Non- SES)	\$125,181> (SES)	Total
Female	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
Totals	58.08	249	239.6	762.89	1,450.33	816.76	466.22	136.61	4,179.49

Table A9–5. Female and male staff within salary levels 2013–14

Salary level	\$0– \$41,679	\$41,679– \$54,742	\$54,742– \$61,198	\$61,198– \$77,441	\$77,441– \$100,145	\$100,145– \$125,181	\$125,181> (Non- SES)	\$125,181> (SES)	Total
Female	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
Totals	198	279.31	345.51	737.46	1,339.81	779.86	391.61	108.71	4,180.27

Table A9–6. Female and male staff within salary levels 2012–13

Salary level	\$0– \$41,679	\$41,679– \$54,742	\$54,742– \$61,198	\$61,198– \$77,441	\$77,441– \$100,145	\$100,145– \$125,181	\$125,181> (Non- SES)	\$125,181> (SES)	Total
Female	108	222	215	479	586	335	33	45	2,023
Male	113	257	110	346	806	613	177	60	2,482
Totals	221	479	325	825	1,392	948	210	105	4,505

Appendix 10—Workforce diversity

The NSW Department of Industry is committed to a culture of inclusion and diversity. The department is actively developing and maintaining a workforce made up of individuals from diverse backgrounds with diverse experiences who are all included in a culture based on collaboration, innovation, ownership and improved customer experience.

The department's diversity initiatives are designed to take both a whole-of-department approach to cultural change and also support achievement of specific actions for gender equality, including LGBTI, disability, Aboriginal staff and young professionals.

The *Government Sector Employment Act 2013* (GSE Act) preserves the focus on workforce diversity, including diversity in respect of:

- gender
- cultural and linguistic background
- Aboriginal people
- people with a disability.

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

In December 2016, the department commenced development of a cultural transformation program to facilitate a culture that is inclusive and supportive of diversity. The program has engaged over 320 staff to co-design the attributes and behaviours to support our desired culture. The program has moved into a pilot phase with a formal launch in September 2017.

The department is a member of the Disability Council of Australia.

Key issues for the department to address in 2017–18 include:

- increased support for new managers and executives from diverse areas
- improved recruitment procedures to be more inclusive and accessible
- increased understanding of unconscious bias
- increased support for flexible working arrangements and agile working
- improved data and information about target groups and flexible working arrangements.

Gender equality

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

A Gender Equality Steering Committee (GESC) was active during 2016–17, with representation from across the department. The GESC oversees and promotes implementation of the Gender Equality Action Plan (GEAP). Working groups were set up to address key issues affecting gender equality and to undertake actions in the GEAP. The guiding principle for the GESC is to strive for a gender inclusive workplace where diversity drives engagement, productivity and innovation.

The Gender Equality Action Plan has three focus areas with aligned outcomes:

- career development, with the outcome to meet and/or exceed the NSW Government targets where women are under-represented
- employment, with the outcome to establish NSW Industry as an employer that is supportive, flexible and respectful of all genders

- communication, with the outcome to ensure gender equality information and resources are available and accessible to all employees.

Actions identified in the GEAP are progressively being completed including Industry's flexible work package on our intranet with fact sheets and case studies.

Another key achievement for 2016–17 has been the delivery of three Gender Equality Forums across the state. These are very well received and are supported by a dedicated intranet site with recordings of the forums. The forums include guest speakers and interactive panel discussions. The topics were:

- Be bold for change
- Career development opportunities for gender equality
- Gendered industries—Insights from industries traditionally of one gender.

The forums also provide opportunity for networking.

Aboriginal employment and inclusion

The department continued to progress work that supports employment, inclusion and retention of Aboriginal staff during 2016–17, with significant projects and activities.

An Aboriginal Training and Employment Initiative was undertaken within Training Services NSW, with 21 identified roles created across the state. This initiative involved:

- developing culturally appropriate recruitment processes
- cultural awareness training for hiring managers
- cultural awareness workshops for work groups where new positions are located. The workshops raised participant's cultural knowledge for working with Aboriginal people.

Another important program was implementation of forums for Fisheries Compliance staff and local Aboriginal community members to participate in cultural awareness training and to resolve issues about fisheries compliance. These very successful forums are continuing in 2017–18.

A key activity for the department 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 and was formally launched by the Secretary. Implementation of the actions will continue with a focus on employment, career development and support.

Disability employment

An Industry Disability Inclusion Action Plan (DIAP) is in place and the Secretary actively supports this work. A member of the executive team is the Executive Sponsor and Chair of the DIAP Steering Committee, with representatives from across the department as members. In 2016–17, actions identified in the DIAP were completed including:

- forming and continuing to operate a Disability Employee Network (DEN) for disabled staff, carers and advocates
- holding a Celebrating Diversity event during the Para Olympics with a former Para Olympian special guest
- presenting to the department's executive management committee to engage, inform and update on activities
- evaluating and assessing current recruitment processes and developing actions for improved recruitment of people with a disability.

The department has continued to participate in whole-of-sector initiatives, committees and working groups including participation in the 'Disability confident' e-learning project, reviewing the Jobs for People with a disability cabinet submission.

In addition, the department contributed to the publication *Equal Access, Equal Opportunity—the 25th Anniversary of the Disability Discrimination Act*, promoting our commitment to employment of people with a disability.

2017–18 will involve an evaluation of the DIAP, with development of the next plan building on the actions in the current one. A key undertaking for 2017–18 is the development of a workplace adjustment policy and resources including a communication campaign.

Appendix 11—Overseas travel

Key: NSW Department of Primary Industries is abbreviated as NSW DPI.

Table A11–1. Officers and their reasons for travel

Office	Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
NSW DPI Strategy and Policy	Jeannette Scott	Senior Economist	Cambodia	To allow the department to meet contractual obligations to ACIAR Project 'Market-focused integrated crop and livestock enterprises for NW Cambodia' under the Independent Contractor Agreement with the University of New England	2/07/2016	10/07/2016
NSW DPI Agriculture	Hugh Goold	Post-Doctoral Fellow in Synthetic Biology	Scotland	To attend the 2016 meeting of the Yeast 2.0 Scientific Consortium, of which NSW DPI is a major investor in the international node of the consortium	6/07/2016	11/07/2016
NSW DPI Agriculture	Timothy Weaver	Research Officer - Crop Nutrition	Netherlands & Turkey	To present an oral paper on 'Organochlorine pesticide movement in irrigated Vertisols of the Namoi Valley, north-western New South Wales, Australia' at the 5th EuroSoil International Congress in Istanbul, Turkey	8/07/2016	21/07/2016
NSW DPI Agriculture	Cathleen Waters	Research Officer	Canada	Participate and represent NSW DPI at 10th International Rangeland Congress (IRC), the leading global conference for rangeland management	15/07/2016	24/07/2016
NSW DPI Biosecurity & Food Safety	Paul Meek	Invasive Species Officer	New Zealand	To evaluate the design and application of the Lethal Trap Device to resolve the current problems being experienced on prototype trials	18/07/2016	21/07/2016
NSW DPI Agriculture	Shane Hetherington	Director Horticulture	China	To explore the potential for profitable R&D partnerships with the Zhejiang Academy of Agricultural Sciences (ZAAS), Hangzhou, China	26/07/2016	5/08/2016
Food Authority	Elizabeth Szabo	Group Director Food Safety & CEO Food Au	USA	To provide an Australian food safety perspective on mitigating the risks of foodborne illness at the invitation of the International Association for Food Protection (IAFP) to its annual meeting	29/07/2016	6/08/2016

Office	Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
NSW DPI Agriculture	Warwick Badgery	Leader - Rangelands & Tropical Pastures	China	To participate in an external review of a joint NSW DPI, CSU and ACIAR project examining sustainable livestock grazing systems on Chinese temperate grasslands	5/08/2016	13/08/2016
Lands & Natural Resources	Fabiano Ximenes	Research Officer	UK	Speech presentation at International Biomass Conference: Euro Global Summit and Expo on Biomass	6/08/2016	11/08/2016
NSW DPI Agriculture	John Troidahl	Research & Dev Agronomist Irrigated	USA	Participate in a rice industry tour to California with rice growers and advisers from Australian rice industry	6/08/2016	17/08/2016
NSW DPI Biosecurity & Food Safety	Olivia Reynolds	Research Scientist	China	To visit Peking University, Beijing to speak with experts in plant ecology and the Institute of Applied Ecology, Fujian Agriculture and Forestry University (FAFU), China to continue to develop collaborative projects	11/08/2016	19/08/2016
NSW DPI Agriculture	Stephanie Fowler	Research Officer	Thailand	To present three papers at the 62nd International Conference of Meat Science and Technology and attend the PhD/Early career researcher pre- conference program	11/08/2016	21/08/2016
NSW DPI Biosecurity & Food Safety	Kerinne Harvey	Research Officer	New Zealand	Facilitate the development of an innovative collaborative funding model to aid sustainable biological control funding in NSW	20/08/2016	27/08/2016
NSW DPI Agriculture	Paul Greenwood	Research Officer	Japan	To attend the 17th Asian Australasian Animal Production Societies (AAAP) Animal Science Congress in Fukuoka, Japan as an invited Satellite Symposium speaker and to meet with international livestock scientists	20/08/2016	28/08/2016
Lands & Natural Resources	Christine Stone	Leader Forests Research	Indonesia	Travelling with two colleagues, scientists from University of Tasmania, to visit three large pulp and paper companies in Indonesia that manage large Eucalypt and Acacia plantation estates	21/08/2016	1/09/2016
NSW DPI Agriculture	Annette Cowie	Tech Special Climate Policy	South Korea	To attend the meetings of ISO Technical Committee on Environmental Management to progress the development of international standards	24/08/2016	4/09/2016
NSW DPI Biosecurity & Food Safety	Olivia Reynolds	Research Scientist	New Zealand	This quarterly SITPlus meeting and Fruit Fly workshop will continue to foster national and international linkages and interdisciplinary projects	12/09/2016	15/09/2016
NSW DPI Biosecurity & Food Safety	Leigh Pilkington	Manager Plant Biosecurity Research	New Zealand	To attend the SITplus Steering Committee and SITplus Technical Committee meetings, respectively	13/09/2016	15/09/2016

Office	Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
NSW DPI Agriculture	Gavin Tinning	Project Officer ACIAR	Indonesia	Fourth scheduled visit to Aceh for the ACIAR project 'Improving soil and water management and crop productivity of dryland agriculture systems of Aceh and NSW'	14/09/2016	24/09/2016
NSW DPI Agriculture	Malem McLeod	Research Officer	Indonesia	Fourth scheduled visit to Aceh for the ACIAR project 'Improving soil and water management and crop productivity of dryland agriculture systems of Aceh and NSW'	14/09/2016	24/09/2016
NSW DPI Agriculture	Robert Mensah	Cotton Entomologist	Orlando, Florida USA	To attend and present a paper on IPM in cotton cropping systems: 'Development and exploitation of a new semiochemical product for cotton IPM on transgenic cotton in Australia' at the International Congress of Entomology Conference	14/09/2016	3/10/2016
NSW DPI Agriculture	Graeme Sanderson	Research Horticulturist	Brazil	To attend the 13th International Citrus Congress 2016, in Foz do Iguacu, Brazil, and present a paper on 'New citrus variety evaluation in Australia'	16/09/2016	26/09/2016
NSW DPI Biosecurity & Food Safety	Nerida Donovan	Plant Pathologist	Brazil	To attend and present two papers at the 13th International Citrus Congress 2016, in Foz do Iguacu, Brazil	16/09/2016	26/09/2016
NSW DPI Agriculture	Tahir Khurshid	Research Horticulturist	Brazil	To attend and present at the 13th International citrus Congress in Brazil where progress and results of the Horticulture Innovation Australia (HIA) project 'Commercialisation of Rootstocks'	16/09/2016	26/09/2016
NSW DPI Agriculture	Aaron Simmons	Tech Specialist. Ag Life Cyc Assessment	France & Sweden	To present at the SETAC Europe LCA Case study symposium and to visit research collaborator Associate Professor Miguel Brandao at KTH Royal Institute of Technology Stockholm	16/09/2016	4/10/2016
Industry, Investment & Export Support	Corrie Germin	Key Account Manager - Coal	China and Japan	To promote opportunities for resource investment in NSW	20/09/2016	1/10/2016
Geological Survey of NSW	Kevin Ruming	Director Strategic Resource Assessment &	China and Japan	To promote opportunities for resource investment in NSW	20/09/2016	1/10/2016
NSW DPI Biosecurity & Food Safety	Olivia Reynolds	Research Scientist	USA	To travel to the USA on a study tour as a result of being awarded a Research Centre Fellowship from the Graham Centre for Agricultural Innovation	22/09/2016	14/10/2016

Office	Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
NSW DPI Water	Anna Bailey	Director Water Science	France	Workshop on Quantitate groundwater management: Comparing policies and operational management approaches in France and Australia	22/09/2016	25/10/2016
NSW DPI Biosecurity & Food Safety	Mark Stevens	Principal Research Scientist	USA	To attend International Congress of Entomology, Orlando, co-chairing the symposium 'Global Challenges in Rice Pest Management' and deliver an invited paper 'Influence of water conservation practices on pest management in Australian rice'	23/09/2016	3/10/2016
NSW DPI Fisheries	Brett Pflugrath	Fisheries Technician	Germany	To test state-of-the-art sensors to measure the hydraulic conditions experienced by fish as they pass a number of small-scale hydropower installations in Munich	23/09/2016	5/10/2016
NSW DPI Fisheries	Craig Boys	Research Leader, Freshwater Ecosystems	Germany	To test 'Sensor Fish' to measure the hydraulic conditions through a number of small-scale hydropower installations in Munich	23/09/2016	5/10/2016
Department of Industry	Simon Smith	Secretary, Department of Industry	USA	To attend the Executive Program in Leadership at Stanford Business School, San Francisco	25/09/2016	2/10/2016
NSW DPI Biosecurity & Food Safety	David Gopurenko	Research Scientist	USA	Invited speaker at the XXV International Congress of Entomology (ICE) symposium Ecology, Surveillance, and control of biting midges	26/09/2016	4/10/2016
NSW DPI Biosecurity & Food Safety	Leonard Tesoriero	Industry Leader	Phillipines	Scheduled project team planning meeting 'Integrated Crop Management manual and factsheet writing' workshop	1/10/2016	8/10/2016
NSW DPI Agriculture	Sandra McDougall	Leader Southern Irrigated Systems	Philippines	To attend scheduled project team planning meeting, 'Integrated Crop Management' manual and factsheet writing workshop	1/10/2016	9/10/2016
Resources Regulator	Mohamed Abdelkrimi	Senior Engineer	Germany	To attend the Encapsulation Technical Committee meeting; the Spark Test Aparatus meeting; the TC31 sub-committee meeting and the Intrinsic Safety meeting	2/10/2016	13/10/2016
NSW DPI Biosecurity & Food Safety	Karen Kirkby	Plant Pathologist Cotton	Slovenia	To attend and present abstract submission titled: 'Update on the defoliating strain of Verticillium dahliae in Australian cotton' at the 12th International Verticillium Symposium	3/10/2016	13/10/2016
NSW DPI Biosecurity & Food Safety	William Cuddy	Plant Pathologist Rust Diseases	New Zealand	To satisfy project milestone 5 and deliver contracted outputs of project 'Reforming an integrated Australasian cereal rust surveillance system'	5/10/2016	7/10/2016

Office	Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
NSW DPI Biosecurity & Food Safety	Kerinne Harvey	Research Officer	South Africa	To comply with sub contractual requirements with CSIRO Australia: 'To undertake Phase 2 of the project on the biological control of fireweed' funded by Department of Agriculture and Water Resources	6/10/2016	26/10/2016
NSW DPI Agriculture	Matthew Weinert	NSW Banana Industry Development Officer	France & PNG	To deliver a poster presentation at the ISHS-Promusa Symposium, 'Agro ecological approaches to promote innovative banana production systems'	7/10/2016	18/10/2016
Food Authority	Anthony Zammit	Manager Shellfish Program	Vietnam	This trip will serve as a project visit to work with Regional Institute for Aquaculture staff on the project to discuss planning for the 2016 oyster breeding season	8/10/2016	15/10/2016
NSW DPI Fisheries	Michael Dove	Research Scientist	Vietnam	NSW DPI has secured further ACIAR funding to continue to enhance mollusc production in northern Vietnam and New South Wales	8/10/2016	15/10/2016
NSW DPI Agriculture	Philippa Brock	Leader Climate Mitigation	Dublin, Ireland & England	Participate in the 10th International conference on Life Cycle Assessment of Food 2016 and meet with key LCA experts on LCA methodological developments and livestock systems	12/10/2016	23/10/2016
NSW DPI Biosecurity & Food Safety	Donna Seberry	Technical Officer	New Zealand	Invitation to attend the Olives New Zealand annual conference as the panel leader for Laboratory Services, Oil Testing Services	14/10/2016	17/10/2016
Food Authority	David Haslett	CIE Systems Coordinator	New Zealand	To attend the ANZOG course - Managing Regulation, Enforcement and Compliance	16/10/2016	28/10/2016
NSW DPI Agriculture	Michael Sissons	Cereal Chemist	USA	To attend and present a paper at the American Association of Cereal Chemists International annual meeting, and to attend three technical meetings and participate in a symposium, 'Publishing Cereal Science'	17/10/2016	29/10/2016
NSW DPI Agriculture	Lukas Van Zwieten	Research Officer	South Korea	Meet obligations as outlined in the funding application to present data in a scientific forum, a DAFF co-funded 'Action on the Ground Project' focusing on the development of slow release Nitrogen fertilisers	18/10/2016	23/10/2016
NSW DPI Agriculture	Jennifer Wood	Pulse Chemist	USA and Canada	To attend the American Association for Clinical Chemistry International (AACCI) Meeting in the International Year of the Pulse and contribute to collaborative methodology research coordination during the AACCI Pulse and Legume Technical Committee meeting	20/10/2016	5/11/2016

Office	Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
NSW DPI Agriculture	Prakash Oli	Technical Officer	USA	Attend and present two posters at the American Association of Cereal Chemists International (AACCI) annual meeting and to attend the Rice working group	21/10/2016	29/10/2016
Resources Regulator	Lee Shearer	Chief Compliance Officer	New Zealand	To meet with key staff from WorkSafe NZ and others involved in the Pike River Mine catastrophe to review regulatory and operational reforms arising from the incident and the subsequent Royal Commission	22/10/2016	29/10/2016
NSW DPI Agriculture	Ashley Webb	Leader Soils North	Hong Kong and China	To present four oral research papers (three as first author), including outcomes of a current ACARP co-funded project, at the International Union of Forest Research Organisations (IUFRO) regional congress in China, and to continue to collaborate with colleagues from the Chinese Academy of Sciences and the State Forestry Administration of China	22/10/2016	31/10/2016
Resources Regulator	David Walker	Senior Engineer	New Zealand	To conduct an IECEx audit as requested by client in Palmerston North, New Zealand	25/10/2016	28/10/2016
NSW DPI Agriculture	Graeme Sanderson	Research Horticulturist	Bhutan	This is the eighth scheduled, contracted trip to Bhutan for ACIAR project 'Adapting integrated crop management technologies to commercial citrus enterprises in Bhutan and Australia'	26/10/2016	9/11/2016
NSW DPI Biosecurity & Food Safety	Nerida Donovan	Plant Pathologist	Bhutan	This is the eighth scheduled, contracted trip to Bhutan for ACIAR project 'Adapting integrated crop management technologies to commercial citrus enterprises in Bhutan and Australia'	26/10/2016	9/11/2016
NSW DPI Biosecurity & Food Safety	Leonard Tesoriero	Industry Leader	Vietnam	Scheduled project team activity to review trials and plan future activities.	28/10/2016	5/11/2016
NSW DPI Biosecurity & Food Safety	Andrew McConnachie	Research Officer, Invasive Plants & Animals	South Africa	To fulfil contractual agreements: To conduct field work on the invasive plants, Bryophyllum delagoense (mother-of-millions) and Sporobolus pyramidalis (giant rats tail grass) in their native ranges	31/10/2016	22/11/2016
Industry, Investment & Export Support	Siddarth Rallapalli	Key Account Manager - Minerals	India	To promote opportunities for resources and energy investment in NSW resource and energy businesses	5/11/2016	20/11/2016
Industry, Investment & Export Support	Clare Sykes	Senior Project Manager - METS	India	To promote opportunities for resources and energy investment in NSW resource and energy businesses	8/11/2016	20/11/2016

Office	Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
NSW DPI Fisheries	Craig Boys	Research Leader, Freshwater Ecosystems	Laos PDR	To present at an international fish passage workshop to be held in Vientiane Laos, aimed at informing regional fisheries agencies and world donors of what the NSW and Australian Governments have achieved. This trip is a contracted activity	12/11/2016	18/11/2016
Infrastructure & Land Management	Christine Stone	Leader Forests Research	Chile	To attend and present at Forest SAT2016, an international scientific conference which is a lead meeting for researchers working on the application of remote sensing technologies for forest management	12/11/2016	19/11/2016
Geological Survey of NSW	Richard Fowler	Program Director Coal Innovation Fund	Switzerland	To represent the Department and Coal Innovation NSW at the 13th International Conference on Greenhouse Gas Control Technologies	12/11/2016	20/11/2016
NSW DPI Agriculture	Jeremy Bright	Development Officer Macadamias	Cambodia	This project visit is a contract requirement for ACIAR Cambodia Mango Project	15/11/2016	26/11/2016
NSW DPI Agriculture	Mark Hickey	Leader Northern Horticulture	Cambodia	This project visit is a contract requirement for ACIAR Cambodia Mango Project	15/11/2016	29/11/2016
NSW DPI Biosecurity & Food Safety	Olivia Reynolds	Research Scientist	China	To present at the international conference/workshop 'Agricultural Landscapes and Ecosystem Delivery' and to postgraduate students on 'Area Wide Management and Ecosystem Services'. A meeting with her Masters student to discuss his progress on 'Floral nectar preferences of fruit fly parasitoids of Bactrocera sp'	20/11/2016	26/11/2016
NSW DPI Agriculture	Suzy Rogiers	Research Physiologist	China	To build collaboration with the College of Environment and Resources at the Dalian Minzu University and to explore opportunity for exchanging students and visiting scientists	20/11/2016	27/11/2016
NSW DPI Water	Kandiah Mahadeva	Developer Charges Coordinator	New Zealand	Presenting a technical paper at Water Infrastructure and the Environment Conference, on the hydro-economic optimisation modelling carried out for Sydney's Metropolitan Water Planning	27/11/2016	3/12/2016
NSW DPI Biosecurity & Food Safety	Tarnya Cox	Research Officer Rabbits	New Zealand	To consolidate Australia-New Zealand partnerships on rabbit biocontrol	27/11/2016	3/12/2016
NSW DPI Water	Michael Sugiyanto	Hydrologist	Thailand	To present to the Water Security and Climate Change Conference in Bangkok	27/11/2016	5/12/2016

Office	Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
NSW DPI Water	Shahadat Chowdhury	Senior Hydrologist (Water for Rivers)	Thailand	To present to the Water Security and Climate Change Conference in Bangkok	27/11/2016	5/12/2016
NSW DPI Agriculture	Robert Hoogers	Irrigation Dev. Officer Sthn Broadacre	Cambodia and Laos	To participate in the first team meeting for the Cambodian/Lao component of the 'Improving productivity of the Cambodian & Lao PDR vegetable industries' project	28/11/2016	9/12/2016
NSW DPI Biosecurity & Food Safety	Peter Kirkland	Team Leader & Virology Research Coord	USA	To attend meetings with US oyster growers to plan research to be undertaken at EMAI for selection of herpes virus resistant oysters	4/12/2016	9/12/2016
NSW DPI Agriculture	Sukhvinder Pal Singh	Research Horticulturist	USA	Present a scientific paper at the Restore America's Estuaries scientific meeting on Estuarine Habitat Restoration and attend various workshops relevant to this project	4/12/2016	11/12/2016
NSW DPI Fisheries	Matthew Taylor	Senior Research Scientist	USA	To participate in the 'Strategic Management of Regulatory and Enforcement Agencies' program conducted by the Harvard Kennedy School	9/12/2016	20/12/2016
NSW DPI Agriculture	Andrew Creek	Development Officer Citrus	China	To further develop the export of Australian citrus to China. The program underpins the economic viability of NSW fresh market citrus	9/12/2016	22/12/2016
NSW DPI Agriculture	Steven Falivene	Development Officer Citrus	China	To further develop the export of Australian citrus to China. The program underpins the economic viability of NSW fresh market citrus.	10/12/2016	22/12/2016
Industry Development	Duncan Challen	Executive Director Industry Development	Singapore, France, Netherlands	To assess the viability of delivering a world-class aerospace precinct in Western Sydney	15/01/2017	22/01/2017
Industry Development	Matthew Williams	Director Strategic Project Delivery	Singapore, France, Netherlands	To assess the viability of delivering a world-class aerospace precinct in Western Sydney	15/01/2017	27/01/2017
NSW DPI Agriculture	Susan Orgill	Research Officer	Vietnam	To enhance the diversification opportunities to farmers likely to be affected by environmental change in NSW and Vietnam	1/02/2017	13/02/2017

Office	Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
NSW DPI Biosecurity & Food Safety	Jeffrey Hammond	Director of Science & Research	France	To attend and serve the Scientific Commission for Animal Diseases (SCAD) meeting of the World Assembly of the Organisation for Animal Health (OIE) as Vice President of the SCAD Commission and the Australian and Regional delegate	12/02/2017	21/02/2017
NSW DPI Agriculture	Malem McLeod	Research Officer	Indonesia	This travel is the fifth contracted project travel to Aceh for the ACIAR project titled 'Improving soil and water management and crop productivity of dryland agriculture systems of Aceh and NSW'	20/02/2017	7/03/2017
NSW DPI Agriculture	Sandra McDougall	Leader Southern Irrigated Systems	Philippines	To participate in the external review for the ACIAR project 'Integrated Crop Management (ICM) to enhance vegetable profitability and food security in the Southern Philippines and Australia'	1/03/2017	12/03/2017
Industry, Investment & Export Support	Anthony Yarrow	Senior Project Manager - Coal	Canada	The purpose of attendance is to promote opportunities for resource investment in NSW	2/03/2017	11/03/2017
Geological Survey of NSW	Philip Gilmore	Manager, Regional Mapping	Canada	The purpose of attendance is to promote opportunities for resource investment in NSW	2/03/2017	11/03/2017
Resources Regulator	Lee Shearer	Chief Compliance Officer	USA	To participate in the 'Strategic Management of Regulatory and Enforcement Agencies' (SMREA) program conducted by the Harvard Kennedy School	3/03/2017	10/04/2017
NSW DPI Biosecurity & Food Safety	Angus Carnegie	Principal Research Scientist	New Zealand	To attend and present at the NZ Forest Owners Association / Ministry for Primary Industries Forest Biosecurity Workshop	5/03/2017	9/03/2017
NSW DPI Agriculture	Myles Parker	Leader Southern Horticulture Systems	Papua New Guinea	This travel follows a scoping study completed in 2016 to develop a joint ACIAR funded research project between PNG and Australia for optimising production of coffee on small scale farms in the highlands of PNG	5/03/2017	11/03/2017
NSW DPI Agriculture	Bruno Holzapfel	Research Physiologist	Papua New Guinea	This travel follows a scoping study completed in 2016 to develop a joint ACIAR funded research project between PNG and Australia for optimising production of coffee on small scale farms in the highlands of PNG	6/03/2017	10/03/2017

Office	Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
NSW DPI Biosecurity & Food Safety	Ainsley Seago	Technical Manager Insect Collection	Thailand	To improve Australia's plant biosecurity by documenting, photographing and formalizing a catalogue of Australian bark and ambrosia beetles (Curculionidae: Scolytinae)	6/03/2017	20/03/2017
NSW DPI Agriculture	Annette Cowie	Tech Special Climate Policy	Vietnam	To participate in the mid-term workshop of the Biochar for Sustainable Soils Project in Vietnam in the capacity as Chair of the committee	7/03/2017	12/03/2017
Industry Development	Suzanne Gillham	Senior Manager Migration Services	China	To conduct the NSW business and investor migration roadshow to China, Malaysia, Vietnam and Hong Kong	9/03/2017	18/03/2017
NSW DPI Biosecurity & Food Safety	Olivia Reynolds	Research Scientist	China	To attend the project kick-off meeting of the 'Innovation Centre of Ecologically Based Pest Management of Subtropical Crops'	11/03/2017	17/03/2017
NSW DPI Agriculture	Aaron Simmons	Tech Specialist Ag Life Cyc Assessment	Italy	To join a Technical Advisory Group that will provide advice to the United Nations Food and Agricultural Organisation on soil organic carbon dynamics in grazing systems	11/03/2017	23/03/2017
NSW DPI Biosecurity & Food Safety	Nerida Donovan	Plant Pathologist	United States of America	To attend the International Research Conference on Huanglongbing to be held in Florida	12/03/2017	19/03/2017
NSW DPI Agriculture	Natalie Moore	Soybean Agronomist	Spain	To attend and present research results at the 2nd Agriculture and Climate Change Conference followed by a meeting with University of Minnesota researchers	24/03/2017	1/04/2017
NSW DPI Agriculture	Warwick Badgery	Leader - Rangelands & Tropical Pastures	China	To participate in a workshop on the outcomes of a joint NSW DPI, CSU and ACIAR project examining sustainable livestock grazing systems on Chinese temperate grasslands	30/03/2017	7/04/2017
Lands & Natural Resources	Scott Mullen	Senior PM Commercial/Proje cts	New Zealand	To attend the Crown Property Forum being hosted by Land Information New Zealand, in Wellington	1/04/2017	8/04/2017
NSW DPI Fisheries	Wayne O'Connor	Research Leader - Aquaculture Research	Vietnam	This trip will serve as a project visit with Regional Institute for Aquaculture staff on project	1/04/2017	8/04/2017
NSW DPI Biosecurity & Food Safety	Dave Forsyth	Research Officer	New Zealand	To fulfil a consultancy agreement to collaborate with scientists from the Victorian Department of Environment, Land, Water and Planning	2/04/2017	9/04/2017
Lands & Natural Resources	Dennis Buttigieg	Director Crown Property Services	New Zealand	To attend the Crown Property Forum being hosted by Land Information New Zealand, in Wellington	4/04/2017	7/04/2017

Office	Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
NSW DPI Agriculture	Jeremy Bright	Development Officer Macadamias	Cambodia	This project is part of an ACIAR Cambodia Mango Project, and will include completion of training Cambodian colleagues; simulation of trial shipment of mangoes for export; complete drafts of key project publications; assist NT DPI colleagues and Cambodian organisations to develop a Phase 2 proposal for the next ACIAR Mango Project which will be led by the NT DPI.	4/04/2017	12/04/2017
NSW DPI Strategy and Policy	Jenianne Hall	Director Program Innovation	Singapore	Invitation to attend Cisco's Corporate Strategic Innovation Group Co-Innovation training workshop in Singapore	17/04/2017	22/04/2017
NSW DPI Strategy and Policy	Rachel Connell	DDG Strategy & Policy	Singapore	Invitation to attend Cisco's Corporate Strategic Innovation Group Co-Innovation training workshop in Singapore	17/04/2017	22/04/2017
NSW DPI Agriculture	John Piltz	Research Officer	China (Tibet)	To initiate project activities in Tibet as outlined in the approved project 'Developing profitable dairy and sheep meat production systems in Central Tibet'	17/04/2017	5/05/2017
NSW DPI Agriculture	Mark Hickey	Leader Northern Horticulture	Cambodia	This project is part of an ACIAR Cambodia Mango Project, and will include completion of training Cambodian colleagues; simulation of trial shipment of mangoes for export; complete drafts of key project publications; assist NT DPI colleagues and Cambodian organisations to develop a Phase 2 proposal for the next ACIAR Mango Project which will be led by the NT DPI.	20/04/2017	3/05/2017
NSW DPI Biosecurity & Food Safety	Andrew McConnachie	Research Officer, Invasive Plants & Animals	Switzerland	To fulfil of contractual agreements: 'to conduct field work on <i>Leucanthemum vulgare</i> (ox-eye daisy) in its native range' and to collect and introduce the Ox-eye Daisy Root Feeding Moth into quarantine at Orange Agricultural Institute	28/04/2017	8/05/2017
Industry Development	Dominica Nelson	Director Business Migration	Malaysia	To conduct the NSW business and investor migration roadshow to China, Malaysia, Vietnam and Hong Kong	1/05/2017	6/05/2017
Industry Development	Suzanne Gillham	Senior Manager Migration Services	Malaysia	To conduct the NSW business and investor migration roadshow to China, Malaysia, Vietnam and Hong Kong	1/05/2017	6/05/2017
Liquor & Gaming NSW	Darren Duke	Manager Compliance	New Zealand	To attend the Australasian Drug and Alcohol Conference in Wellington, New Zealand	2/05/2017	5/05/2017

Office	Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
Liquor & Gaming NSW	Peter Cox	Director Policy & Legislation	New Zealand	To attend the Australasian Drug and Alcohol Conference in Wellington, New Zealand	2/05/2017	5/05/2017
NSW DPI Agriculture	Gururaj Kadkol	Durum Breeder	Morocco	To visit ICARDA durum breeding program to fulfil milestone requirements for the durum component of the GRDC CAIGE project and to enhance research links and select durum material for use in our DBA breeding program	6/05/2017	16/05/2017
Food Authority	Phillip Baker	Senior Shellfish Operations Officer	Ireland	To attend and represent NSW & Australia at the 11th International of Molluscan Shellfish Safety	12/05/2017	23/05/2017
NSW DPI Biosecurity & Food Safety	Toni Chapman	Research Scientist	USA	To attend and participate as an instructor for a week-long course in Plant Biosecurity in Theory and Practice	13/05/2017	23/05/2017
NSW DPI Fisheries	David Harasti	Research Scientist	United States of America	To attend the 2017 SyngBIO Conference which is the third meeting of researchers around the globe working to understand the unique biology of Syngnathid fishes	13/05/2017	27/05/2017
NSW DPI Biosecurity & Food Safety	Olivia Reynolds	Research Scientist	United Kingdom and Austria	To participate in the Fourth (and final) Coordinated Research Project, Research Coordination Meeting in Vienna	13/05/2017	2/06/2017
Liquor & Gaming NSW	Natasha Mann	Executive Director Regulatory Policy	New Zealand	To attend the Australasian Casino and Gaming Regulators' Conference in Auckland - 17-19 May 2017	16/05/2017	19/05/2017
Liquor & Gaming NSW	Sean Goodchild	Director Compliance Operations	New Zealand	To attend the Australasian Casino and Gaming Regulators' Conference in Auckland - 17-19 May 2017	16/05/2017	19/05/2017
Liquor & Gaming NSW	Susan Bray	Executive Director Regulatory Operations	New Zealand	To attend the Australasian Casino and Gaming Regulators' Conference in Auckland - 17-19 May 2017	16/05/2017	19/05/2017
Liquor & Gaming NSW	Paul Newson	Deputy Secretary Liquor Gaming & Racing	New Zealand	To attend the Australasian Casino and Gaming Regulators' Conference in Auckland - 17-19 May 2017	16/05/2017	21/05/2017
NSW DPI Biosecurity & Food Safety	David Jordan	Principal Research Scientist	France	To attend the 85th General Session of the World Animal Health Organisation (OIE) in Paris as an official member of the Australian delegation and to provide the Australian delegation, the Australian Chief Veterinary Officer and the General Session of the OIE with scientific advice on the issue of antimicrobial resistance	18/05/2017	27/05/2017

Office	Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
Industry, Investment & Export Support	Charlie Dowsett	Exec Director Industry Investment & Expo	Vietnam	The Energy Mission to Vietnam will promote NSW's expertise and capacity in supplying coal, developing and operating bulk commodity ports, pit-to-port logistics model, and renewable and clean energy	21/05/2017	26/05/2017
NSW DPI Fisheries	Brett Pflugrath	Fisheries Technician	Laos	To attend Lao PDR as a project participant of an ACIAR funded downstream fish passage project, and coordinate experimental design meetings with Laos partners and to assist establishing shear experiments	21/05/2017	31/05/2017
NSW DPI Agriculture	John Golding	Research Horticulturist	China	To conduct the NSW business and investor migration roadshow to China, Malaysia, Vietnam and Hong Kong	24/05/2017	28/05/2017
NSW DPI Biosecurity & Food Safety	Brendon O'Rourke	Team Leader Laboratory Services	Japan	To engage in technical discussions about pre-export testing capabilities to facilitate live animal export between Australia and Japan. Meeting with Japanese delegates from the laboratory and government agency.	24/05/2017	31/05/2017
Liquor & Gaming NSW	Paul Newson	Deputy Secretary Liquor Gaming & Racing	United Kingdom	To attend International Association of Gaming Regulators Board meeting and to satisfy Trustee obligations to attend two of the six annual Board Meetings	24/05/2017	3/06/2017
NSW DPI Fisheries	Geoffrey Liggins	Manager - Scientific Services	USA	To attend the 11th International Conference and Workshop on Lobster Biology and Management and present recent research findings concerning the recruitment dynamics of the Eastern Rock Lobster	2/06/2017	14/06/2017
NSW DPI Agriculture	Annette Cowie	Technical Specialist Climate Policy	Sweden & Canada	To attend meetings as the Chair of the Standards Australia committee EV-015 and nominated representative of Australia on the International Standards Organisation (ISO) working group on Carbon Footprint	5/06/2017	19/06/2017
NSW DPI Biosecurity & Food Safety	Angus Carnegie	Principal Research Scientist	New Zealand	To participate in the New Zealand Ministry for Primary Industries Myrtle Rust Technical Advisor Panel meeting on 8 June	7/06/2017	9/06/2017
Industry Development	Dominica Nelson	Director Business Migration	Vietnam & Hong Kong	To conduct the NSW business and investor migration roadshow to China, Malaysia, Vietnam and Hong Kong	8/06/2017	17/06/2017
Industry Development	Suzanne Gillham	Senior Manager Migration Services	Vietnam & Hong Kong	To conduct the NSW business and investor migration roadshow to China, Malaysia, Vietnam and Hong Kong	8/06/2017	17/06/2017

Office	Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
NSW DPI Agriculture	Susan Orgill	Research Officer	Vietnam	The purpose of this project is to enhance the crop diversification opportunities to farmers likely to be affected by salinity in NSW and Vietnam	10/06/2017	17/06/2017
Lands & Natural Resources	Alison Stone	DDG Land & Natural Resources	Canada & USA	To attend the 57th Annual Canadian Land Directors Association Conference being hosted by the Ministry of Forests, Lands and Natural Resources Operations	10/06/2017	19/06/2017
Overseas Trade	Cecelia Fu	Agribusiness Business Development Manager (DPI)	Australia (ex China)	To attend the NSW Trade & Investment's annual program in NSW for direct client engagement	16/06/2017	24/06/2017
Overseas Trade	David Carlow	Trade & Investment Commissioner	Australia (ex Japan)	To attend the NSW Trade & Investment's annual program in NSW for direct client engagement	16/06/2017	24/06/2017
Overseas Trade	Diana Coatney	Director, Business Development	Australia (ex USA)	To attend the NSW Trade & Investment's annual program in NSW for direct client engagement	16/06/2017	24/06/2017
Overseas Trade	Joe Kaesshaefer	Trade & Investment Commissioner	Australia (ex USA)	To attend the NSW Trade & Investment's annual program in NSW for direct client engagement	16/06/2017	24/06/2017
Overseas Trade	Moin Anwar	Trade & Investment Commissioner	Australia (ex Middle East)	To attend the NSW Trade & Investment's annual program in NSW for direct client engagement	16/06/2017	24/06/2017
Overseas Trade	Rohit Manchanda	Trade & Investment Commissioner	Australia (ex India)	To attend the NSW Trade & Investment's annual program in NSW for direct client engagement	16/06/2017	24/06/2017
Overseas Trade	Tony Zhang	Trade & Investment Commissioner	Australia (ex China)	To attend the NSW Trade & Investment's annual program in NSW for direct client engagement	16/06/2017	24/06/2017
NSW DPI Fisheries	Matthew Gordos	Senior Fisheries Manager Fish Passage	United States of America	To attend the International Conference on Engineering and Ecohydrology for Fish Passage 2017 Conference as a member of the conference organising committee and to present an oral presentation	16/06/2017	26/06/2017
NSW DPI Biosecurity & Food Safety	Janine Percy	Senior Project Officer Industry Dev	China	To attend e-commerce training to increase e-commerce trade opportunities within NSW agribusiness and develop international engagement capability	17/06/2017	25/06/2017

Office	Name of officer	Position	Country visited	Purpose of visit	Date from	Date to
NSW DPI Biosecurity & Food Safety	Josh Gordon	Snr Project Officer Industry Development	China	To attend e-commerce training to increase e-commerce trade opportunities within NSW agribusiness and develop international engagement capability	17/06/2017	25/06/2017
NSW DPI Agriculture	Bruno Holzapfel	Research Physiologist	Italy / Germany	To participate and present at two Symposia organised by the International Society of Horticulture Science (ISHS) and visit two important universities in Europe	17/06/2017	4/07/2017
NSW DPI Fisheries	Graeme Bowley	Policy Officer Aquaculture	South Africa	To attend World Aquaculture 2017, the premier aquaculture conference, tradeshow and networking event in this field	25/06/2017	2/07/2017
NSW DPI Agriculture	Steph Fowler	Research Officer	New Zealand	To present two papers to the New Zealand Society of Animal Production conference in Rotarua	25/06/2017	2/07/2017
Infrastructure & Land Management	Dave Hopper	Environmental Officer	Germany	To represent the Australian section of PIANC as a Young Professional in the International PIANC Working Group EnviCom 195 - An Introduction to Applying Ecosystems Services (ES) for Waterbourne Transport Infrastructure	25/06/2017	10/07/2017
NSW DPI Agriculture	Michael Bullen	Deputy Director General	South Korea	To attend Asia's largest Demonstration and Pitch day on the 'Internet of Things'; and to establish relationships with potential Research and Development partners and investors	26/06/2017	30/06/2017
NSW DPI Water	Andrew Brooks	Senior Ecohydrologist	Czech Republic	To attend and present at the conference - Symposium for European Freshwater Sciences	30/06/2017	7/07/2017
NSW DPI Agriculture	David Hopkins	Research Officer	China	To present an invited paper at the International Workshop of Meat Quality and Processing Technology; to lecture at the Shandong Agricultural University; to present to the staff and students of the Food Science and Technology, Chinese Academy of Agricultural Sciences; and to discuss the potential for collaborative research on sheep meat with this organisation	30/06/2017	9/07/2017

Appendix 12—Requirements arising from employment arrangements

NSW Department of Industry provided personnel services to the NSW Food Authority, NSW Rural Assistance Authority and Wild Dog Destruction Board in 2016–17.

Table A12–1. Employment arrangements

Agency	Staff numbers (EFT) at 30 June 2016
NSW Food Authority	100.07
NSW Rural Assistance Authority	24.60
Wild Dog Destruction Board	12.00

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

Appendix 13—Credit card use

Credit card use in NSW Department of Industry has been in accordance with the Premier’s Memoranda and Treasurer’s Directions.



Simon A Y Smith
Secretary
 NSW Department of Industry

Appendix 14—Consultants

Table A14–1. Consultants 2016–17—engagements costing \$50,000 or more

Consultant	Cost (\$)	Title/Nature
ACCWSSUTS Pty Limited	50,000	Techshop Facility—market assessment study
Department of Finance, Services and Innovation	50,603	Survey of Crown Land for Determination of Aboriginal Land Claims
Michael Bailey Associates P/L	51,504	CRM Architecture Review
Cardno (NSW/Act) P/L	52,701	Coastal Processes and Ecology Assessment
Aquatic Science and Management	52,842	Surface and Groundwater Testing for Project Site Validations
Nous Group P/L	52,856	Future Research Strategy Review
Nexia Australia Advisory P/L	53,200	Financial Reporting and Taxation Advisory Services
Abalone Council of NSW Ltd	53,700	Stock/Performance Measurement of the Abalone Industry
Australian Institute of Management Education & Training	53,741	Customer Engagement Training Program Development
Pricewaterhousecoopers Consulting (Australia) P/L	53,770	Industry Fees and Levies Review

Consultant	Cost (\$)	Title/Nature
Vanguard Business Services	53,865	Strategic Review of Skills Training Development
Department of Finance, Services and Innovation	53,900	Asset Audit of Greyhound Tracks on Crown Land
Elton Consulting Group P/L	57,300	Strategic Communication for Biodiversity Reforms
Bay Consulting Group P/L	57,677	Executive Leadership and Training Program
AAM P/L	59,700	Spatial Data Portal Requirements Review
DXC Technology Australia P/L	59,998	ICT Service Catalogue Review
Independent Pricing & Regulatory Tribunal	60,000	Review of Solar Bonus Scheme Offers
Pricewaterhousecoopers Consulting (Australia) P/L	61,200	Risk Management Framework Review
Cardno (NSW/Act) P/L	62,226	Port Macquarie Wharf
Indufor Asia Pacific (Australia) P/L	62,804	Discussion Paper for Opportunities and Barriers to New Plantation Investments in NSW
Doll Martin Associates P/L	63,500	Business Unit Process Mapping and Review

Consultant	Cost (\$)	Title/Nature
DXC Eclipse P/L	64,000	Update to Biosecurity CRM to Reflect Changes in Biosecurity Legislation Changes
Property Beyond	64,250	Hunter Region Accommodation Strategy
Haskoning Australia P/L	64,270	Tuncurry Wharf
Lesryk Environmental P/L	66,923	Derelict Mines Intervention and Assessments
Procure Group P/L	67,225	Procurement Reviews of Crown Land Trusts
SLR Consulting Australia P/L	67,381	Derelict Mines Intervention and Assessments
Deloitte Access Economics P/L	68,040	Medtech Stakeholder Strategy
Aalto P/L T/A Aalto Consulting	68,182	Feasibility Assessment
John Mark Dangerfield T/A Alloporus Environmental	68,606	NSW Biodiversity Legislation Review
The Risorsa Group P/L	70,849	Development of Business Case for Yarrowonga to Wakool Pipeline
Australian Rural Leadership Foundation Ltd	71,000	Leadership Training

Consultant	Cost (\$)	Title/Nature
The Risk Board P/L	74,250	Risk Reporting Services
Apollo Communications P/L	75,359	Communications for Forestry Strategy Policy
Intopia P/L	75,600	Development of Skills Portal
University of Technology Sydney	77,000	Development of Software to Assist In Measuring Real Time 3D Analysis of P8 Fat and Muscle Score In Angus Cattle
Amazon Web Services Australia P/L	77,125	ICT Consulting and Storage
Nation Partners P/L	78,778	Contaminated Land Management Strategy for Crown Land
Ramboll Environ Australia	80,150	Lord Howe Island Human Health Risk Assessment
Australian Institute of Management	80,635	Staff Training Services
Deloitte Touche Tohmatsu	85,160	Sydney Accommodation Strategy
Deloitte Access Economics P/L	87,128	Industry Capability Network Review
Jenjo Consulting Services P/L	87,200	Spatial Interface Enquiry and Notation Application (Siena) Development
Hazmat Services P/L	87,598	Ohs Consulting Services for Project Site Validations

Consultant	Cost (\$)	Title/Nature
Russell Corporate Advisory	87,896	Financial Reporting and Budgeting Review for Liquor and Gaming NSW
O'Kane Consultants P/L	88,138	Derelict Mines Intervention and Assessments
Pollenizer P/L	90,000	Investment Incubation Program
Deloitte Touche Tohmatsu	95,629	ICT System Consultancy
Arcblue Consulting P/L	96,390	Development of Core ICT Systems EOI Documentation
A.D.W. Johnson P/L	97,150	Survey of Crown Land for Determination of Aboriginal Land Claims
Essential Utilities Information Technology Corporation P/L	97,966	Network Infrastructure Review
Alluvium Consulting Australia P/L	98,010	Water Sharing Plan Evaluation
ER & Associates	99,144	Development of Water Resource Accounting Solution
Ernst & Young	99,800	Economic Analysis of Metropolitan Water Strategy
Deloitte Touche Tohmatsu	101,000	Review & Testing of Crown Land Valuation Methodology
GHD P/L	101,740	North Coast Dredging Program Advice

Consultant	Cost (\$)	Title/Nature
KPMG	101,800	NSW Defence Industry Strategy
Haskoning Australia P/L	102,968	Pelican Marina Foreshore Design Advice
Woods Bagot P/L	105,670	Sydney Start-Up Hub for Jobs for NSW
Ernst & Young	108,000	Equity Investment Platform
GHD P/L	110,978	Derelict Mines Intervention and Assessments
Ernst & Young	115,000	Grants and Financial Assistance Management Platform
TTFJPH Services Trust	119,630	NSW Defence Industry Review
Ernst & Young	120,510	Portfolio Reporting Framework for Jobs for NSW
Drake Project Services P/L	121,096	Documentation of Projects Undertaken by Soil Conservation Service
Mental Health Recovery Institute	122,450	NSW Commercial Fisheries Business Adjustment Program—Fisheries Assistance Phone Services
Technische Universitaet Muenchen	124,999	NSW Commercial Fisheries Business Adjustment Program—Share Allocation Model

Consultant	Cost (\$)	Title/Nature
The Strategy Group P/L	127,000	Policy Development Methodology and Workshop
Intopia P/L	130,000	Data Modelling of Skills Data
Bailey & Yang Consultants	133,320	Creative Industries Strategy
Ernst & Young	133,900	Risk Management Framework for Jobs for NSW
KPMG	136,260	Cyber Security Strategy
University of NSW	139,000	Hunter River Modelling Study
Alphabeta Advisors P/L	145,000	Economic Modelling on Jobs for Future Funding
Comacon P/L	145,315	Strategic Communication Services
TTF O.H.S. Australia Trust	147,412	WHS Audit Services
Nation Partners P/L	175,001	Stakeholder and Policy Review
Nous Group P/L	179,000	Corporate Structure Review of Finance, Strategy and Operations Division
Alluvium Consulting Australia Pty Limited	181,515	Strategic Review of Upper Hunter Water Management Plan

Consultant	Cost (\$)	Title/Nature
Cast Professionals	184,609	Business Improvement Reviews—Finance and Procurement
Deloitte Touche Tohmatsu	185,000	Consumption Data Insights Project
Woods Bagot P/L	195,972	MLC Property Refurbishment Review
Ernst & Young	197,854	Advice for Financial Management System Development
Independent Pricing & Regulatory Tribunal	200,000	Review of the State of Competition in the NSW Retail Electricity Market
Property NSW	206,084	Strategic Property Advice for Eden Foreshore and Mayfield, Newcastle
RJA P/L	228,528	Provision of Specialist Energy Legal Advice
TTF The Tynan Family Trust	233,468	Hunter Valley Flood Mitigation Scheme Asset Improvement Project
Department of Finance, Service and Innovation T/A NSW Public Works	242,000	Engineering Feasibility Study for Upper Hunter Priority Catchments
TTF Deloitte Consulting Trust	260,716	Equity Investment Strategy
McKinsey Pacific Rim Inc T/A McKinsey & Company	285,000	Greater Western Sydney Economic Development Strategy

Consultant	Cost (\$)	Title/Nature
The Boston Consulting Group P/L	295,000	Strategy Development—Equity Options Review
Independent Pricing & Regulatory Tribunal	310,000	Multi Peril Crop Insurance Review
Ingauge Energy P/L	312,357	Derelict Mines Intervention and Assessments
WaterNSW	325,000	Macquarie Priority Catchment Strategic Review
Deloitte Access Economics P/L	433,743	Review of Smart & Skilled Pricing Methodology
Alphabeta Advisors P/L	455,000	Strategy Development and Facilitation
Deloitte Consulting Trust	601,899	Department Culture Framework Development
Envoy Advanced Technologies P/L	701,888	IT Consultancy for CMS Licencing Program
Port Jackson Partners Ltd	718,222	Air Services and Defence Precinct Industry Review
JMW Consultants Australia Pty Limited	779,000	Leadership Development Program—DPI
Water NSW	795,000	Gwydir Valley—State Infrastructure Strategy Review
L.E.K. Consulting	1,032,278	Regional Strategic Development Planning Project

Consultant	Cost (\$)	Title/Nature
Total	16,241,599	

Table A14–2. Consultant engagements costing less than \$50,000

Category	Cost (\$)	Number of engagements
Administration	155,975	235
Economics	26,550	2
Engineering	481,814	111
Environmental	343,099	88
Information Technology	287,196	50
Investigative Services	99,768	12
Legal	128,519	6
Management Services	971,384	859
Organisational Review	52,739	5
Policy	349,751	58
Recruitment	1,666	1
Social Media Monitoring	4,348	1
Training	540,911	290
Total	3,443,720	1,718

Appendix 15—Payment of accounts

In 2016–17, 96.0% of all accounts were paid on time, compared to 91.9% for 2015–16. Based on value of payments, 96.4% of the amount due was paid on time in 2016–17 compared to 97.6% in 2015–16.

Strategies to promote the transfer of low-value payments to purchase card have resulted in an increase in the number of payments made to suppliers by purchase card of 10.7% in 2016–17 compared to the previous financial year. Approximately 192,000 supplier transactions were paid by purchase card in 2016–17. While this payment method results in immediate payment to supplier, 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 2016–17 remained consistent with the previous financial year, with 98.1% of suppliers paid on time, compared to 98.1% for 2015–16.

Penalty interest payments

There has been one interest penalty payment made during 2016–17 for \$32.

Initiatives to improve payment performance

Initiatives 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
- 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

The following pages give a schedule of the dollar amount of payments made during 2016–17 by the NSW Department of Industry. Also included is the time these documents were paid, in relation to the due date.

All suppliers

Table A15–1. Payments by quarter to all suppliers

Quarter	Within date	Less than 30 days overdue	Between 30 and 60 days overdue	Between 60 and 90 days overdue	Greater than 90 days overdue
September 2016	\$277,296,855	\$5,608,744	\$1,195,778	\$358,084	\$341,657
December 2016	\$989,878,288	\$8,417,886	\$2,712,236	\$2,514,282	\$1,197,787
March 2017	\$634,774,018	\$27,695,431	\$2,095,474	\$1,754,667	\$2,641,825
June 2017	\$788,852,039	\$5,322,167	\$17,525,805	\$20,454,432	\$327,380

Small business

Table A15–2. Payments by quarter to small business

Quarter	Within date	Less than 30 days overdue	Between 30 and 60 days overdue	Between 60 and 90 days overdue	Greater than 90 days overdue
September 2016	\$741,648	\$1,419			
December 2016	\$702,634	\$6,827			
March 2017	\$725,213	\$374	\$154,827		
June 2017	\$380,713				

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

Table A15–3. Accounts paid each quarter to all suppliers

Measure	September 2016	December 2016	March 2017	June 2017	Full year
Invoices due for payment (number)	20,875	17,486	11,887	10,693	60,941
Invoice paid on time (number)	20,344	16,803	11,186	10,192	58,525
Percentage paid on time	97.5%	96.1%	94.1%	95.3%	96.0%
Amount due for payment	\$284,801,117	\$1,004,720,480	\$668,961,416	\$832,481,823	\$2,790,964,835

Measure	September 2016	December 2016	March 2017	June 2017	Full year
Amount paid on time	\$277,296,855	\$989,878,288	\$634,774,018	\$788,852,039	\$2,690,801,200
Percentage paid on time	97.4%	98.5%	94.9%	94.8%	96.4%
Number of payments of interest on overdue accounts (number)	0	0	1	0	0
Interest paid on late accounts	\$0	\$0	\$32	\$0	\$0

Small business

Table A15–4. Accounts paid each quarter to small business

Measure	September 2016	December 2016	March 2017	June 2017	Full year
Invoices due for payment (number)	101	110	85	71	367
Invoice paid on time (number)	100	106	83	71	360
Percentage paid on time	99.0%	96.4%	97.6%	100.0%	98.1%
Amount due for payment	\$743,067	\$709,462	\$880,413	\$380,713	\$2,713,655
Amount paid on time	\$741,648	\$702,634	\$725,213	\$380,713	\$2,550,208
Percentage paid on time	99.8%	99.9%	82.4%	100.0%	94.0%
Number of payments of interest on overdue accounts (number)	0	0	1	0	1
Interest paid on late accounts	\$0	\$0	\$32	\$0	\$32

Appendix 16—Land disposal

Crown Lands sold 41 properties returning \$6.4 million in the 2016–17 financial year. Sales supported growth of residential housing supply and provided returns to government for reinvestment in other programs. A further 81 properties were acquired from Crown Lands by other agencies for government purposes, returning \$1.9 million to government. These acquisitions facilitated public sector investment in transport and service infrastructure and services for the people of NSW.

There are no vestings to report for the 2016–17 financial year.

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

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

Appendix 17—Capital works

The following table contains details of major capital works in progress as at 30 June 2017 undertaken by NSW Department of Industry.

Table A17–1. Capital works expenditure

Capital works in progress	Announced completion date	Announced estimate total cost (\$'000)	Expenditure in previous years (\$'000)	2016–17 expenditure (\$'000)	Total project expenditure to 30 June 2017 (\$'000)
Bethungra Dam Stabilisation	2017	3,935	2,323	(264)	2,059
Coastal Infrastructure	2019	41,400	11,812	8,899	20,711
Dredging of Priority Waterways on the North Coast	2018	9,973	3,896	2,754	6,650
Water Reform in the Murray Darling Basin	2019	7,393	1,093	897	1,990
Replacement of Fisheries Offshore Patrol Vessel	2017	2,507	14	700	714
Water Monitoring Framework	2020	22,810	207	2,215	2,422
Implementation of the Aquifer Interference Policy	2016	4,578	3,117	892	4,009
Construct Artificial Reefs	2017	2,800	894	751	1,645
Grains Research Development Corporation (GRDC) Research	2017	2,000	327	516	843
Port of Eden Breakwater Wharf Extension	2018	42,000	852	2,529	3,381
Eden Wave Attenuator Project	2017	1,788	478	153	631

Capital works in progress	Announced completion date	Announced estimate total cost (\$'000)	Expenditure in previous years (\$'000)	2016–17 expenditure (\$'000)	Total project expenditure to 30 June 2017 (\$'000)
Regional Office Accommodation Strategy	2018	8,369	3,434	1,955	5,389
OSBC – Digital Service Solution	2017	2,500	0	2,079	2,079
ICT Systems Upgrade - Implement New Crown Land Legislation	2019	7,000	0	169	169
NSW Shark Management Strategy	2017	500	0	367	367

Capital expenditure on Bethungra Dam Stabilisation has been affected by an accounting adjustment in 2016–17.

Appendix 18—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
- 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 functions to:

- construct, maintain and operate water management works, gauging stations and other monitoring equipment
- conduct research, collect information and develop technology in relation to water management
- acquire rights to water, whether within or beyond New South Wales
- 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.

Lands Administration Ministerial Corporation

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

- enter into an agreement with a third party to undertake development or construction on Crown land
- enter into an agreement with a third party to act as agent for the sale or lease of Crown land
- enter into an agreement with a third party for the provision of services or information
- perform 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 2017, LAMC was the manager for a

number of Reserve Trusts including Bondi Baths Trust, Yasmar Reserve Trust, Rawson Reserve Trust and Crown Lands Reserve Trust.

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
- other functions as conferred by or under the *Fisheries Management Act 1994* or any other Act.

Via delegation, the department undertakes these functions.

Appendix 19—Disclosure of subsidiaries

The NSW Department of Industry had no subsidiaries in the 2016–17 financial year.

Appendix 20—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). In IPART's recent WAMC determination, prices have been set over the four-year period from 1 July 2016 to 30 June 2020 (the 2016 determination period). NSW 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.

An Annual Information Return will be submitted by NSW DPI Water as normal practice for the 2016–17 year, which will combine information from monopoly services provided by both NSW DPI Water and WaterNSW.

Appendix 21—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.

Table A21–1. Funds granted for state parks

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
NSW Crown Holiday Parks Trust	State Parks—Operations & Plant / Equipment Grants	250,000
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.

Table A21–2. Funds granted for financial counselling services

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Rural Financial Counselling Service	Education & Regional Services, AgNSW - Southern Region	240,000
Rural Financial Counselling Service	Education & Regional Services, AgNSW - Northern Region	116,000
Rural Financial Counselling Service	Education & Regional Services, AgNSW - Central West Region	460,000

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.

Table A21–3. Funds granted for animal welfare

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
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	Prevention of Cruelty to Animals—RSPCA Education Centre	500,000

Recreational fishing programs

Recreational fishing trusts, freshwater and saltwater, receive funds through the sale of fishing licences in NSW. The trusts provide funding to the NSW Department of Industry, which pays grants to organisations for projects to rehabilitate fish habitat in freshwater and saltwater areas of NSW. The trust funding also provides grants to organisations to improve local recreational fishing facilities and undertake research related to recreational fishing across NSW.

Table A21–4. Funds granted for recreational fishing programs

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Barkindji Maraura Elders Environmental Team Ltd	Habitat Action Grant—Making More Fish Naturally 2010-18	5,958
Coonabarabran Landcare Inc	Habitat Action Grant—Making More Fish Naturally 2010-18	4,175
Inland Waterway Rejuvenation Committee Inc	Habitat Action Grant—Making More Fish Naturally 2010-18	6,670
Little River Landcare Group	Habitat Action Grant—Making More Fish Naturally 2010-18	4,156
Numeralla & District Landcare Group Inc	Habitat Action Grant—Making More Fish Naturally 2010-18	11,313
Rylstone District Environment Society	Habitat Action Grant—Making More Fish Naturally	4,782

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Inc	2010-18	
Sofala Branch of the Central Acclimatisation Society	Habitat Action Grant—Making More Fish Naturally 2010-18	13,981
Tamworth Regional Landcare Association	Habitat Action Grant—Making More Fish Naturally 2010-18	19,900
Beyond the Bite Inc	Shark Management Strategy Grants Program	18,580
Charles Sturt University	Shark Management Strategy Grants Program	39,512
Flinders University	Shark Management Strategy Grants Program	25,020
Macquarie University	Shark Management Strategy Grants Program	24,925
Macquarie University	Shark Management Strategy Grants Program	20,000
Sydney Institute of Marine Science	Shark Management Strategy Grants Program	100,000
University of Sydney	Shark Management Strategy Grants Program	30,313
Australian Trust for Conservation Volunteers T/A Conservation Volunteering	Habitat Action Grant—Habitat Action Program 09-18	33,506
Brunswick Valley Landcare Inc	Habitat Action Grant—Habitat Action Program 09-18	19,853
Friends of Lane Cove National Park	Habitat Action Grant—Habitat Action Program 09-18	21,090
Friends of The Colo Inc	Habitat Action Grant—Habitat Action Program 09-18	194
Macleay Landcare Network Inc	Habitat Action Grant—Habitat Action Program 09-18	11,790
Nambucca Landcare Co-Ordinating Committee	Habitat Action Grant—Habitat Action Program 09-18	20,000
Ocean Watch Australia Ltd	Habitat Action Grant—Habitat Action Program 09-18	24,960
Orara Valley Rivercare Groups Management Committee Inc	Habitat Action Grant—Habitat Action Program 09-18	20,000
Oz Fish Unlimited Ltd	Habitat Action Grant—Habitat Action Program 09-18	8,378
Robert Hunter Bellevue Park	Habitat Action Grant—Habitat Action Program 09-18	2,800
Roseberry Creek Landcare Inc	Habitat Action Grant—Habitat Action Program 09-	1,496

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
	18	
Shoalhaven Riverwatch Inc	Habitat Action Grant—Habitat Action Program 09-18	2,379
South Lismore Duck Pond Landcare Inc	Habitat Action Grant—Habitat Action Program 09-18	10,595
Western Sydney University	Habitat Action Grant—Habitat Action Program 09-18	5,932
Wilson's River Landcare Group Inc	Habitat Action Grant—Habitat Action Program 09-18	2,256
Pambula Beach Surf Life Saving Club Inc	Shark Meshing	4,535
Research Institute for Aquaculture No 1	Bivalve Production Vietnam & Australia	158,579
The University of Newcastle	Camden Haven School Prawn Project	21,136
Fisheries Research & Development Corporation	Eastern King Prawn Habitat Project	16,000
The University of Newcastle	Eastern King Prawn Habitat Project	2,950
University of Tasmania	Eastern King Prawn Habitat Project	1,400
University of New South Wales	Fisheries Research	10,000
National Agriculture and Forestry Research Institute	Fish-Friendly Designs Murray–Darling/Mekong	39,092
National University of Laos	Fish-Friendly Designs Murray–Darling/Mekong	11,090
National University of Laos	Fish-Friendly Designs Murray–Darling/Mekong	89,428
Fisheries Research & Development Corporation	Fisheries Research & Development Corporation Collaborative Support	179,000
Southern Cross University	Habitat Mapping & Statewide Priorities	150,000
The University of Queensland	Habitat Mapping & Statewide Priorities	13,000
University of New South Wales	Habitat Mapping & Statewide Priorities	7,000
University of Tasmania	Habitat Mapping & Statewide Priorities	20,000
Fisheries Research & Development Corporation	Collection of Research Data	4,000
James Cook University	Phase 2 Homebush Bay Impact Assessment	4,545

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
The University of Newcastle	School Prawn Productivity Study	18,600
Australian National University	Bait Security	12,500
University of New South Wales	Stock Assessment & Research - Eastern Rock Lobster	20,000
University of New South Wales	Tailor Fishery Assessment NSW	80,920
Capital Region Fishing Alliance Inc	Recreational Fishing—Small Grants Program	1,600
Lions Club of Moree Inc	Recreational Fishing—Small Grants Program	5,000
Mungindi RSL Restocking Club	Recreational Fishing—Small Grants Program	963
Nyngan RSL Fishing Club	Recreational Fishing—Small Grants Program	2,000
Southern Cross University	Recreational Fishing—Small Grants Program	6,500
Sussex Inlet Bowling Club Fishing Club & Social Club	Recreational Fishing—Small Grants Program	1,438
The Pub Angling Club Inc	Recreational Fishing—Small Grants Program	2,000
Fish Habitat Partnership	Recreational Fishing General Grants Program—Large External Projects	3,000
Harris Research	Recreational Fishing General Grants Program—Large External Projects	11,565
Oz Fish Unlimited Ltd	Recreational Fishing General Grants Program—Large External Projects	30,000
Basin Lure & Fly Anglers	Gone Fishing NSW Day	1,100
Boomi Amateur Social Fishing Club	Gone Fishing NSW Day	1,440
Bundeena Bowling & Sports Club Co-Op Ltd	Gone Fishing NSW Day	1,800
Casino RSM Social Fishing Club	Gone Fishing NSW Day	1,430
Central Coast Game Fishing Club Inc	Gone Fishing NSW Day	1,800
Dalmeny Bowling Club Fishing Club	Gone Fishing NSW Day	1,440
Guyra Hotel Anglers Club Inc	Gone Fishing NSW Day	2,000
Jerilderie Fishing Club	Gone Fishing NSW Day	2,000
Mathoura Fishing Classic Inc	Gone Fishing NSW Day	2,000
Nambucca Heads Offshore Fishing	Gone Fishing NSW Day	2,000

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Club Inc		
Newcastle Neptunes Underwater Club Inc	Gone Fishing NSW Day	2,000
Oz Fish Unlimited Ltd	Gone Fishing NSW Day	1,665
Pallamallawa Fishing Club	Gone Fishing NSW Day	1,899
Ramsgate RSL Club Ltd Fishing Club	Gone Fishing NSW Day	1,420
Sydney Game Fishing Club Ltd	Gone Fishing NSW Day	2,000
The Dam Fishing Club	Gone Fishing NSW Day	1,130
The Inverell Returned Services Mens Memorial Club Ltd	Gone Fishing NSW Day	2,000
The Salvation Army (NSW) Property	Gone Fishing NSW Day	1,331
Tuross Head Country Club Fishing Club	Gone Fishing NSW Day	2,000
Anna Bay Tavern Fishing Club	Recreational Fishing Fee Renewal Notice System	1,907
Tomakin Sports & Social Club Ltd	Recreational Fishing Fee Renewal Notice System	1,652
Young Bowling Club Fishing Club	Recreational Fishing Fee Renewal Notice System	1,512
Saint George & Sutherland Shire Anglers Club Inc	Recreational Fisher Research Database	1,800
Walbundrie & District Anglers Association Inc	Recreational Fisher Research Database	1,370
Yenda Hotel Fishing Club	Recreational Fisher Research Database	2,000
Australian Fishing Trade Association Inc	Recreational Fishing General Grants Program — Large External Projects	10,000
Australian National Sportfishing Association NSW Branch	Recreational Fishing General Grants Program — Large External Projects	35,000
Fish Habitat Partnership	Recreational Fishing General Grants Program— Large External Projects	22,000
Fisheries Research & Development Corporation	Recreational Fishing General Grants Program— Large External Projects	31,500
Harris Research	Recreational Fishing General Grants Program— Large External Projects	17,348
Lions Club of Nambucca Heads	Recreational Fishing General Grants Program— Large External Projects	50,000

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Solitary Islands Underwater Research Group Inc	Recreational Fishing General Grants Program—Large External Projects	18,200
Southern Cross University	Recreational Fishing General Grants Program—Large External Projects	30,000
The University of Wollongong	Recreational Fishing General Grants Program—Large External Projects	67,073
University of New South Wales	Recreational Fishing General Grants Program—Large External Projects	35,000
University of Technology Sydney	Recreational Fishing General Grants Program—Large External Projects	15,000
SHOK Fishing P/L	Recreational Fishing Publications	2,000
Sofala Branch of The Central Acclimatisation Society	Recreational Fishing Publications	2,000
Wallerawang Branch Central Acclimatisation Society	Recreational Fishing Publications	2,000
Callala Bay Community Association	Recreational Fishing—Small Grants Program	6,000
Deakin University	Recreational Fishing—Small Grants Program	9,000
Hat Head Dune Management Trust	Recreational Fishing—Small Grants Program	9,550
Narooma Sport & Gamefishing Club Inc	Recreational Fishing—Small Grants Program	3,249
Southern Cross University	Recreational Fishing—Small Grants Program	10,500
Warrawong High School	Recreational Fishing—Small Grants Program	1,500
Warrawong Intensive English Centre	Recreational Fishing—Small Grants Program	5,000

Office of the Chief Scientist & Engineer

The department provides grants to support science and engineering research programs in NSW.

Table A21–5. Funds granted for research programs

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Australian Nuclear Science & Technology Organisation	Research Attraction and Acceleration Program	13,636
Australian Proteome Analysis Facility Ltd	Research Attraction and Acceleration Program	9,950
The University of Sydney	Research Attraction and Acceleration Program	1,450
The University of Wollongong	Research Attraction and Acceleration Program	8,686
University of New South Wales	Research Attraction and Acceleration Program	11,000
University of Sydney	Research Attraction and Acceleration Program	26,388
University of Technology Sydney	Research Attraction and Acceleration Program	30,000
Western Sydney University	Research Attraction and Acceleration Program	14,500
Australasian Gene Therapy Society	Research Attraction and Acceleration Program	3,000
Australian Academy of Science	Research Attraction and Acceleration Program	20,000
Australian Nuclear Science & Technology Organisation	Research Attraction and Acceleration Program	14,500
Australian Science Media Centre	Research Attraction and Acceleration Program	35,022
Charles Sturt University	Research Attraction and Acceleration Program	13,500
Children's Medical Research Institute	Research Attraction and Acceleration Program	6,500
CRC for High Performance Soils Ltd	Research Attraction and Acceleration Program	280,000
Engineers Australia	Research Attraction and Acceleration Program	90,000
Food Agility CRC Ltd	Research Attraction and Acceleration Program	280,000
Fresh Produce Safety Centre Ltd	Research Attraction and Acceleration Program	3,000
Ingham Institute of Applied Medical Research	Research Attraction and Acceleration Program	3,000
Instituto Cervantes Ltd	Research Attraction and Acceleration Program	3,000
Macquarie University	Research Attraction and Acceleration Program	1,000,000
Macquarie University	Research Attraction and Acceleration Program	69,500

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Mediahouse Technology	Research Attraction and Acceleration Program	3,400
Museum of Applied Arts & Sciences	Research Attraction and Acceleration Program	138,000
National Youth Science Forum	Research Attraction and Acceleration Program	16,500
NSW EMCR Network Inc	Research Attraction and Acceleration Program	3,000
The Royal Society of NSW	Research Attraction and Acceleration Program	6,818
The University of Newcastle	Research Attraction and Acceleration Program	156,500
The University of Wollongong	Research Attraction and Acceleration Program	1,007,500
University of New South Wales	Research Attraction and Acceleration Program	5,400,000
University of Newcastle	Research Attraction and Acceleration Program	600,000
University of Sydney	Research Attraction and Acceleration Program	1,425,000
University of Technology Sydney	Research Attraction and Acceleration Program	109,000
Victor Chang Cardiac Research Institute	Research Attraction and Acceleration Program	4,500
Western Sydney University	Research Attraction and Acceleration Program	3,000

Murray–Darling Basin Diversification Program

Funding assists economic development projects that support the economic base of NSW regional communities that are most likely to be affected by the implementation of the Murray–Darling Basin Plan.

Table A21–6. Funds granted for economic development projects

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Broken Hill Chamber of Commerce	Murray–Darling Basin Diversification Program	46,200
Broken Hill Art Exchange Inc	Murray–Darling Basin Diversification Program	24,575
Coonamble Chamber of Commerce	Murray–Darling Basin Diversification Program	6,500
Coonamble Neighbourhood Centre	Murray–Darling Basin Diversification Program	8,750
Deniliquin Business Chamber	Murray–Darling Basin Diversification Program	5,250
Foundation Broken Hill Ltd	Murray–Darling Basin Diversification Program	20,000
Mudgee Fine Foods Inc.	Murray–Darling Basin Diversification Program	11,500
Murray Hume Business Enterprise Centre	Murray–Darling Basin Diversification Program	66,000
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 Riverina NSW	Murray–Darling Basin Diversification Program	25,000
Wagga Wagga Business Enterprise Centre	Murray–Darling Basin Diversification Program	44,000
Regional Development Australia Northern Inland Inc	Murray–Darling Basin Diversification Program	12,500
RiverSmart Australia Ltd	Murray–Darling Basin Diversification Program	12,500
Business Enterprise Centre Cabonne Orange Blayney Inc	Murray–Darling Basin Diversification Program	100,000
Careers Network Inc	Murray–Darling Basin Diversification Program	12,500
Compact Inc	Murray–Darling Basin Diversification Program	20,000
Coonamble Chamber of Commerce Inc	Murray–Darling Basin Diversification Program	6,500
Country Womens Association NSW	Murray–Darling Basin Diversification Program	320

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Eighteen04	Murray–Darling Basin Diversification Program	25,000
Forbes Business Chamber Inc	Murray–Darling Basin Diversification Program	12,335
Freshwater Native Fish Association Inc	Murray–Darling Basin Diversification Program	8,025
Griffith Chamber of Commerce & Industry Inc	Murray–Darling Basin Diversification Program	12,500
Gunnedah & District Chamber of Commerce & Industry Inc	Murray–Darling Basin Diversification Program	12,500
Harden-Murrumburrah & District Chamber of Commerce & Industry	Murray–Darling Basin Diversification Program	11,862
Hillston Billylids Inc	Murray–Darling Basin Diversification Program	6,825
Leeton Chamber of Commerce Inc	Murray–Darling Basin Diversification Program	12,500
Mudgee Fine Foods Inc	Murray–Darling Basin Diversification Program	11,500
Murray Hume Business Enterprise Centre Inc	Murray–Darling Basin Diversification Program	18,150
Regional Development Australia - Far West	Murray–Darling Basin Diversification Program	22,400
Regional Development Australia Central West	Murray–Darling Basin Diversification Program	12,450
Regional Development Australia Northern Inland Inc	Murray–Darling Basin Diversification Program	15,000
Two Eight Two Eight Inc.	Murray–Darling Basin Diversification Program	12,500
Wagga Wagga Business Enterprise Centre Ltd	Murray–Darling Basin Diversification Program	45,235
Youth Express Association Inc T/A Learn to Work	Murray–Darling Basin Diversification Program	12,000

Adult and Community Education

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

Table A21–7. Funds granted for Adult and Community Education

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
ACE Community Colleges Ltd	Adult Community Education—providing flexible and efficient training services	1,051,329
Albury Wodonga Community College Ltd	Adult Community Education—providing flexible and efficient training services	261,384
Byron Region Community College Inc	Adult Community Education—providing flexible and efficient training services	691,288
Camden Haven Community College Inc	Adult Community Education—providing flexible and efficient training services	647,968
Central Coast Community College	Adult Community Education—providing flexible and efficient training services	1,195,351
City East Community College Inc	Adult Community Education—providing flexible and efficient training services	384,860
Coffs Coast Community College	Adult Community Education—providing flexible and efficient training services	476,422
Community College - Northern Inland Inc	Adult Community Education—providing flexible and efficient training services	1,063,403
Community Colleges Australia Ltd	Adult Community Education—providing flexible and efficient training services	106,861
Cooperative Learning Ltd	Adult Community Education—providing flexible and efficient training services	103,764
Guyra Adult Learning Association Inc	Adult Community Education—providing flexible and efficient training services	327,333
Hornsby Ku-Ring-Gai Community College Inc	Adult Community Education—providing flexible and efficient training services	227,424
Kiama Community College Inc	Adult Community Education—providing flexible and efficient training services	804,047
Macarthur Community College Inc	Adult Community Education—providing flexible and efficient training services	493,329
Macquarie Community College	Adult Community Education—providing flexible and efficient training services	855,103
Murwillumbah Adult Education Centre Inc	Adult Community Education—providing flexible and efficient training services	373,291

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Nepean Community College Inc	Adult Community Education—providing flexible and efficient training services	695,943
North Coast Community College Inc.	Adult Community Education—providing flexible and efficient training services	506,234
Northern Beaches Community College Inc	Adult Community Education—providing flexible and efficient training services	407,564
Penrith Skills for Jobs Ltd	Adult Community Education—providing flexible and efficient training services	124,881
Port Macquarie Community College Inc	Adult Community Education—providing flexible and efficient training services	787,428
Riverina Community College Ltd	Adult Community Education—providing flexible and efficient training services	1,017,308
Robinson Education Centre Inc	Adult Community Education—providing flexible and efficient training services	487,790
St George and Sutherland Community College	Adult Community Education—providing flexible and efficient training services	447,391
Sydney Community College Ltd	Adult Community Education—providing flexible and efficient training services	334,601
Tamworth Community College Inc	Adult Community Education—providing flexible and efficient training services	656,820
The Deaf Society of NSW	Adult Community Education—providing flexible and efficient training services	395,480
The Eurobodalla Adult Education Centre Inc	Adult Community Education—providing flexible and efficient training services	518,530
The Parramatta College Inc	Adult Community Education—providing flexible and efficient training services	596,834
Tomaree Community College Inc	Adult Community Education—providing flexible and efficient training services	336,797
Tuggerah Lakes Community College Inc	Adult Community Education—providing flexible and efficient training services	641,320
Verto Ltd	Adult Community Education—providing flexible and efficient training services	950,494
Western College Inc	Adult Community Education—providing flexible and efficient training services	1,132,194
Western Riverina Community College	Adult Community Education—providing flexible and efficient training services	490,553

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Workers Educational Association - Hunter	Adult Community Education—providing flexible and efficient training services	1,402,257
Workers Educational Association - Illawarra	Adult Community Education—providing flexible and efficient training services	523,303

Elsa Dixon Aboriginal Employment Program

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

Table A21–8. Funds granted for the Elsa Dixon Aboriginal Employment Program

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Booroongen Djugun Ltd	Elsa Dixon—providing flexible and efficient training services	187,295
Campbell Page Ltd t/a Campbell Page	Elsa Dixon—providing flexible and efficient training services	187,295
Enterprise & Training Company Ltd	Elsa Dixon—providing flexible and efficient training services	349,325
Griffith Skills Training Centre Inc	Elsa Dixon—providing flexible and efficient training services	561,885
Illawarra Aboriginal Corporation - Warrigal Employment	Elsa Dixon—providing flexible and efficient training services	210,555
Jobs Australia Enterprises Ltd	Elsa Dixon—providing flexible and efficient training services	374,507
Moruya High School	Elsa Dixon—providing flexible and efficient training services	182,381
Murdi Paaki Regional Enterprise Corp Ltd	Elsa Dixon—providing flexible and efficient training services	232,989
Shoalhaven Community Development Ltd	Elsa Dixon—providing flexible and efficient training services	187,295
Souths Cares PBI Ltd	Elsa Dixon—providing flexible and efficient training services	372,718
The Illawarra ITEC Ltd	Elsa Dixon—providing flexible and efficient training services	187,287
Ungooroo Aboriginal Corporation	Elsa Dixon—providing flexible and efficient training services	374,500
Verto Ltd	Elsa Dixon—providing flexible and efficient training services	116,495

Group training organisations (GTOs)

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

Table A21–9. Funds granted for group training organisations

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
The Group Training Association of NSW and ACT	GTO funding to manage and regulate the vocational education and training market	65,000
Apprentices Trainees Employment Ltd	Pre Apprenticeship GTO funding	57,500
Co-Operative for Aborigines Ltd	Pre Apprenticeship GTO funding	45,004
ECA Training Pty Ltd	Pre Apprenticeship GTO funding	116,000
HGT Australia Ltd T/A Novaskill	Pre Apprenticeship GTO funding	64,000
Hospitality Training Network Ltd T/A HTN	Pre Apprenticeship GTO funding	144,000
Housing Industry Association Ltd	Pre Apprenticeship GTO funding	33,000
Hume Employment Service Ltd T/A Kestrel Apprentice Solution	Pre Apprenticeship GTO funding	48,208
Hunter Valley Training Company Pty Ltd	Pre Apprenticeship GTO funding	157,500
Macarthur Group Training Ltd T/A MG My Gateway	Pre Apprenticeship GTO funding	74,500
NAISDA Ltd	Pre Apprenticeship GTO funding	25,689
Riverina Group Training & Employment Ltd T/A GTES	Pre Apprenticeship GTO funding	31,400
TABMA Workforce and Career Development Pty Ltd	Pre Apprenticeship GTO funding	111,000
WPC Group Ltd	Pre Apprenticeship GTO funding	61,500
Aboriginal Employment Strategy Ltd	Pre Apprenticeship GTO funding	283,750
AFL Sports Ready Ltd	Pre Apprenticeship GTO funding	7,000
Australian Training Company Ltd	Pre Apprenticeship GTO funding	38,000
Automotive Group Training (N.S.W.)	Pre Apprenticeship GTO funding	81,000
Bricklayer Training Australia Ltd T/A BTA Group Training	Pre Apprenticeship GTO funding	21,000
Master Builders Association of NSW	Pre Apprenticeship GTO funding	80,000

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
P/L		
Master Plumbers Apprentices Ltd	Pre Apprenticeship GTO funding	57,000
Skillset Ltd	Pre Apprenticeship GTO funding	265,500

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.

Table A21–10. Funds granted for industry training advisory boards

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Agrifood Skills Australia	Industry Training Advisory Board funding	9,656
Arts, Communication, Finance Industries and Property Services Ltd	Industry Training Advisory Board funding	149,836
Community Colleges Australia Ltd	Industry Training Advisory Board funding	50,000
ForestWorks Ltd	Industry Training Advisory Board funding	84,297
Hospitality Training Network Ltd	Industry Training Advisory Board funding	14,000
Manufacturing Industry Skills Council	Industry Training Advisory Board funding	121,748
NSW Community Services & Health Industry Training Advisory Body	Industry Training Advisory Board funding	87,418
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	87,418
Resources & Infrastructure NSW Industry Training Advisory Body Ltd	Industry Training Advisory Board funding	84,297
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	134,232
The Electrotechnology Industry Group Training Company	Industry Training Advisory Board funding	3,818

Youth Attainment and Transitions Pre-Apprenticeship Training Program

The department provides funding to place young people into pre-apprenticeships as an initial step to getting into full apprenticeship programs.

Table A21–11. Funds granted for youth attainment

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Board of Studies Teaching & Educational Standards	Vocational Education in Schools	173,259
Catholic Education Commission NSW	Vocational Education in Schools	892,111
The Association of Independent Schools of New South Wales Ltd	Vocational Education in Schools	594,658
MTC Australia Ltd	Opportunity Hub	313,636
Capital Country Industry Education Partnership Inc	Regional VET Pathways	21,599
Careers Network Inc.	Regional VET Pathways	354,928
Connect Northern Rivers Inc.	Regional VET Pathways	418,827
Mid Coast Connect Inc	Regional VET Pathways	424,009
Queanbeyan Enterprise Centre Inc. Rear Visitors Centre	Regional VET Pathways	310,849
Skillset Ltd	Regional VET Pathways	287,817

Club Grants Category 3

In 2011, an amendment to the *Gaming Machine Tax Act 2001* created a pool of funding for NSW infrastructure projects. The Club Grants Category 3 fund supports the NSW Government's commitment to increasing participation in sport, recreation, arts, and cultural activities, and to supporting healthy lifestyles.

The Club Grants Category 3 fund is managed by Liquor and Gaming NSW. Further information is available from the website of Liquor and Gaming NSW.

Liquor and Gaming NSW was transferred from the NSW Department of Justice to the NSW Department of Industry effective 1 April 2017 as part of the Administrative Arrangements Orders effective from that date. Therefore, only grants between 1 April 2017 and 30 June 2017 are included in this report.

Grants provided from 1 July 2016 to 30 March 2017 can be found in the NSW Department of Justice Annual Report.

Table A21–12. Funds granted under Club Grants Category 3

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Boolaroo Speers Point RSL Sub Branch of the RSL of Australia NSW	Community Development Fund	4,965
Ethnic Communities Council of Newcastle & Hunter Region Inc	Community Development Fund	5,700
Narooma School of Arts and Soldiers War Memorial Hall Inc.	Community Development Fund	15,000
Bundanon Trust	Infrastructure Grants	32,750
Culburra Beach Progress Association Inc.	Infrastructure Grants	250,000
Evans Park Sporting Complex Inc.	Infrastructure Grants	34,618
Griffith Ex-Servicemens Club Ltd T/A EXIES Sports Club	Infrastructure Grants	250,000
Jingellic & District Pastoral Agricultural & Horticultural Society Inc.	Infrastructure Grants	36,364
Minimbah Challenge Inc.	Infrastructure Grants	60,000
Newcastle Athletic Field Management Inc.	Infrastructure Grants	150,000
CareWest Ltd	Infrastructure Grants	50,000
Robertson & District Swimming Pool Association	Infrastructure Grants	105,000
Robertson School of Arts Inc.	Infrastructure Grants	54,418
Tamworth Mountain Bikers	Infrastructure Grants	1,000
The Embroiderers' Guild of NSW Inc.	Infrastructure Grants	44,324
Wellington Soldiers Memorial Club Ltd	Infrastructure Grants	62,500
Yeoval & District Men's Shed Inc.	Infrastructure Grants	2,200

Regional Communities Development Program

The main function of the Regional Communities Development Program is to provide assistance to regional communities to improve facilities, promote local community events and raise the awareness of regional opportunities.

Table A21–13. Funds granted for regional community development

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Armidale Outlaws Baseball Club	Regional Communities Development Program	13,255
Awards Australia P/L	Regional Communities Development Program	15,000
Ballina Shire Meals on Wheels Inc.	Regional Communities Development Program	29,545
Cat Awards Ltd	Regional Communities Development Program	25,000
Cooma North Pre-School Association Inc.	Regional Communities Development Program	15,000
Council of Social Service of NSW	Regional Communities Development Program	10,000
Erina Baptist Community Care Ltd	Regional Communities Development Program	1,784
Girl Guides Association of NSW	Regional Communities Development Program	5,000
Kiama & District Chamber of Commerce Inc.	Regional Communities Development Program	5,000
Life Resources Centre Inc.	Regional Communities Development Program	10,000
Lithgow Small Arms Factory Museum Inc.	Regional Communities Development Program	20,000
Make a Difference PMQ Inc.	Regional Communities Development Program	5,000
Manilla Show Society	Regional Communities Development Program	1,950
Hastings Koalas Orchestra	Regional Communities Development Program	2,750
NSW Government Schools	Regional Communities Development Program	50,716
Oberon District Museum Society Inc.	Regional Communities Development Program	2,400
Panorama MCC Inc.	Regional Communities Development Program	20,000
Port Macquarie Branch Combined Pensioner & Superannuants Association	Regional Communities Development Program	5,591
Port Macquarie Community College Inc. T/A SkillsLink Training	Regional Communities Development Program	10,000
Queanbeyan Business Council Inc.	Regional Communities Development Program	10,000

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Riversmart Australia Ltd	Regional Communities Development Program	40,000
Rotary Club of Wingham	Regional Communities Development Program	15,000
Terrigal Community Men's Shed Inc.	Regional Communities Development Program	2,495
The Camden Haven Community @ 3	Regional Communities Development Program	2,000
Tingha Tigers Rugby League Football Club	Regional Communities Development Program	16,360
Boomi Sportsground Trust	Regional Communities Development Program	4,545
Wellington Men's Shed	Regional Communities Development Program	45,000
West Wyalong Mens Shed	Regional Communities Development Program	34,000
Women in Business Wagga Wagga	Regional Communities Development Program	5,000
Working Spaces HQ P/L	Regional Communities Development Program	10,040
Regional Development Australia – Far West	Regional Communities Development Program	300,000
Regional Development Australia – Murray	Regional Communities Development Program	2,964
Regional Development Australia – Hunter	Regional Communities Development Program	150,000
Central Coast Tourism	Regional Communities Development Program	20,000

Port Kembla Community Investment Fund

These funds support community improvement projects for the Port Kembla Community following the leasing of the Port Kembla Port.

Table A21–14. Funds granted for Port Kembla Community Investment

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Anglican Church of Australia Parish Council of Port Kembla	Port Kembla Community Investment Fund	10,825
NSW Government Schools	Port Kembla Community Investment Fund	182,690
Port Kembla Surf Life Saving Club Inc.	Port Kembla Community Investment Fund	14,399
The Illawarra Community Housing Trust T/A The Housing Trust	Port Kembla Community Investment Fund	142,219

Boosting Business Innovation

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

Table A21–15. Funds granted for innovation

Recipient organisation	Program/Program area	Amount 2016–17 (\$)
Australian Catholic University	Boosting Business Innovation	500,000
Charles Sturt University	Boosting Business Innovation	500,000
Macquarie University	Boosting Business Innovation	500,000
Southern Cross University	Boosting Business Innovation	500,000
University of New England	Boosting Business Innovation	500,000
University of Newcastle	Boosting Business Innovation	500,000
University of Wollongong	Boosting Business Innovation	500,000
University of New South Wales	Boosting Business Innovation	500,000
University of Sydney	Boosting Business Innovation	500,000
University of Technology Sydney	Boosting Business Innovation	500,000
Western Sydney University	Boosting Business Innovation	500,000

Appendix 22—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 2016–17, the Commercial Fishing Trust Fund contributed \$4.147 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.

In 2016–17, the Aquaculture Fishing Trust Fund contributed \$680,000 to the department's aquaculture-related programs.

Fish Conservation Trust Fund

No grants were issued from the Fish Conservation Trust Fund during 2016–17.

Recreational and Charter Fishing Trust Funds

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

Table A22–1. Fish Trust Fund grants

Fish Trust Fund	Grant received by NSW Department of Industry 2016–17 (\$'000)
Charter Fishing Trust Fund	241
Recreational Fishing (Freshwater) Trust Fund	5,546
Recreational Fishing (Saltwater) Trust Fund	12,254

Appendix 23—Mineral resources fund reports

The following 2016–17 figures are for the nine months ending 31 March 2017.

Minerals and Petroleum Administrative Fund

The department incurred expenditure of \$12.721 million, which was funded from the Minerals and Petroleum Administrative Fund. The break-up of the expenditure is as follows.

Table A23–1. Break-up of expenditure, Minerals and Petroleum Administrative Fund

Activity	Expenditure (\$000)
Rehabilitation of Derelict Mines	2,056
Environmental regulation of minerals, petroleum and mining activities	3,674
Compliance and enforcement of obligations created by the grant of a right to explore, extract or produce petroleum or minerals	2,795
Enhanced communication and community liaison functions	500
Other regulatory and administrative activities including titles, geoscience land use and overheads in relation to the minerals and petroleum industries	3,696
Total	12,721

Minerals and Petroleum Investment Fund

The department incurred expenditure of \$3.423 million, which was funded from the Minerals and Petroleum Investment Fund. The break-up of the expenditure is as follows.

Table A23–2. Break-up of expenditure, Minerals and Petroleum Investment Fund

Activity	Expenditure (\$000)
Explore NSW	45
Cooperative Drilling	248
Geoscience Acquisition & Synthesis	1,540
Geoscience Information	1,216
Petroleum, Renewables and Resource Advice	374
Total	3,423

Small-Scale Titles Levy Fund

The department incurred expenditure of \$98,000, which was funded from the Small-Scale Titles Levy Fund. The break-up of the expenditure is as follows.

Table A23–3. Break-up of expenditure, Small-Scale Titles Levy Fund

Activity	Expenditure (\$000)
Road works	52
Rehabilitation works	-
Mullock Dump works	46
Total	98

Appendix 24—Annual report production costs

The NSW Department of Industry's Annual Report 2016–17 was produced at no external cost.

Appendix 25—Research and development

Office of the NSW Chief Scientist and 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 2016–17, a total of \$13.857 million was allocated to RAAP.

High-level, high-impact research excellence and critical mass

In 2016–17, \$5.2 million was allocated as co-investment support for seven ARCs (Australian Research Council) Centres of Excellence (CoE) headquartered in NSW, or with significant operations in NSW. This includes the:

- ARC CoE for Biodiversity and Heritage
- ARC CoE for Climate Extremes
- ARC CoE for Quantum Computation and Communication Technology
- ARC CoE for Engineered Quantum Systems
- ARC CoE in Population Ageing Research
- ARC CoE in Exciton Science
- ARC CoE in Future Low-Energy Electronics Technologies.

Data61 was allocated \$1.9 million for supporting project delivery and expertise by Data61 in cyber security, data science and physical systems architecture.

The University of Sydney was provided with \$1.25 million for the continuation of the NSW Smart Sensing Network, which was established in 2015–16. This network supports the development of next-generation sensing technologies that can be commercialised, especially in the area of roads, transport, resources and the environment.

Co-investment support of \$760,000 was provided from the RAAP to two Cooperative Research Centres (CRC) to support NSW-based collaborative research partnerships between industry, researchers and the community; and four CRC-Projects, for short-term, industry-led collaborations to develop important new technologies, products and services.

The ARC CoE for Geotechnical Sciences and Engineering received a \$600,000 RAAP grant for the development of novel research into remediation and containment of contaminated sites such as Williamtown, NSW.

Three Industrial Transformation Research Program Hubs and Centres to facilitate collaborative R&D projects addressing challenging industry issues received \$210,000.

Science outreach and engagement

In 2016–17, \$161,000 was provided to support 38 science and research conferences taking place in NSW in 2017.

Twelve teams of students from NSW universities competing in domestic and international scientific competitions received just under \$100,000 in funding to assist them in conducting research for their projects. In addition, 11 NSW high-school students received just over \$16,000 in funding to attend international scientific fora.

Approximately \$150,000 in sponsorship was provided for science engagement and outreach initiatives including initiatives by Engineers Australia, ATSE & Australian Academy of Science National Strategy for ICT, NSW Royal Society Forum sponsorship, and the Australian Science Media Centre, amongst others.

The 2016 NSW Premier's Prizes for Science & Engineering celebrated and rewarded 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, Professor Rick Shine from the University of Sydney, was named the 2016 NSW Scientist of the Year, and went on to win the Prime Minister's Prize for Science.

The NSW Chief Scientist & Engineer hosted six Science and Research Breakfast Seminars in 2016–17 to showcase the state's best scientists and highlight areas of research strength in NSW.

Office of the NSW Small Business Commissioner

People, Place and Partnership conducted research into NSW local government outdoor dining policies, reviewing the outdoor dining policies, application and fees of every council in NSW, and the legislative and regulatory framework that guides these policies. The research informed the draft state-wide outdoor dining policy and application process that the Office of the NSW Small Business Commissioner is piloting for nine months from September 2017. Expenditure for this research was \$105,000.

Finity Consulting undertook research and analysis of insurance arrangements that protect small businesses against business disruption, including analysis of the gaps in coverage. Expenditure for this research was \$33,500.

Following the Commonwealth (Australian Small Business and Family Ombudsman) inquiry into payment times and practices in Australia, Flaming Star Consulting undertook research and analysis to identify how the recommendations could be adopted to support small businesses in NSW.

NSW Department of Primary Industries (NSW DPI)

NSW DPI manages a significant research portfolio with a total expenditure of more than \$150 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.

NSW DPI's partnerships and collaborations enhance its capacity to provide research that underpins and drives productivity growth in the state's primary industries and to address key environmental and social issues with primary industries. The research activities of NSW DPI play a key role in preparing the state's primary industries for the challenges of the future.

NSW DPI's 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. NSW DPI also undertakes projects to support natural resource productivity and sustainability. Ag-technology, 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. NSW DPI has a wide range of research co-investors including various research and development corporations (RDCs), universities, the CSIRO and other jurisdictions. A number of these arrangements have been formalised in significant alliances (refer to the *Major alliances* table A25–1).

Current involvement with cooperative research centres (CRCs)

- Food Agility CRC
- Invasive Animals CRC
- Plant Biosecurity CRC
- Sheep CRC
- Pork CRC
- CRC for Spatial Information.

Co-investors (greater than \$50,000)

- Animal Health Australia
- Aquaculture Trust
- Austn Cane Farmers
- Australian Meat Processors Corporation
- Australian Melon Association Inc
- Australian Centre for International Agricultural Research
- Australian Grape & Wine Authority
- Australian Meat Processor Corporation
- Australian Wool Innovations
- Cotton Research & Development Corporation
- CSIRO
- Department of Economic Development, Jobs, Transport and Resources (Vic)
- Department of the Environment and Energy (Cwth)
- Department Agriculture and Water Resources (Cwth)
- Department Agriculture (Cwth) (formerly DAFF)
- Department of Agriculture and Fisheries (Qld)
- Eco Logical Australia Pty Ltd
- EH Graham Centre (Charles Sturt University)
- Elanco Animal Health
- Environment Protection Authority
- Environmental Research Trust / Environment Australia
- Fisheries Commercial Trust
- Fisheries Research & Development Corporation
- Forest & Wood Products Australia
- Freshwater Trust
- Grains Research & Development Corporation
- Horticulture Innovation Australia
- Invasive Animals CRC
- Irrigated Cropping Forum Incorporated
- Local Government Authorities
- Local Land Services Central West
- Local Land Services Murray
- Meat & Livestock Australia
- Murray Darling Basin Authority
- Northern Rivers Catchment Management
- NSW Roads & Traffic Authority
- Office of Environment & Heritage (NSW)
- Office of Water
- Plant Biosecurity CRC
- Plant Health Australia
- Queensland Alliance for Agriculture and Food Innovation, (QAAFI) (Uni of Qld)
- Rural Industries Research & Development Corporation
- Saltwater Trust
- Sheep CRC
- South Australian Research & Development Institute (SARDI)
- University of Adelaide
- University of Queensland
- University of Tasmania
- University, Charles Sturt
- University, Macquarie

Table A25–1. Major research alliances

Alliance	Key partners
Animal Genetics and Breeding Unit AGBU	University of New England
AusGem – Australian Centre for Genomic Epidemiological Microbiology	University of Technology, Sydney
Australian Cotton Research Institute	Cotton CRC and CSIRO
EH Graham Centre for Agricultural Innovation	Charles Sturt University
GRDC Bilateral Arrangement	GRDC
Innovation Central Sydney	CISCO
National Grape and Wine Industry Centre	Charles Sturt University
National Livestock Genetics Consortium	MLA
NSW Centre for Animal & Plant Biosecurity	University of Sydney
Synthetic Biology Collaboration	Macquarie University
University of Newcastle and DPI Centre for Balanced Land Use	University of Newcastle

Marine Aquaculture Research Lease

Following the approval of a State Significant Infrastructure application lodged by NSW DPI to establish the Marine Aquaculture Research Lease (MARL) off Port Stephens, an expression of interest was offered internationally for a research partner. Huon Aquaculture, Atlantic Salmon producers from Tasmania, were successful. Given advances in aquaculture technology, a Modification Application was then lodged to move the MARL further offshore into deeper water and further from the Hawks Nest community. Operations commenced on the MARL in September 2016, with the first fish airlifted by helicopter to the site in October from Port Stephens Fisheries Institute. There are two operational sea pens six kilometres offshore with another three about to be installed. The first batch of Yellowtail Kingfish will be harvested later in 2017. There are currently eight full-time and two casual Huon Staff and 10 NSW DPI staff employed on this project. Each sea pen could produce 100 tonnes of Yellowtail Kingfish.

A key research objective of the MARL is to develop evidence-based policies and procedures to promote sustainable sea pen aquaculture in NSW. To achieve this, research includes:

- environmental monitoring for impact (water quality and benthos with partners Newcastle University, marine fauna including whales, dolphins, seals and sharks with OEH, Macquarie University and CSIRO)
- operational monitoring including structural integrity and stability of infrastructure
- evaluating husbandry practices
- dietary development
- health management
- growth performance
- the economics of offshore aquaculture.

A feature of the partnership is the expertise and facilities that NSW DPI can provide to reduce investor risk and fast-track technology adoption.

Murray Cod Aquaculture

Murray Cod aquaculture is now worth more to the state than Rainbow Trout or Silver Perch production. In 2015–16, it increased in volume by 16% and it appears this growth is set to increase significantly. Farmed in cages in irrigation dams and in intensive recirculation tanks in sheds, Murray Cod is an iconic species with strong brand recognition. A number of new businesses are being established in the Riverina utilising irrigation water which can then be used for cropping. With lower feed conversion rates than other forms of livestock

production, higher edible protein yield, lower CO₂ emissions and reuse of water arising from operations, it is a very sustainable form of primary production.

NSW Department of Industry—Skills and Economic Development

Knowledge Hubs are a NSW Government-led initiative that drives partnership and collaboration between government and industry in five key sectors:

- financial services
- medical technology
- creative industries
- transport and logistics
- energy and resources.

The NSW Government works with coordinating organisations in these priority industries to deliver projects that build better collaboration and encourage economic growth. Each Knowledge Hub is a central point for people in an industry community to collaborate, and to connect with government and universities.

Knowledge Hubs delivered a range of research and development projects worth \$1.24 million in the 2016–17 financial year. Projects include:

- The Financial Services Knowledge Hub conducted research to measure the success and growth of Sydney's fintech sector and provide recommendations for further industry development. The research was published in the *Scaling the Fintech Opportunity* report, which identifies NSW as the national leader in fintech business.
- The Medical Technology Knowledge Hub delivered a scoping study and a tool for accurately assessing the value of the medtech industry in NSW, to overcome the difficulty of conducting economic analyses when there is currently no agreed or standard definition of medtech in Australia.
- The Energy and Resources Knowledge Hub released a map showing clusters of mining equipment, technology and services (METS) businesses in NSW. The Knowledge Hub also launched a new entity, Energy NSW, and consulted with industry to inform strategy as the Hunter region continues to transition to new markets.
- The Creative Industries Knowledge Hub performed an environmental scan of the Sydney's creative industries ecosystem, and launched an online platform 'KINDRED' to share cutting-edge knowledge, resources, and directory links for the creative enterprise community.

TechVouchers scheme (part of Boosting Business Innovation Program)

The TechVouchers scheme was established to drive opportunities for research collaboration between NSW small to medium-sized enterprises (SMEs) and the 11 NSW universities and the CSIRO. TechVouchers are matched funding grants available to SMEs through the Boosting Business Innovation Program.

Through TechVouchers, SMEs can be connected with an expert in a relevant field of research and embark on a joint research project. The scheme also gives access to high-tech instruments and facilities that would otherwise be difficult for SMEs to access. A 2016–17 case study of a completed TechVoucher project is Linke. Linke Surveys partnered with University of New South Wales engineering researchers to develop a new product using unmanned aerial vehicles (UAV) equipped with light-detection and ranging technology to improve the safety and effectiveness of surveying in the construction industry. The UAV or drone was showcased at the major international technology tradeshow, CeBIT, held in Sydney in May 2017.

NSW Department of Industry—Resources and Energy

Coal Innovation Fund

The *Coal Innovation Administration Act 2008* established the Coal Innovation NSW Fund. The purpose of the fund includes the provision of funding for research into, and development of, low emissions coal technologies,

as well as 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)
- Research, Development and Demonstration (RD&D) program
- 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 2016–17 are as follows.

NSW CO₂ Storage Assessment Program

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

During 2013 and 2014, 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 2016–17, planning continued on the next stage of the program, which involves seismic acquisition as a precursor to further drilling to verify existing data and determine the extent of storage capacity. Planning for the seismic campaign is well advanced, with survey routes confirmed, access agreements with relevant landowners secured, local government approval to access public roads, a procurement strategy with Geoscience Australia developed, and planning approval processes near complete. Based on a well-established timeline for securing the relevant approvals and contracting a suitable survey company, the seismic acquisition is expected to occur in late 2017 or early 2018.

Coal Innovation NSW expenditure for this program under the NSW Department of Industry in 2016–17 (1 July 2016–31 March 2017) was \$29,406.

2010 RD&D Round

Three projects of the Coal Innovation NSW RD&D Program remain ongoing in 2016–17 from the 2010 RD&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 CO₂ emissions into forms of carbonate rock for potential use as new building materials in the construction industry
- demonstration of Ventilation Air Methane Regenerative After Burner technology with Centennial Coal, to mitigate fugitive methane emissions escaping from underground coal mines.

Coal Innovation NSW expenditure for this program under the NSW Department of Industry in 2016–17 (1 July 2016– 31 March 2017) was \$415,833.

2015 RD&D Round

During 2016–17, eight successful applicants to the 2015 RD&D Round were notified. By January 2017, eight funding deed agreements were negotiated and signed, enabling these two-year projects to carry out investigations in the following areas:

- membrane gas-solvent contactors demonstration project with CO2CRC in trialling a combination of gas separation technologies for the capture of CO₂ from flue gas in a pilot plant at the Vales Point Power Station. The project will establish the viability of this new hybrid technology and provide the necessary data to enable design scaling to support a potential large-scale demonstration for CO₂ capture.
- rotating liquid sheet contactor pilot scale project with CSIRO that will test a new efficient type of gas separation technology for the capture of CO₂ from real flue gas in a pilot plant at the Vales Point Power Station
- the development of a new method of CO₂ capture with the University of NSW through the use of new high-performance membrane material that physically separates or sieves out CO₂ from flue gas in a pilot plant at the Vales Point Power Station
- an aerosol formation study by CSIRO on the potential for pollutant emissions produced whilst using a post-combustion capture process on coal fired power stations
- demonstrating an advanced aqueous ammonia-based post-combustion CO₂ capture process developed by CSIRO and carrying out parallel pilot plant trials and lab-based research for proof of the concept and prototyping of an entirely new process, 'Trimonium Process', that utilises high concentration aqueous ammonia as a CO₂ capture medium
- building on previous studies on the Direct Carbon Fuel Cell (DCFC) with further fundamental studies to support the ultimate development of a 10 kW DCFC demonstration plant
- the development of an energy storage unit termed 'Redox Energy Storage (RES)' with the University of Newcastle, that can help power stations to better manage their load by storing energy in off-peak periods for later dispatch
- the development of a CO₂ capture process with CSIRO that generates electricity through direct electrochemical conversion of the products of the reaction between CO₂ and amines (solvents used in the process).

Coal Innovation NSW expenditure for this program under the NSW Department of Industry in 2016–17 (1 July 2016– 31 March 2017) was \$761,424.

Future of NSW Coal Fired Electricity Generation Study

During 2016–17, Coal Innovation NSW continued work with Ernst & Young to develop a Future of NSW Coal Fired Electricity Generation Study. The Study examined 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.

Coal Innovation NSW expenditure for this Study under the NSW Department of Industry in 2016–17 (1 July 2016– 31 March 2017) was \$269,650.

Geological Survey collaborative projects

In 2016–17, the Geological Survey of NSW (GSNSW) participated in numerous geoscientific collaborations, comprising:

- AusLAMP: The Australian Lithospheric Architecture Magnetotelluric Project, 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 three-year project.
- DETCRC: The Deep Exploration Technologies Cooperative Research Centre (2010-18), a \$145 million collaboration that develops faster, cheaper, technically superior and safer ways to drill, analyse and target deep mineral deposits. GSNSW is an Affiliate Member of the DETCRC.

- The AMIRA UNCOVER Roadmap: This is a 12-month desktop study that maps out the research and funding mechanisms required to support mineral exploration in covered terrains.
- The PALM paleomagnetic and rock magnetic laboratory at Newcastle Institute for Energy and Resources: This ongoing project uses 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.
- The Coonabarabran airborne geophysical survey: This is collaborative project with Geoscience Australia to acquire airborne geophysical data in the Coonabarabran area, central NSW. The data acquisition is aimed at imaging 'Cadia gold-mine' type targets for exploration.
- CODES Mac ARC Linkage: GSNSW is part of a collaboration between academia, industry and other government geoscience agencies in the 2016–2019 ARC Linkage project 'Ore deposits and tectonic evolution of the Lachlan Orogen', led by the University of Tasmania's ARC Centre of Excellence in Ore Deposits. GSNSW is contributing to analytical work costs and in-kind support through two Partner Investigators: John Greenfield and Robert Musgrave. The results from the project will be used to identify areas of high potential for economic ore deposits, enabling more efficient prioritisation of mineral exploration.
- Southern Thomson ARC Linkage: This project aims to develop models to explain the tectonic development of the southern Thomson Orogen and comprises researchers from The University of Newcastle, the Queensland University of Technology, The University of Queensland, the Geological Survey of Queensland and GSNSW, led by Professor Bill Collins.

Other collaboration with the University of Newcastle included postgraduate research projects in the East Riverina project and geochronology in the Koonenberry Belt.

In the East Riverina, Deepika Venkataramani completed her Masters project interpreting deep crustal seismic and potential field modelling across the Gilmore Fault Zone, and Michael Bell continued structural mapping of the Gilmore Fault Zone and Tumut Trough. In addition, Sean Melehan completed a facies mapping and sequence stratigraphy project in the northern Sydney Basin. Jake Breckenridge has commenced a PhD on the Devonian basins of western NSW.

Geological Survey of NSW financial contributions

The Geological Survey of NSW (GSNSW) contributed financially to the following geoscientific research collaborations under the NSW Department of Industry in 2016–17:

- Southern Thomson Orogen Project: A four-year collaborative project with Geoscience Australia and the Geological Survey of Queensland (2013–17) 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 2016–17 was \$110,690 including staff salaries.
- 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.
- GSNSW expenditure on the NVCL in 2016–17 was \$218,505, which included staff salaries, operating expenditure and maintenance and software upgrades for the HyLogger™ automated core logging system
- Australian Research Council (ARC) Linkage Project with University of Tasmania: \$10,000 was contributed for the Lachlan Orogen mineralisation study.

NSW Department of Industry—Liquor and Gaming

Liquor & Gaming NSW and the Responsible Gambling Fund commissioned research in 2016–17 to provide thought leadership and better inform the development of innovative responsible gambling policy, initiatives and regulatory approaches and evaluations.

A longitudinal study of clients and gambling help services research commenced in October 2013 and will be completed in December 2018. This project is being undertaken in partnership with the ACT Government.

In addition to research undertaken by the NSW Government, research was completed by Gambling Research Australia, a national gambling research program funded by state, territory and federal governments.

The following new and continuing research in 2016–2017 included:

Table A25–2. Research funding

Organisation	Funding	Project
ORIMA Research Pty Ltd	\$28,625	Responsible Gambling Fund, research examining the sports betting behaviour and advertising campaign effectiveness.
Instinct and Reason	\$27,150 (total cost of \$54,300)*	Responsible Gambling Fund, <i>You're Stronger Than You Think</i> advertising campaign mid and post campaign research
Taverner Research	\$33,665 (total cost of \$56,108)*	Responsible Gambling Fund evaluation of problem gambling prevention program in NSW Aboriginal communities

Note these payments were split over the two reporting periods, so the relevant expenditure is reflected in the NSW Department of Justice and NSW Department of Industry annual reports.

Appendix 26—Native game birds

The number of each species of native game birds killed by game hunting licence holders during the 2016–17 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 the table below.

Table A26–1. Native game birds killed by game hunting licence holders during 2016–17

Mountain Duck	146
Wood Duck	9,412
Black Duck	11,700
Blue-winged Shoveler	65
Chestnut Teal	54
Grey Teal	25,028
Hardhead	1,121
Pink-eared Duck	882
Water Whistling Duck	0
Grass Whistling Duck	1,342
2016–17 total harvest	49,750

Appendix 27—Implementation of recovery and threat abatement plans

Recovery plans relating to threatened fish and marine vegetation are prepared under the *Fisheries Management Act 1994*. The plans identify the actions required to recover the species to a position of viability in nature. Similarly, threat abatement plans are prepared to address key threatening processes listed under the Act, and they identify actions required to reduce the impact of threatening processes.

NSW DPI is the lead implementation agency. Each plan, however, 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. Maps of the indicative distributions¹⁷ of 14 freshwater threatened species and populations are available to download from the NSW DPI website.

A Priorities Action Statement¹⁸ (PAS) is located on the NSW DPI website that 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 below.

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. Video footage of an EFC obtained by a recreational fisher in Ironpot Creek provides evidence that a population is persisting in the Richmond River catchment following stocking of the species prior to 2004.

NSW DPI completed the statutory review of the EFC Recovery Plan¹⁹ during 2016–17 and placed it 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.

An updated Primefact on EFC²⁰ has also been published and a video embedded on the NSW DPI website of EFC in the Clarence River catchment to increase community awareness of this species.

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 road construction.

During 2016–17, a NSW DPI report ‘Distribution and conservation status of the endangered Oxleyan pygmy perch²¹ *Nannoperca oxleyana* Whitley in New South Wales’ by James Knight, along with an updated Primefact on the species were published on the NSW DPI website.

Silver Perch (*Bidyanus bidyanus*)

NSW DPI continued the conservation stocking program for Silver Perch (SP) in northwest NSW in 2016–17. With the help of local recreational fishing club members, a total of 50,000 Silver Perch fingerlings were released in April 2017 into the Namoi River at three sites between Gunnedah and Narrabri. This adds to the 50,000 fish stocked at the same sites in 2015–16. 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.

The statutory review of the Silver Perch Recovery Plan²² was completed during 2016–17 and published on the NSW DPI website. An updated Primefact on SP²³ was published on the NSW DPI website following the completion of this review.

¹⁷ www.dpi.nsw.gov.au/fishing/species-protection/threatened-species-distributions-in-nsw

¹⁸ www.dpi.nsw.gov.au/fisheries/species-protection/priorities-action-statement

¹⁹ www.dpi.nsw.gov.au/fishing/species-protection/conservation/what-current/endangered-species/eastern-freshwater-cod/review-recovery-plan

²⁰ www.dpi.nsw.gov.au/fishing/species-protection/conservation/what-current/endangered-species/eastern-freshwater-cod

²¹ www.dpi.nsw.gov.au/fishing/species-protection/conservation/what-current/endangered-species/oxleyan-pygmy-perch

Trout Cod (*Maccullochella macquariensis*)

The conservation stocking program for Trout Cod (TC) in the upper Macquarie region (upstream of Lake Burrendong) continued with a further 20,000 fish stocked during the 2016–17 reporting period. An additional 4,000 Trout Cod fingerlings were also released into Talbingo Dam adding to the 9,000 fingerlings released there over the previous two years.

NSW DPI completed the statutory review of the Trout Cod Recovery Plan²⁴ during 2016–17 and published it on the NSW DPI website. The outcome of the TC recovery plan statutory review was generally positive with a large number of the recovery plan actions complete or commenced.

A new advisory guide ‘Protecting Trout Cod: A guide for fishers and land managers’²⁵ was published and placed on the NSW DPI website in 2016–17. Printed copies were distributed to local Fisheries offices and other key stakeholders.

An updated Primefact on TC²⁶ has also been published and a video of TC embedded on the NSW DPI website to increase community awareness of this species.

A new advisory sign for TC was produced during 2016–17 to address the issue of misidentification. The endangered Trout Cod is commonly confused with Murray Cod. Murray Cod are not listed as threatened in NSW and are permitted to be taken at specified times of the year. NSW DPI compliance officers assisted in identifying key sites for signs to be installed in NSW along the Murray River. The department is also collaborating with the Victorian Department of Environment, Land, Water and Planning to install signs in Victoria aimed at increasing awareness of the species to fishers accessing the Murray River from Victoria.

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

Following the discovery of River Snail (preliminarily identified as Hanley’s River Snail) on the Island Creek Weir, Lachlan River during 2015–16, this year NSW DPI applied a new process to identify other high priority weirs (with similar rock rip rap construction) in the Lachlan and nearby catchments for survey. An identification package including a data recording sheet and photos of the snails and the habitat where they were originally located was developed and distributed to NSW DPI research and regional staff to assist with conducting surveys. Surveys commenced in February 2017, and whilst no snails were discovered on the eight road crossings and weirs, extensive flooding in the Lachlan River meant that most structures were drowned out at the time. Follow-up inspections are planned for these sites.

NSW DPI has commenced preparation of the statutory review for the River Snail Recovery Plan.

Black Rockcod (*Epinephelus daemeli*)

A video of Black Rockcod²⁷ in the Solitary Islands, Coffs Coast has been embedded on the NSW DPI website to increase community awareness of this species.

Removal of large woody debris—key threatening process

The removal of large woody debris is listed as a key threatening process (KTP) because it negatively impacts two or more threatened species, specifically the endangered Eastern Freshwater Cod (*Maccullochella ikei*), Trout Cod (*Maccullochella macquariensis*) and Macquarie Perch (*Macquaria australasica*), as well as the vulnerable Silver Perch (*Bidyanus bidyanus*). The department prepared a threat abatement plan to address

²² www.dpi.nsw.gov.au/fishing/species-protection/conservation/what-current/vulnerable-species/silver-perch/review-of-the-silver-perch-recovery-plan

²³ www.dpi.nsw.gov.au/fishing/species-protection/conservation/what-current/vulnerable-species/silver-perch

²⁴ www.dpi.nsw.gov.au/fishing/species-protection/conservation/what-current/endangered-species/eastern-freshwater-cod/review-recovery-plan

²⁵ www.dpi.nsw.gov.au/fishing/species-protection/conservation/what-current/endangered-species/trout-cod/protecting-trout-cod

²⁶ www.dpi.nsw.gov.au/fishing/species-protection/conservation/what-current/endangered-species/trout-cod

²⁷ www.dpi.nsw.gov.au/fishing/species-protection/conservation/what-current/vulnerable-species/black-rockcod

this KTP in 2007. During 2016–17, the department continued to implement the plan, funding the installation of 117 individual trees in 36 snag complexes in the Macquarie River and 15 snags in five complexes in the Horton River. Rock fillet work undertaken in Sunny Corner near Wauchope incorporated 30 snags, and 250 rootballs were also incorporated into rock fillet foreshore rehabilitation work on the Lower Nambucca River.

NSW DPI has commenced preparation of the statutory review for the Removal of Large Woody Debris from NSW Streams KTP Threat Abatement Plan.

Joint management agreements

The Minister may enter into a joint management agreement (JMA) 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 were joint management agreements in force during the 2016–17 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 Secretary of any deficiencies in the implementation of the agreements.

A five-year review of the JMA²⁸ for the NSW Shark Meshing (Bather Protection) Program was completed during 2016–17, which is available on the NSW DPI website.

The 2016–17 performance report for the NSW Shark Meshing (Bather Protection) Program, and the Fisheries Scientific Committee's review of this report, are available on the NSW DPI website.²⁹

²⁸ www.dpi.nsw.gov.au/fishing/sharks/management/shark-meshing-bather-protection-program

²⁹ <http://www.dpi.nsw.gov.au/>

Appendix 28—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* 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 released the new MPSP framework in the second half of the 2016 calendar year. Owing to the machinery of government changes of early 2017, the department was not able to prepare a new multicultural plan before the end of the financial year. It is anticipated that this will occur during 2017–18.

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

The following is a summary of multicultural outcomes achieved by the department during 2016–17.

Human resources

A number of programs were undertaken by the department to promote workforce diversity and inclusion.

A major activity for the department has been around cultural change with a 'What Will It Take?' program designed to support a more collaborative, inclusive and diverse culture.

The department continues 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 integrated into staff personal development plans.

The department has continued to reshape the capability within our recruitment team and our recruitment processes to promote transparency, diversity and inclusion in our recruitment and mobility practices.

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 work to increase the accuracy of equal employment opportunity data in human resources systems.

Cultural diversity

Integrating multicultural considerations into the department's operations, and communicating these opportunities to staff, are important activities contributing to the department achieving cultural diversity outcomes.

The following is a summary of strategies and activities that are planned for implementation in 2017–18 to achieve our proposed multicultural outcomes.

- A Cultural Diversity Steering Committee will be established by end 2017, with a range of activities undertaken to leverage current diversity and inclusion strategies.
- Employees will be invited to voluntarily update their equal employment opportunity data in the department's human resources systems.
- Dashboard reporting will be introduced to raise awareness within our business of the department's current diversity profile.
- Existing programs of work that are reshaping the capability within our recruitment team and our recruitment processes to promote transparency, diversity and inclusion in our recruitment and mobility practices will continue.

- The department will participate in the NSW Government’s Refugee Employment Program, which involves employing 100 refugees across several different departments and agencies in the NSW Public Sector.

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.

Multicultural community engagement

During 2016–17, NSW DPI—Fisheries undertook a range of community engagement and awareness-raising activities including:

- delivering community engagement workshops, events and presentations targeted at CALD (culturally and linguistically diverse) communities to raise awareness about safe and responsible fishing and conservation
- distributing fisheries and water safety resource material translated into community languages
- delivering, in partnership with the Lebanese Muslim Association, nine ‘Off the Hook’ programs to 160 newly-arrived refugees to raise awareness of responsible fishing and pathways to employment in the fishing industry
- delivering, with other relevant agencies, rock fishing safety awareness training to CALD audiences
- co-hosting, with a number of CALD organisations and CALD media outlets, a Water Safety Day at the Willoughby Leisure Centre
- distributing over 25,000 multilingual fishing brochures and DVDs through Fisheries offices
- providing over 170 face-to-face or telephone community language interpreting translation services
- installing or maintaining multilingual fisheries signs about fish and shellfish consumption in Sydney Harbour, Parramatta River and Sydney Basin tributaries.

Energy Accounts Payment Assistance Scheme

The Energy Accounts Payment Assistance (EAPA) Scheme helps people experiencing a short-term financial crisis or emergency to pay their electricity or gas bill. EAPA delivers assistance through a network of around 340 community organisations, known as EAPA providers. Twenty-eight of those organisations represent CALD communities.

In 2016–17, the department provided additional support to EAPA providers, with face-to-face training and other assistance to customers. Twenty-seven of the EAPA providers from CALD groups participated in this training.

Skills and education

Smart and Skilled is the NSW Government's reform of the Vocational Education and Training (VET) system. In 2016–17, 14.5% (22,631) of Smart and Skilled commencing students spoke a language other than English. In 2016–17 Adult and Community Education (ACE) colleges assisted 2,198 overseas-born students.

Fifteen per cent (7,097) of apprentices and trainees approved in NSW in 2016–17 were not born in Australia and 14% (6,644) indicated that English was not spoken at home.

In 2016–17, 48% (414) 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.

Under the ACE program, approved ACE providers receive Community Service Obligation (CSO) funding to provide training for disadvantaged students and regional and remote communities that need assistance to access training under the Smart and Skilled entitlement program. This additional support is provided to migrants or refugees who are unemployed or underemployed.

Commencing on 1 January 2017, the department introduced fee-free training under Smart and Skilled for refugees and asylum seekers. This includes full qualifications up to Certificate IV, foundation skills courses and access to the Smart and Skilled part-qualifications program. Fee-free scholarships are also available to holders of humanitarian visas.

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.

Refugee Employment Support Program

In 2016–17, the department, in consultation with Professor Peter Shergold AC, Coordinator General of Refugee Resettlement, developed the Refugee Employment Support Program (RESP). Launched in May 2017 and intended to run for four years, the RESP is designed to assist up to 6,000 refugees and 1,000 asylum seekers to find sustainable and skilled employment.

The program will provide refugees and asylum seekers with opportunities to secure financial independence while resettling while also enhancing the contribution they can make to local communities and the NSW economy.

Following a four-stage procurement process, Settlement Services International was selected to deliver the RESP from 1 July 2017. The program will run in Western Sydney and the Illawarra where the majority of refugees have been resettled.

RESP is delivering services that include:

- working with multicultural employment specialists to provide tailored support based on a participant's skills, experience and goals and to address barriers in finding long-term skilled employment
- providing vocational training through Smart and Skilled, work experience coordinated with employers and mentoring opportunities
- assisting in the process to gain recognition of overseas qualifications and/or skills in Australia with associated costs subsidised by the NSW Government.

Business and Skilled Migration Program

In 2016–17, the department 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, 3,730 prospective migrants from 92 countries were nominated by NSW for skilled visas under the State Skilled Nomination Migration Program. India, China, Pakistan, the United Kingdom and the Philippines were the top source countries for skilled visa nominations. In addition, 720 prospective migrants from 42 countries were nominated for skilled visas to locate in regional NSW. India, China, Pakistan, Nepal and Sri Lanka were the top source countries for regional skilled visa nominations.

In 2016–17, the NSW Government nominated 703 people for business or investor migration, including for the Significant Investor Visa. The majority of business and investor visa nominees were from mainland China, with other nominees coming from Vietnam, Hong Kong, India, Iran, South Africa and the United Kingdom.

Responsible Gambling Fund

To support at-risk and problem gamblers from CALD communities, the Responsible Gambling Fund provides gambling help counselling in more than 40 languages in 10 locations across Sydney and available by phone to all residents of NSW. In 2016–17, over 3,000 face-to-face counselling sessions were provided for CALD clients, representing 11% of sessions conducted for problem gamblers in NSW.

The Responsible Gambling Fund also provided translations for responsible gambling awareness campaigns to support CALD communities. During 2016–17, this included the Talkward campaign targeting family and friends to support problem gamblers by reducing stigma associated with gambling and asking for help.

Trade and investment

The department uses a variety of channels to harness the benefits of the state's cultural diversity, language skills and overseas links to increase the effectiveness of our provision of investment and export services to multicultural clients within NSW and overseas.

StudyNSW aims to increase the number of international students studying in NSW, improve the quality of their experience while in NSW and recognise their valuable contributions to our communities. Its website is available in nine languages including Mandarin, Japanese, Vietnamese, Thai, Arabic, Korean, Spanish and Portuguese. StudyNSW also:

- delivers annual international student awards to recognise the contributions international students make to our communities and supporting inter-cultural understanding
- works closely with Multicultural NSW and other partners to build tolerance and understanding in our communities such as through supporting the AFL Multicultural round in the 2017 season
- coordinates an international student welcome desk at Sydney Airport where international students currently studying in NSW greet arriving students and other visitors in their first language.

The department continued to work with bilateral chambers of commerce and other international organisations to foster engagement and to profile trade and investment opportunities which drive business growth in NSW.

NSW Small Business Commissioner

The Office of the NSW Small Business Commissioner (OSBC) continued to deliver a number of key initiatives to support multi-cultural businesses, including:

- the OSBC website multicultural portal provides resources and information in Arabic, Cantonese, Mandarin, Korean and Vietnamese about retail and commercial leasing, key small business resources, compliance information and other small business issues
- fact sheets that are tailored to meet the needs of multicultural small businesses in Arabic, Cantonese, Mandarin, Korean and Vietnamese

- ongoing support for CALD small business owners affected by reform to their industry and ensuring they understand the changes.

Business Connect program

In 2016–17, 594 multicultural small businesses were supported through Business Connect, providing over 1,900 hours of practical face-to-face business support.

Future plans and directions

The following strategies and activities are planned for implementation in 2017-18 to achieve multicultural outcomes:

- republication of key small business resources and information for small businesses in Arabic, Cantonese, Mandarin, Korean and Vietnamese
- targeted workshops throughout 2017–18 for CALD small business operators
- working in partnership with the state-wide Multicultural Problem Gambling Service to develop self-help resources and tools in a range of languages and ensure content is sensitive to cultural considerations
- the establishment of an internal Cultural Diversity Steering Committee by the end of 2017, with a range of activities undertaken to leverage current diversity and inclusion strategies
- encouraging employees to voluntarily update their equal employment opportunity data in the department's human resources systems
- introducing dashboard reporting that will raise awareness within our business of the department's current diversity profile
- participation in the NSW Government's Refugee Employment Program, which involves employing 100 refugees across several different departments and agencies in the NSW public sector
- fully implement the RESP to assist the additional refugees and asylum seekers from Syria and Iraq secure jobs and financial security.

Agreements with Multicultural NSW

The NSW Department of Industry has no formal agreements in place with Multicultural NSW.

Appendix 29—Consumer response 2016–17

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 department's Complaint Handling Process.

The Complaint Handling Process is available to our clients on our website.³⁰ Guidelines in the Complaints handling 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
- 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.

³⁰ <http://www.industry.nsw.gov.au/policies>

Sixty complaints were received during 2016–17. These have been broadly grouped to identify the areas of concern.

Actions and decisions of staff members

Sixteen complaints were received regarding poor service and unprofessional behaviour.

In five of these matters it was considered better interpersonal interactions may have prevented the complaints occurring. This included providing better information on the process or actions in contention. Formal apologies were issued in two of those matters.

The actions and decisions were considered reasonable, or there was no evidence to support the complaint, in the remaining matters.

Timeliness

Eleven complaints were received concerning the time taken to process an application, approval or payment. In five of those matters, providing further information on the expected processing times when the application was submitted may have prevented the complaint being made. The remaining matters were escalated and resolved.

Inaction or inadequate action

Three matters concerned the lack of response to queries, or that the response received was incomplete or otherwise unhelpful. These matters were escalated and resolved. An apology was issued in one matter, with the staff concerned receiving additional customer service and procurement training.

Biased decision-making

Six matters concerned allegations of bias in reporting, recruitment, tendering or other management decisions affecting the delivery or provision of services.

Each was reviewed with one matter being confirmed as poor practice rather than bias, and action was taken to redress this. The remaining matters were considered to have been appropriately managed.

Systems and processes

Twelve matters concerned issues regarding systems and processes. Eight 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. One matter concerned the availability of information on the department's website, which was corrected. In two matters, process improvements or enhancements were identified and implemented.

Actions of other parties

Twelve Crown Land-related complaints concerned the actions of lease holders, were between land holders, or related to reserve trust matters or their management. In four of these matters, site inspections were completed to assist in the resolution of the issues raised and three were referred to a third party for a response.

A revised Service Related Complaints Policy, procedure and associated documents have been developed to incorporate the six Complaint Handling Commitments: respectful treatment, information and accessibility, good communication, taking ownership, timeliness and transparency and continuous improvement.

In addition, FeedBack Assist, an online reporting and case management system for receiving and responding to service related complaints, is being trialed in anticipation of a rollout across all departmental websites as part of a whole-of-government customer service initiative.

Liquor & Gaming NSW

The department's Complaint Handling Policy requires complaints to be handled at the earliest opportunity. The figures in the Liquor & Gaming NSW complaints table include escalations in the call centre, emailed complaints and complaints directed through formal channels including to the Minister, and to the Ombudsman. Verbal complaints resolved at first contact are not included.

Table A29–1. Liquor & Gaming NSW complaints table*

Nature of complaints	Number of complaints
Delay in service/service quality	849
Process	21
Other	1
Total	871

*This data is for the full 2016–17 financial year. Liquor & Gaming NSW joined the NSW Department of Industry on 1 April 2017.

Many complaints related to the timeliness of services generally and processes for customers to obtain Competency Cards, renewals and liquor licences.

In November 2016, Liquor & Gaming implemented a single 1300 telephone number for public contacts and a new, scalable and more robust call handling system in its customer service group as the foundation for future services. To improve handling and management of all customer requests, in 2016–17 Liquor & Gaming NSW scoped and commenced sourcing for a customer relationship management system. For the Competency Card and renewals program, a range of improvements including self-service options are scheduled to be implemented in the first half of 2017–18.

Appendix 30—Fishcare volunteer program

The Fishcare program involves 219 volunteers across New South Wales, dedicated to assisting NSW DPI in fostering positive changes in community attitudes to responsible fishing practices and ethics.

In 2016–17, volunteers participated in 606 registered events, making 66,000 contacts and dedicating 16,000 hours of service (around 2,285 days) to the program. Major achievements and key figures for the program include:

- The general age demographic of volunteers was 48-69 years.
- Five per cent of volunteers came from culturally and linguistically diverse (CALD) communities, such as the Arabic, Italian, and Greek communities.
- Ten new nominees completed two-day theory training at Tamworth and were certified as Fishcare volunteers after successfully completing the probationary period.
- The Sydney region undertook 316 events, making 29,000 contacts. Of the 316 events, 208 were run and managed by volunteers without the Education Officer attending, these include; Long Reef Events, Sydney International Regatta Centre Events (Public Fishing), Fishing for Sport and Scouts, Retiree Fishing.
- The Sydney International Boat Show involved the largest number of rostered volunteers, with 18 volunteers and three DPI staff contacting 10,000 people over the duration of the event.
- Other large events included Gone Fishing NSW, run across NSW at six sites with around 20,000 visitors. The Cronulla Fair in Sydney also had an impressive 6,000 visitors visit our stand over two days.
- In western NSW, 63 events were undertaken and 11,000 people contacted.

During 2015–16, volunteers partnered with local councils, clubs and groups to teach over 8,200 children between the ages of 8–14 years the basics of fishing. Partner groups included Guides, Scouts, NSW Department of Education (senior and junior fishing for sport), and 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 fishing workshops. A paid fishing workshop was attended by 576 children, and free-of-charge workshops were attended by 1,036 children. 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 2016 calendar year, over 4,100 students participated from 96 schools (70 coastal and 26 inland) across the state.

Volunteers are essential to the running of the program. In 2016 Fishcare volunteers assisted at 24 incursions and events, and 34 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 950 students participated in theory and practical fishing lessons.

Appendix 31—Government Information (Public Access) Act 2009 (GIPA Act)

There were 227 valid GIPA applications received during the 2016–17 reporting period.

Decisions for 21 applications were pending as at 30 June 2017 and will be included in next year's report. Similarly, 19 applications received in the previous year that had not been decided as at 30 June 2016 are included in this year's figures.

A total of 225 applications were therefore finalised during 2016–17.

A notable change for the current year was the significant increase in the number of applications received from Members of Parliament, up from 32 to 75.

Major areas of interest for applicants concerned Crown Lands (83 applications), NSW DPI (55 applications) and Resources & Energy (53 applications).

Twenty-three decisions were subject to internal review by the department or external review by either the Information Commissioner or NSW Civil & Administrative Tribunal. Ten decisions were upheld and 13 varied.

The majority of variations following Internal Review were of a minor nature which did not unduly reflect upon the quality of the original decision.

In April 2017, the Information Commissioner approved the department's request to allow applications and payments to be accepted online.

Due to the nature of the agency, most applications seek access to information received from, or related to, third-party businesses. In these circumstances consultation with third parties is a regular requirement for a substantial number of applications. This consultation frequently involves a large volume of complex and technical information with consequent challenges in interpretation and sensitivities.

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 s. 7(3) of the *GIPA Act*, the department 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.

Statistical information on 2016-2017 GIPA applications

Table A31–1. Number of applications by type of applicant and outcome*

Type of applicant	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	2	2	1	0	0	0	0	0
Members of Parliament	21	51	2	1	1	2	0	8
Private sector business	13	11	0	1	0	4	0	0
Not-for-profit organisations or community groups	3	12	4	2	0	1	0	2
Members of the public (application by legal representative)	16	19	1	3	2	3	0	0
Members of the public (other)	11	30	2	1	0	4	0	1

*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 A31–2.

Table A31–2. Number of applications by type of application and outcome

Type of application	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*	4	8	0	0	0	0		1
Access applications (other than personal information applications)	61	106	10	7	2	13	0	10
Access applications that are partly personal information applications and partly other	1	11	0	1	0	1	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).

Table A31–3. Invalid applications

Reason for invalidity	Number of applications
Application does not comply with formal requirements (s. 41 of the Act)	48
Application is for excluded information of the agency (s. 43 of the Act)	1
Application contravenes restraint order (s. 110 of the Act)	0
Total number of invalid applications received	48
Invalid applications that subsequently became valid applications	43

Table A31–4. Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act

Consideration	Number of times consideration used*
Overriding secrecy laws	2
Cabinet information	23
Executive Council information	0
Contempt	12
Legal professional privilege	14
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 A31–5.

Table A31–5. Other public interest considerations against disclosure: matters listed in table to s. 14 of Act

Considerations	Number of occasions when
Responsible and effective government	18
Law enforcement and security	2
Individual rights, judicial processes and natural justice	80
Business interests of agencies and other persons	31
Environment, culture, economy and general matters	1
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table A31–6. Timeliness

Outcome	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	202
Decided after 35 days (by agreement with applicant)	22
Not decided within time (deemed refusal)	1
Total	225

Table A31–7. Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

Type of review	Decision varied	Decision upheld	Total
Internal review	5	5	10
Review by Information Commissioner*	5	1	6
Internal review following recommendation under s. 93 of Act	2	1	3
Review by NCAT	1	3	4
Total	13	10	23

*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 A31–8: Applications for review under Part 5 of the Act (by type of applicant)

Application type	Number of applications for review
Applications by access applicants	15
Applications by persons to whom information the subject of access application relates (see s. 54 of the Act)	6

Appendix 32—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 2016 to 30 June 2017 (summarised in Table A32–1).

Table A32–1. Summary of PIDs received 2016–17

Disclosures	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	3
Number of public interest disclosures received by the Agency:	0	0	3
Of public interest disclosures received, how many were primarily about:			
• corrupt conduct	0	0	3
• maladministration	0	0	0
• 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	3

Three matters reported by staff members were accepted as being Public Interest Disclosures and investigated.

There were no findings of misconduct in two of those matters. The remaining matter concerned the unauthorised use of a motor vehicle. It was determined that private use contrary to the department's Motor Vehicle policy had occurred. The staff member was counselled and warned any recurrence may result in dismissal.

On occasion, concerns are raised by staff that 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's PID Policy was revised in August 2016 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. All Senior Executives Band 1 and above are now able to accept PID reports—this is a substantial increase in the number of people to whom staff can raise concerns regarding possible corruption or misconduct.

A training program for Senior Executives on their PID responsibilities was undertaken in conjunction with the NSW Ombudsman. As at May 2017, PID training had been provided to 156 Senior Executives.

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

The following action has been taken to ensure that staff are aware of the contents of the Policy and the protections available, as required under s. 6(E)(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.

Appendix 33—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*.

One complaint of a breach of privacy was received during the reporting period. That matter concerned a person's identity still being able to be ascertained from other information in a report even though some redactions had been made.

The investigation of the complaint confirmed a Google search of information remaining in the redacted version of the report allowed the complainant's identity to be determined. An apology was issued and additional redactions made to the report to remove those references.

The complainant remained unsatisfied with that response and commenced proceedings in the NSW Civil & Administrative Tribunal. A decision had yet to be made in that action as at 30 June 2017.

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

Appendix 34—Exemptions from reporting provisions

The department has not applied for exemptions from annual reporting provisions for 2016–17.

Appendix 35—Responsible Gambling Fund

In 2016–17, the NSW Government’s Responsible Gambling Fund continued its active role in providing services and projects designed to support responsible gambling and prevent and minimise the risk of problem gambling-related harm in the community.

Gambling Help included 55 face-to-face counselling services in 278 locations across regional, rural and metropolitan NSW, as well as a 24-hour phone number and online counselling.

Specific community and cultural needs were also provided for, with four Aboriginal-specific services and eight culturally diverse Gambling Help services.

Awareness programs during 2016–17 included the second phase of the *You’re Stronger Than You Think* advertising campaign targeting male gamblers, which featured television advertising for the first time. In a post-campaign evaluation, 26% of male problem gamblers said the *You’re Stronger Than You Think* campaign made them think seriously about seeking help, and 22% of male problem gamblers said the campaign had prompted them to seek help for their gambling problem. In addition, 71% of male problem gamblers said they were aware of the campaign.

Awareness programs also included Responsible Gambling Awareness Week and the Warruwi Gambling Help program. These raised awareness in Aboriginal communities at a local level through workshops and events. Sector education targeting the legal and correction sector was also undertaken in 2016–17 to improve awareness, screening and delivery of support services for problem gamblers.

Appendix 36—Independent Liquor & Gaming Authority’s Annual Report 2016–17

Promoting fair and transparent decision-making under the *Gaming and Liquor Administration Act 2007*

The Independent Liquor and Gaming Authority (the Authority) is an independent statutory authority established under the *Gaming and Liquor Administration Act 2007*. The Authority holds a number of functions under liquor and gaming legislation, including:

- determining contentious licensing proposals
- determining disciplinary action taken against licensees and others
- reviewing certain delegated decisions made on its behalf by Liquor & Gaming NSW.

The Authority is responsible for licensing approval and other regulatory functions under the *Liquor Act 2007*, *Gaming Machines Act 2001*, *Registered Clubs Act 1976* and related legislation. Under the *Casino Control Act 1992*, the Authority is responsible for licensing of gaming and liquor matters for NSW casinos and also disciplinary complaints relating to the casinos.

In undertaking its statutory functions, the Authority must:

- promote fair and transparent decision-making
- deal with matters in an informal and expeditious manner
- promote public confidence in its decision-making and the conduct of its members.

Chairperson's report

This past year for the Authority has been shaped by further growth and transformation as the first full year of reforms to liquor and gaming regulation in NSW have been in operation. In line with these reforms the Authority has implemented a number of improvements to provide greater certainty for the industry and the community in relation to licensing matters.

To ensure the delivery of fast and efficient decision-making the Authority met twice per month for the majority of 2016–17, instead of the usual monthly arrangement. The success of this arrangement is a credit to the adaptable and committed members of the Authority and the staff who support it.

The Authority has also been working closely with Liquor & Gaming NSW to ensure decisions are made in a timely manner and in accordance with the determination timeframes outlined in the ministerial directions.

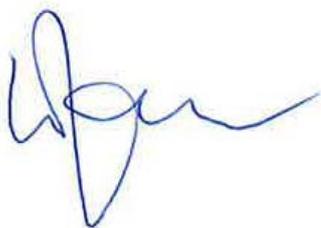
There have also been improvements to the transparency of decision-making by the Authority, with a range of documents relating to the Authority's decision-making being published on the Liquor & Gaming NSW website. For example, this included:

- a notice listing the matters to be considered at each meeting, which the Authority aims to publish five business days prior to the Authority meeting
- outcomes from the meeting, which the Authority aims to publish within five business days of the meeting
- statements of reasons in relation to certain decisions made by the Authority that are published as soon as possible after they are finalised
- where certain decision timeframes have not been met, the reasons for this are published each month.

To begin the 2016–17 financial year, the NSW Government undertook a rigorous recruitment process to fill two additional board positions. This included relevant considerations of a person's honesty, general reputation in the community, ability to be trusted to perform the relevant functions and the existence of any adverse findings or convictions.

As a result of this process the Authority welcomed two new members, Ms Sarah Dinning and Ms Samantha Zouroudis, both of whom come from relevant professional backgrounds and bring with them a wide range of diverse knowledge and experience to the Authority.

I would like to express my thanks to the staff of Liquor & Gaming NSW who are a committed and professional team. I would also like to thank the Authority members for their hard work and dedication throughout the year and I look forward to working together in the year ahead. The Authority will continue to work closely with key stakeholders and members of the community to ensure the continuation of efficient, transparent and balanced decision-making.



Philip Crawford
Chairperson

Significant activities

In 2016–17, the Authority continued to determine a large volume of high-risk liquor licence applications, review applications, disciplinary complaints, casino licensing and gaming machine entitlements.

The Authority determined and granted, either directly or under delegation by Liquor & Gaming NSW in accordance with the Authority's [Regulatory Delegations Manual](#).³¹

- 2,617 new liquor licences
- 803 applications under s. 51 of the *Liquor Act 2007*, which includes licence-related authorisations, such as extended trading and primary service.

The Authority took disciplinary action in relation to 17 complaints, including:

- 10 complaints lodged under the *Liquor Act 2007*
- 2 complaints lodged under the *Gaming Machines Act 2001*
- 3 complaints lodged under the *Registered Clubs Act 1976*
- 2 complaints lodged under the *Casino Control Act 1992*.

In addition, the Authority determined one short-term closure order under s. 82 of the *Liquor Act 2007*.

A number of decisions were made under Part 9 of the *Liquor Act 2007* to disqualify operators from holding a liquor licence, being an approved manager of a licensed premises or being the close associate of a licensee, with respect to any licensed premises in NSW for a particular period. This notably included:

- a life ban for two former operators of the Dreamgirls strip club in Kings Cross
- a life ban for the licensee of Queen KTV in Ashfield and a 10-year ban for the business manager of that venue
- a 10-year ban for the licensee of The Pier on Clarence in Port Macquarie
- a seven-year ban for the licensee and business owner of Hotel Orange in Orange.

Under s. 82 of the *Liquor Act 2007*, the Authority can order a short-term closure order for a venue when a serious breach of the Act has occurred, or is likely to occur, on the licensed premises; and if the closure of the premises is necessary to prevent or reduce a significant threat or risk to the public interest. During 2016–17, the Authority ordered one short-term closure order against Replay Karaoke in Bankstown, as serious breaches of ss. 9(1)(b), 11(2) and 73 of the *Liquor Act 2007* had occurred and/or was likely to occur.

In 2016–17 the Authority commenced consideration of an investigation Liquor & Gaming NSW conducted into the fitness and propriety of the former directors of the Parramatta Leagues Club board to hold key positions of a registered club. The Authority issued show cause notices to the Parramatta Leagues Club and four of its former directors. This matter will continue to be considered by the Authority in 2017–18.

The Authority also resolved to replace the Parramatta Leagues Club board with a temporary administrator under s. 41A of the *Registered Clubs Act 1976*, as they were of the opinion the governing body had ceased to be effective as a governing body.

During 2016–17, the Authority conducted its inquiry of The Star Pty Ltd under s. 31 of the *Casino Control Act 1992*. The extensive review, which was conducted by Mr Jonathan Horton QC, considered a number of matters including improvements to recording and reporting violent incidents, liaison with police, probity and the way junkets are operated. The review made several recommendations to improve regulatory oversight of the casino and aspects of its business.

The review concluded that:

- the casino operator is a suitable person to continue to give effect to the casino licence
- it is in the public interest that the casino licence should continue in force.

The review report is available on the Liquor & Gaming NSW website.

³¹ <http://www.liquorandgaming.nsw.gov.au/Documents/ilga/publications-and-guidelines/ilga-regulatory-delegations-manual.pdf>

As part of its casino responsibilities and as owner/lessor of The Star Casino Sydney property, the Authority approved two requests from The Star Casino to provide owners consent, for development applications relating to proposed alterations and upgrades to the property.

In January 2017, it was announced Mr James Packer was to be re-appointed as Director of Crown Resorts subject to regulatory approvals, including a probity assessment by the Authority. Following a probity investigation conducted by Liquor & Gaming NSW, the Authority made a final determination that Mr Packer was a suitable person to be associated with the management and operation of Crown Resorts Limited.

Management and structure

Authority membership

The *Gaming and Liquor Administration Act 2007* provides that the Authority consists of members that are appointed by the Governor on the recommendation of the Minister for Racing.

Authority Board Members 2016–17

Two new board members were welcomed to the Authority in 2016–17. Ms Samantha Zouroudis and Ms Sarah Dinning were both appointed from 1 January 2017.

Table A36–1. Authority members and qualifications

Authority member	Date of first appointment	Appointment date of current term	Expiry of term	Qualifications
Mr Philip Crawford, Chairperson	17 March 2016	8 June 2016	7 June 2019	Bachelor of Arts and Bachelor of Laws
Mr David Armati, Deputy Chairperson	31 August 2011 (Casino Control Authority)	31 August 2014	30 August 2018	Bachelor of Laws
Mr Craig Sahlin	17 March 2016	17 March 2016	16 March 2019	Bachelor of Arts and Bachelor of Laws (Honours)
Dr Nicky McWilliam	26 May 2016	26 May 2016	25 May 2019	Bachelor of Arts, Bachelor of Law, Master of Laws, PhD(Law), Family Dispute Resolution Practitioner, Nationally Accredited Mediator
Mr Stephen Parbery	26 May 2016	26 May 2016	25 May 2019	Fellow of the Institute of Chartered Accountants, Registered Liquidator
Mr Murray Smith	26 May 2016	26 May 2016	25 May 2019	Bachelor of Business, Registered and official liquidator, Chartered Accountant
Ms Sarah Dinning	1 January 2017	1 January 2017	1 January 2020	Executive Masters in Public Administration, Bachelor of Arts, Bachelor of Science
Ms Samantha Zouroudis	1 January 2017	1 January 2017	1 January 2020	Bachelor of Arts and Bachelor of Laws (Honours)
Ms Helen Morgan*	11 October 2013	11 October 2011	10 October 2016*	Diploma of Laws

*Ms Morgan resigned from the Board on 27 July 2016.

Meetings held

The Authority held 19 ordinary meetings during the reporting period to transact business relating to the casino, liquor and gaming. Meetings were held twice a month between 1 July 2016 and 31 March 2017 and monthly meetings were held between 1 April 2017 and 30 June 2017.

Other face-to-face meetings and a number of hearings were held by the Authority members as required and attendance was structured depending on the assignment of responsibilities among members. Several other meetings were conducted whenever required by telephone and email.

Table A36–2. Ordinary meetings attended by Authority board members 2016–17

Name	Position	No. of meetings whilst member	Authority meetings attended
Current Authority board member 2016–17			
Philip Crawford	Chairperson	19	18
David Armati	Deputy Chairperson	19	16
Craig Sahlin	Member	19	16
Nicky McWilliam	Member	19	15
Murray Smith	Member	19	17
Steve Parbery	Member	19	17
Samantha Zouroudis	Member	8	8
Sarah Dinning	Member	8	8
Former Authority board members 2016–17			
Helen Morgan	Member	1	1

Liquor operations

The Authority's principal liquor regulatory activities during the 2016–17 reporting period included:

- determining and granting 2,617 new liquor licences either directly or under delegation by Liquor & Gaming NSW, including:
 - 118 packaged liquor licence applications
 - 6 hotel general bar licence applications
 - 6 full hotel licence applications
 - 751 on-premises licence applications
 - 2 club licence application
 - 1,563 limited licence applications
 - 146 producer wholesaler licence
 - 25 small bar licence applications
 - determining and granting 803 applications under s. 51 of the *Liquor Act 2007*, either directly or under delegation by Liquor & Gaming NSW, which includes licence-related authorisations, such as extended trading and primary service.
 - determining three requests for review of certain delegated decisions made on its behalf by Liquor & Gaming NSW.

A number of routine licensing functions are delegated to senior staff in Liquor & Gaming NSW. The full list of the Authority's decision-making functions, including delegated functions, is contained in the Authority's [Regulatory Delegations Manual](#).³² The numbers contained in this report include decisions made directly by the Authority, as well as those decisions made under delegation by Liquor & Gaming NSW.

Reporting under the *Liquor Act 2007*

Section 156(a)—the number of licences in force in each Statistical Local Area determined by the Australian Bureau of Statistics (along with the total state-wide number of Licences) during the financial year

As at 30 June 2017, the total number of liquor licences in force in NSW was 15,838. Table A36–6 at Attachment E provides a breakdown of the number of licences in each local government area, including the total number of licences in NSW. Note that this excludes limited licences.

Section 156(b)—the number of new licences granted by the Authority during the year

The Authority granted a total of 2,617 new liquor licences in the reporting period. Table A36–7 at Attachment E details the numbers of new liquor licences granted since the 2014–15 financial year.

Section 156(c)—the number of licences suspended or cancelled by the Authority during that year

In 2016–17, the Authority cancelled 516 liquor licences and 10 licences were suspended under s. 144(F)(3)(a) of the *Liquor Act 2007*. In addition, 28 applications were refused and 366 were withdrawn by applicants.

The number of licences cancelled, relate to cancellations that occur annually as part of the Annual Liquor Licence Fee Scheme which commenced in 2015–2016. As part of this scheme, licensees that had not paid their periodic fees by a specified date were cancelled.

Table A36–8 in Attachment E presents data since the 2014–15 reporting period.

³² <http://www.liquorandgaming.nsw.gov.au/Documents/ilga/publications-and-guidelines/ilga-regulatory-delegations-manual.pdf>

Section 156(d)— the number of authorisations, to which s. 51 applies, granted by the Authority during that year

The Authority granted a total of 803 s. 51 applications in the 2016–17 reporting period. Section 51 applications are licence-related authorisations, such as extended trading and primary service. Table A36–9 at Attachment E details the numbers of new liquor authorisations granted since the 2014–2015 financial year.

Section 156(e)—the number of licences for which disciplinary action was taken by the Authority during that year and the nature of the disciplinary action taken

There were 10 disciplinary complaints determined under the *Liquor Act 2007* during 2016–17:

- six involved complaints made by a delegate of the Secretary of the NSW Department of Justice (now a function within the jurisdiction of the Secretary of the NSW Department of Industry) under Part 9 of the *Liquor Act 2007*
- three involved complaints made by Police under Part 9 of the *Liquor Act 2007*
- one involved a complaint made by a delegate of the Secretary of the NSW Department of Justice (now a function within the jurisdiction of the Secretary of the NSW Department of Industry) under Part 9A of the *Liquor Act 2007*.

In addition, there was one determination for a short-term closure order under s. 82 of the *Liquor Act 2007*.

For the outcomes of all abovementioned complaints refer to Disciplinary decisions.³³

Review applications under s. 36(A) of the *Gaming and Liquor Administration Act 2007*

During 2016–17, the Authority determined three review applications under s. 36(A) of the *Gaming and Liquor Administration Act 2007*:

- two applicants sought the review of a decision made by the Secretary, NSW Department of Justice in relation to a disturbance complaint under s. 81 of the *Liquor Act 2007*. The reviews resulted in the decisions being varied by the Authority.
- one applicant sought the review of a decision made by a delegate of the Secretary of the NSW Department of Justice to impose a second strike under s. 144(D)(2) of the *Liquor Act 2007*. The Authority determined to confirm the delegate's decision to impose a second strike on the licence.

³³ <http://www.liquorandgaming.nsw.gov.au/Pages/ilga/decisions-of-interest/liquor-decisions/disciplinary-decisions.aspx>

Gaming operations—casino

The Star at Pyrmont is currently the only casino in NSW. The Barangaroo Restricted Gaming Facility has been granted a licence to commence gaming operations from November 2019 and is expected to open in 2021. The Authority's principal casino regulatory activities during the 2016–17 reporting period, either directly or under delegation by Liquor & Gaming NSW included:

- approving gaming equipment, rules of games and new games
- monitoring compliance with the conditions of the casino licence and related legal agreements
- licensing special employees through rigorous probity assessment procedures
- taking disciplinary action against licensees under the *Casino Control Act 1992* when the prerequisite legislative grounds exist
- investigating, monitoring and reviewing controlled contracts for the provision of goods and services to the casino and reviewing contract notifications
- investigating close associates of the casino operator
- determining applications for review of exclusion orders issued against patrons of the casino
- consenting to and monitoring building and development works in the casino complex.

As covered in the section *Reporting under the Casino Control Act 1992*, the Authority conducted the five-yearly review into the casino, and also conducted a probity review in relation to the reappointment of Mr James Packer as Director of Crown resorts, as covered in the section *Significant activities*.

A number of routine gaming operations functions are delegated to senior staff in Liquor & Gaming NSW. The full list of the Authority's decision-making functions, including delegated functions, is contained in the Authority's [Regulatory Delegations Manual](#).³⁴ The numbers contained in the *Gaming Operations—Casino* section of this report include decisions made directly by the Authority, as well as those decisions made under delegation by Liquor & Gaming NSW.

It is noted that as part of the reforms to the Authority that took effect in 2015–16, Liquor & Gaming NSW is responsible for supervising the operations and integrity of those licensed casinos in accordance with the provisions of the *Casino Control Act 1992*.

Reporting under the *Casino Control Act 1992*

Section 154(a)—details of any casino licence granted during the year

No casino licences were granted in 2016–17.

Section 154(b)—number of licences granted under Part 4 of the *Casino Control Act 1992* ('Licensing of casino employees')

The Authority renewed 488 casino special employee licences. The Authority also granted 466 provisional and 611 full casino special employee licences. Three applications were refused. Two provisional licences were surrendered because the applicants did not wish to proceed further with their application.

Section 154(c)—details of any changes to the conditions of a licence made by the Authority during the year

No changes were made to the licence conditions during 2016–17.

³⁴ <http://www.liquorandgaming.nsw.gov.au/Documents/ilga/publications-and-guidelines/ilga-regulatory-delegations-manual.pdf>

Section 154(d)—details of any disciplinary action taken by the Authority against the casino operator during the year

Where significant incidents of non-compliance of the approved games rules and procedures occur, recommendations are made for the Authority to institute prosecution or disciplinary action against the casino operator, special employee licence-holders, or other relevant individuals.

During the 2016–17 reporting period, two matters resulted in disciplinary action being taken against the casino operator under s. 23 of the *Casino Control Act 1992*, with both matters resulting in a monetary penalty.

One incident related to intoxication of a VIP patron who was able to access the gaming room and bet on an active game. In this matter, the Authority ordered The Star to pay a penalty of \$2,500.

The other related to an underage patron who was able to enter and leave the premises on three separate occasions and enter the nightclub. Although the minor gained entry using a driver licence bearing the image and name of another with similar features, it was not enough to establish a defence. The Authority ordered The Star to pay a penalty of \$3,300 for this matter.

Section 154(e)—summary of any disciplinary action taken by the Authority against persons licensed under Part 4 of *Casino Control Act 1992* ('Licensing of casino employees')

During the 2016–17 reporting period no disciplinary matters relating to special employees were dealt with by the Authority.

Section 154(f)—details of any directions given by the Minister under s. 5 ('Directions by the Minister to protect integrity of casino gaming')

No relevant directions were given during 2016–17.

Section 154(g)—summary of outcome of any investigation or inquiry

It is a legislative requirement under s. 31 of the *Casino Control Act 1992* that the Authority undertake regular investigations into the casino operator's suitability. The Authority must investigate and form an opinion, at least every five years, as to whether or not:

- the casino operator is suitable to continue to give effect to the casino licence and the Act
- it is in the public interest that the casino licence should continue in force.

Mr Jonathan Horton QC was appointed under s. 143(1) of the *Casino Control Act 1992* to preside over an inquiry for the purpose of exercising the Authority's functions under s. 31 of that Act. Mr Caspar Conde of Counsel was appointed to assist.

The final report concluded that The Star is a suitable person to continue to give effect to the casino licence and the *Casino Control Act 1992*, and that it is in the public interest that the casino licence continues in force.

The review considered a number of matters including improvements to recording and reporting violent incidents, liaison with Police, probity and the way junkets are operated. The review also made several recommendations to improve regulatory oversight of the casino and aspects of its business.

The review report is available on the Liquor & Gaming NSW website.

Gaming-related approvals (casino)

Approved games

During the 2016–17 reporting period, the Authority approved, either directly or under delegation by Liquor & Gaming NSW:

- 1 new casino table game
- 2 new multi terminal table games
- 7 amendments to various rules of games
- 38 gaming machines including new gaming machine games
- 6 software upgrades for the casino's gaming management system
- 20 items of gaming equipment
- 1 'How to Play' brochure
- 15 casino floor layout and table configurations.

Approved operational arrangements

A new general standard casino floor and table game layout configuration was established in 2016-2017 that allows The Star to move gaming equipment within specified boundaries without approval. However, notification must be given to Liquor & Gaming NSW in the event there are any requirements to be adopted associated with surveillance.

Penalty Infringement Notices and prosecutions

In 2016–17, Liquor & Gaming NSW inspectors under delegation investigated eight incidents of individuals allegedly breaching s. 87 of the *Casino Control Act 1992* (cheating in the casino) issuing one Penalty Infringement Notice and seven warning letters.

One penalty infringement notice was issued by inspectors for a minor using a false evidence of age document to attempt to enter the casino licensed area.

Disciplinary complaints

During 2016–17 Liquor & Gaming NSW inspectors under delegation investigated:

- 2 incidents of intoxication under Schedule 6, clause 73 of the *Casino Control Regulation 2009*
- 1 incident of a minor entering the casino under s. 94(1) of the *Casino Control Act 1992*
- 2 incidents of the casino failing to ensure that the approved systems were implemented under s. 124(4) of the *Casino Control Act 1992*
- 1 incident of permitting an intoxicated person to gamble under s. 163(1)(c) of the *Casino Control Act 1992*.

The investigations resulted in Liquor & Gaming NSW submitting four disciplinary complaints to the Authority for consideration under s. 23(2) of the *Casino Control Act 1992*. The Authority determined two of these complaints; see s. 154(d) for details. Two complaints were still being considered at the end of the reporting period.

Excluded persons entering the casino

In 2016–17 Liquor & Gaming NSW inspectors under delegation investigated 410 incidents of persons contravening their non-voluntary exclusion orders in the casino. Two penalty infringement notices and 357 warning letters were issued to non-voluntarily excluded patrons in 2016–17, and 53 incidents remain under investigation.

Reviews of exclusion orders

During 2016–17 the Authority received 94 requests from persons seeking to have their exclusion orders reviewed. The Authority determined:

- 50 exclusion orders were to stand
- 1 exclusion order was overruled
- 19 applications for review of exclusion orders were received outside the 28-day time limit
- 2 applications were withdrawn by the applicants
- 22 remain under investigation.

Casino-related licensing

Controlled contracts

During the 2016–17 reporting period, four variations to controlled contracts were lodged and two new controlled contracts were lodged. No associates of parties entering into a controlled contract needed to apply for a special employee licence.

Liquor licensing applications

The *Casino Control Act 1992* effectively deems the casino complex to ‘stand-alone’ in relation to the operation of the *Liquor Act 2007*, as modified to apply under the Casino Control Regulation 2009. During the 2016–17 reporting period one application for approval for a liquor licensed premises was approved.

Casino and liquor licence boundaries

During the 2016–17 reporting period four applications to redefine the casino boundary were approved.

Gaming operations—clubs and hotels

The Authority’s principal club and hotel gaming related regulatory activities, either directly or under delegation by Liquor & Gaming NSW included:

- considering applications in relation to gaming machine entitlements and gaming machines, including gaming machine entitlement transfers, gaming machine threshold increase applications, and Class 1 and Class 2 Local Impact Assessments
- approving gaming machines and games following a thorough technical assessment
- supervising field trials of gaming systems
- ensuring that faulty equipment is removed from venues.

In accordance with the objects of the *Gaming Machine Act 2001*, the Authority has had due regard to the need for gambling harm minimisation and fostering responsible conduct in relation to gambling when exercising functions under this Act.

A number of routine gaming operations functions are delegated to senior staff in Liquor & Gaming NSW. The full list of the Authority’s decision-making functions, including delegated functions, is contained in the Authority’s [Regulatory Delegations Manual](#).³⁵ The numbers contained in the *Gaming Operations—clubs and hotels* section of this report include decisions made directly by the Authority, as well as those decisions made under delegation by Liquor & Gaming NSW.

³⁵ <http://www.liquorandgaming.nsw.gov.au/Documents/ilga/publications-and-guidelines/ilga-regulatory-delegations-manual.pdf>

Gaming machines

In accordance with the *Gaming Machines Act 2001*, a hotel or registered club is required to have a gaming machine entitlement for each gaming machine operated on the premises. There is an overall State cap on gaming machine entitlements which is set at 99,000. In addition, there is a limit on the number of gaming machines a hotel can operate at a venue, which is set at a maximum of 30.

The number of gaming machine entitlements that a hotel or registered club can hold in respect of a licence cannot exceed the gaming machine threshold for the venue. These measures assist to minimise gambling harm.

Gaming machine statistics

As at 30 June 2017 there were 97,252 gaming entitlements authorised. This includes:

- club licences—73,707 entitlements, and
- hotel licences—23,545 entitlements.

The total number of gaming machines authorised as at 30 June 2017 was 92,803. This includes:

- club licences—69,885 gaming machines, and
- hotel licences—22,918 gaming machines.

Attachment F presents data by Local Government Area for the 2016–17 reporting period.

Gaming machine applications

Under the *Gaming Machines Act 2001*, a hotel or registered club can apply to transfer gaming machine entitlements. This may occur, for example, when one hotel buys gaming machine entitlements from another hotel, or a registered club buys gaming machine entitlements from another registered club. To be approved, the hotel or registered club must have a sufficient gaming machine threshold for the venue to which entitlements are being transferred.

During 2016–17, a total of 249 applications were approved to transfer gaming machine entitlements. Seven applications were withdrawn during the reporting period.

A hotel or registered club can also apply to the Authority to increase the gaming machine threshold for the venue. There are circumstances where a hotel or registered club is required to submit a Local Impact Assessment with the gaming machine threshold increase application. The purpose of a Local Impact Assessment is to inform and support a community consultation process to enable the Authority to determine whether approving a gaming machine threshold at a particular hotel or registered club will have an overall positive impact on the community.

During 2016–17, the Authority approved 11 gaming machine threshold increases. Each of these increases was subject to a Class 1 Local Impact Assessment. Three additional gaming machine threshold applications were withdrawn in the reporting period.

Gaming technology

Under the *Gaming Machines Act 2001*, the Authority may declare a device to be an approved gaming machine for use in hotels and registered clubs.

During 2016–17, the Authority granted the following approvals for gaming technology in hotels and registered clubs:

- 160 new game approvals to operate on gaming machines
- 9 new technology gaming machine platforms
- 109 gaming machine software upgrades
- 132 gaming machine hardware upgrades

- 5 new technology gaming system field trials.

Gaming-related licences

In order to manufacture, sell, service or test a gaming machine a person must hold an appropriate gaming-related licence.

During 2016–17, following a rigorous probity assessment process the Authority granted the following gaming-related licences:

- 2 gaming machine manufacturers dealer's licenses
- 20 gaming machine seller's licenses
- 98 gaming machine technician licenses (with two refused).

Disciplinary action

Disciplinary action under the *Gaming Machines Act 2001*

In 2016–17, the Authority took disciplinary action for two complaints made under Part 8 of the *Gaming Machines Act 2001*. The Authority determined that two persons were not considered to be a fit and proper person to hold a gaming-related licence.

For the outcomes of the abovementioned complaints refer to Disciplinary decisions.³⁶

Disciplinary action under the *Registered Clubs Act 1976*

During 2016–17, a total of three disciplinary complaints were determined by the Authority under the *Registered Clubs Act 1976*.

This included the Authority taking action under Part 6A of the *Registered Clubs Act 1976* to determine that three persons would be ineligible to stand for election, or to be appointed to, or hold office in, the position of secretary or member of a governing body for the registered club for a determined period of time. The Authority also cancelled the licence for the Wentworth Services Sporting Club, as a result of a complaint lodged by Liquor & Gaming NSW.

For the outcomes of all abovementioned complaints refer to [Disciplinary decisions](#).³⁷

In 2016–17, the Authority also commenced consideration of an investigation Liquor & Gaming NSW conducted into the fitness and propriety of the former directors of the Parramatta Leagues Club board to hold key positions of a registered club. The Authority issued 'show cause' notices to the Parramatta Leagues Club and four of its former directors. This matter will continue to be considered by the Authority in 2017-18.

Under s. 41(A) of the *Registered Clubs Act 1976*, the Authority may appoint a person to administer the affairs of the registered club if they are of the opinion the governing body has ceased to be effective as a governing body.

In 2016–17, the Authority approved the appointment of a voluntary administrator to three registered clubs. In addition, and most notably, in July 2016 the Authority resolved to replace the Parramatta Leagues Club board with a temporary administrator, Max Donnelly of Ferrier Hodgson, under this section of the *Registered Clubs Act 1976*. The decision followed an application by Liquor & Gaming NSW.

³⁶ <http://www.liquorandgaming.nsw.gov.au/Pages/ilga/decisions-of-interest/liquor-decisions/disciplinary-decisions.aspx>

³⁷ *ibid.*

Attachment A—Land disposal

There was no land disposal during the 2016–17 reporting period. The Authority, on behalf of the state, holds title over the parcels of land bound by Pyrmont Street, Jones Bay Road, Pirrama Road, Edward Street and Union Street, Pyrmont. This is the site of The Star Casino and the adjacent switching station. In respect of both, the Authority is the lessor in respect of long-term leases to the casino, which run to 2093.

Attachment B—Promotion and overseas travel

No overseas travel was undertaken by Board members of the Authority during 2016–17.

Attachment C—Consultants

The Authority engages consultants to assist in undertaking certain specialist and most of its non-core functions such as legal services, internal audit, risk management and system development. The table below shows consultants equal to or more than \$50,000.

Table A36–3. Consultants and nature of services

Company	Amount (\$)	Description	Nature of services
HC Law Pty Ltd	459,317	Legal services and advice on liquor and gaming related matters, including advising the Authority in the exercise of its primary decision-making, review and disciplinary functions.	Legal services
Jonathan Horton QC	257,600	Legal Services and advice on the s. 31 casino review process.	Legal services
Caspar Conde	157,675	Legal Services and advice on the s. 31 casino review process.	Legal services
NSW Police Force	130,825	Contracted to provide management and intelligence services to the Authority to assist the Authority in proper administration of gaming and liquor legislation.	Management services

There were two consultancies with expenditure under \$50,000, for management services totalling \$20,487.

Attachment D—Budget review and plan

The Authority's actual revenue and expenses in 2016–17 compared to the relevant budget is summarised in the table below:

Table A36–4. Budget 2016–17: actual and variance

Item	2016–17 Actual ‘\$000	2016–17 Budget ‘\$000	Variance ‘\$000
Expenses			
Personnel services	8,381	9,194	813
Other operating expenses	2,028	3,700	1,672
Depreciation and amortization	7	30	23
Total expenses	10,416	12,924	2,508
Revenue			
Sale of goods and services	1,109	450	659
Investment revenue	402	0	402
Retained taxes, fees and fines	2,662	2,750	(88)
Grants and contributions	1,526	1,526	0
Other income	762	0	762
Acceptance by the Crown Entity of personnel benefits and other liabilities	0	0	0
Total revenues	6,461	4,726	1,735
Operating profit/(loss)	(3,955)	(8,198)	4,243
Other losses	(2,296)	0	(2,296)
Net surplus/(deficit) for the year	(6,251)	(8,198)	1,947

The net result for the year ended 30 June 2017 is a deficit of \$6,251,000, significantly below the budgeted deficit of \$8,198,000. This deficit result was primarily due to total expenses being under budget. Total expenses of \$10,416,000 were \$2,508,000 below budget due to:

- Personnel services costs were below budget by \$813,000. The Authority has no staff and these costs included a charge of \$7,342,000 for personnel services provided by Liquor & Gaming NSW.
- Other operating expenses were \$1,672,000 below budget. This is mainly reflected in the reduction of legal and consulting costs from the prior year.

In addition, total revenue for 2016–17 was \$6,461,000,000, which was \$1,735,000 above budget mainly due to increased licensing, compliance and administration fees.

2016–17 was the first full reporting year following the 2015 Liquor and Gaming reforms. Legislative changes to revenue administration during the year and a proposed change to the accounting treatment for personnel services provided to the Authority will result in significant modifications to the Authority's budgeting and financial reporting for 2017–18.

Budget for 2017–18

The operating budget below includes Board remuneration and the Authority's actual expenditure. It does not include the cost of personnel services provided to the Authority by Liquor & Gaming NSW.

Table A36–5. Budget for 2017–18, including expenses and revenue

Operating budget	2017–18 budget
Expenses	
Board remuneration	778
Other operating expenses	2,004
Depreciation and amortization	0
Total expenses	2,782
Revenue	
Sale of goods and services	0
Retained regulatory fees	0
Grants and contributions	0
Other revenue	0
Acceptance by the Crown Entity of personnel benefits and other liabilities	0
Total revenues	0
Net surplus/(deficit) for the year	(2,782)

Under the *Liquor Amendment (Reviews) Act 2017*, from 1 July 2017, revenue and fee income under gaming and liquor legislation that was previously payable to the Authority, and recognised as revenue of the Authority, is now payable to the Secretary and recorded as revenue of Liquor and Gaming. Revenue is therefore expected to be nil.

It is also proposed that the cost of personnel services provided by Liquor & Gaming NSW to enable the Authority to carry out its statutory and administrative functions no longer be included in the Authority's budget and financial statements as a personnel services charge. For 2017–18, these costs were estimated to be \$8,057,000.

Final approval of the Operating budget in the above table is pending confirmation of Treasury and Audit Office agreement to the proposed alternative accounting treatment of the cost of personnel services provided to the Authority.

The 2017–18 Budget estimate shows a Net Cost of Service of \$2,782,000. In the event that personnel services costs are reinstated to the Authority's budget, the Net Cost of Service would be \$10,839,000.

Attachment E—Liquor operations statistics

Table A36–6. Number of licences in force in each local government area as at 30 June 2017

Local government area	2014–15	2015–16	2016–17
Albury City Council	148	130	130
Armidale Dumaresq Council**	65	63	N/A
Armidale Regional Council*	N/A	N/A	74
Ashfield Council**	72	62	N/A
Auburn City Council**	156	130	N/A
Ballina Shire Council	98	87	93
Balranald Shire Council	15	10	10
Bankstown City Council**	194	155	N/A
Bathurst Regional Council	116	103	103
Bayside Council*	N/A	N/A	214
Bega Valley Shire Council	132	121	123
Bellingen Shire Council	43	37	36
Berrigan Shire Council	43	39	36
Blacktown City Council	193	165	178
Bland Shire Council	31	28	28
Blayney Shire Council	39	34	32
Blue Mountains City Council	161	143	149
Bogan Shire Council	17	15	15
Bombala Council**	12	11	N/A

Local government area	2014–15	2015–16	2016–17
Boorowa Council**	10	7	N/A
Bourke Shire Council	20	18	17
Brewarrina Shire Council	7	6	6
Broken Hill City Council	65	61	60
Burwood Council	83	69	77
Byron Shire Council	133	118	131
Cabonne Council	89	80	81
Camden Council	97	88	101
Campbelltown City Council	137	116	116
Canterbury City Council**	149	118	N/A
Canterbury-Bankstown Council*	N/A	N/A	277
Carrathool Shire Council	13	12	11
Central Coast Council*	N/A	N/A	446
Central Darling Shire Council	12	12	11
Cessnock City Council	439	402	402
City of Botany Bay Council**	106	89	N/A
City of Canada Bay Council	213	183	195
City of Parramatta Council*	N/A	N/A	304
City of Ryde Council	212	210	223
City of Sydney Council	2510	2163	2282
Clarence Valley Council	119	113	116

Local government area	2014–15	2015–16	2016–17
Cobar Shire Council	17	14	14
Coffs Harbour City Council	164	130	132
Conargo Shire Council**	5	4	N/A
Coolamon Shire Council	16	14	14
Cooma-Monaro Shire Council**	48	38	N/A
Coonamble Shire Council	18	16	17
Cootamundra Shire Council**	21	19	N/A
Cootamundra-Gundagai Regional Council*	N/A	N/A	44
Corowa Shire Council**	39	36	N/A
Cowra Council	50	45	45
Cumberland Council*	N/A	N/A	162
Deniliquin Council**	27	27	N/A
Dubbo City Council**	85	77	N/A
Dubbo Regional Council*	N/A	N/A	103
Dungog Shire Council	30	32	32
Edward River Council*	N/A	N/A	31
Eurobodalla Shire Council	113	102	100
Fairfield City Council	217	187	194
Federation Council*	N/A	N/A	45
Forbes Shire Council	33	21	20

Local government area	2014–15	2015–16	2016–17
Georges River Council*	N/A	N/A	178
Gilgandra Shire Council	16	16	15
Glen Innes Severn Council	30	24	24
Gloucester Shire Council**	18	17	N/A
Gosford City Council**	291	256	N/A
Goulburn Mulwaree Council	73	64	65
Great Lakes Council**	107	97	N/A
Greater Hume Shire Council	33	29	29
Greater Taree City Council**	95	93	N/A
Griffith City Council	174	155	157
Gundagai Shire Council**	28	23	N/A
Gunnedah Shire Council	36	31	29
Guyra Shire Council**	12	12	N/A
Gwydir Shire Council	16	15	16
Harden Shire Council**	26	24	N/A
Hawkesbury City Council	152	123	128
Hay Shire Council	19	17	16
Hilltops Council*	N/A	N/A	76
Holroyd City Council**	69	57	N/A
Hornsby Shire Council***	175	160	N/A
Hornsby Shire Council****	N/A	N/A	151

Local government area	2014–15	2015–16	2016–17
Hunter's Hill Council	35	29	32
Hurstville City Council**	115	106	N/A
Inner West Council*	N/A	N/A	516
Inverell Shire Council	44	41	44
Jerilderie Shire Council**	7	7	N/A
Junee Shire Council	19	17	17
Kempsey Shire Council	61	58	57
Kiama Municipal Council	59	51	54
Kogarah City Council**	87	66	N/A
Ku-ring-gai Council	178	148	154
Kyogle Council	17	15	15
Lachlan Shire Council	26	26	26
Lake Macquarie City Council	212	190	193
Lane Cove Council	69	62	67
Leeton Shire Council	33	32	32
Leichhardt Municipal Council**	250	212	N/A
Lismore City Council	89	81	86
Lithgow City Council	61	56	57
Liverpool City Council	156	133	142
Liverpool Plains Shire Council	33	28	28
Lockhart Shire Council	15	14	14

Local government area	2014–15	2015–16	2016–17
Maitland City Council	116	105	106
Manly Council**	170	149	N/A
Marrickville Council**	246	230	N/A
MidCoast Council*	N/A	N/A	204
Mid-Western Regional Council	202	164	164
Moree Plains Shire Council	42	37	40
Mosman Municipal Council	82	65	70
Murray River Council*	N/A	N/A	68
Murray Shire Council**	56	48	N/A
Murrumbidgee Council*	N/A	N/A	14
Murrumbidgee Shire Council**	7	7	N/A
Muswellbrook Shire Council	63	49	50
Nambucca Shire Council	37	35	35
Narrabri Shire Council	43	40	39
Narrandera Shire Council	23	19	19
Narromine Shire Council	23	23	22
Newcastle City Council	421	392	392
Northern Beaches Council*	N/A	N/A	552
North Sydney Council	448	365	368
Oberon Council	17	16	15
Orange City Council	134	119	124

Local government area	2014–15	2015–16	2016–17
Palerang Council**	52	45	N/A
Parkes Shire Council	49	47	47
Parramatta City Council**	290	226	N/A
Penrith City Council	189	165	174
Pittwater Council**	158	136	N/A
Port Macquarie-Hastings Council	149	141	150
Port Stephens Council	156	132	129
Queanbeyan City Council**	49	43	N/A
Queanbeyan-Palerang Regional Council*	N/A	N/A	87
Randwick City Council	262	232	245
Richmond Valley Council	38	34	34
Rockdale City Council**	139	116	N/A
Shellharbour City Council	75	67	70
Shoalhaven City Council	238	212	221
Singleton Council	136	100	103
Snowy Monaro Regional Council*	N/A	N/A	161
Snowy River Shire Council**	119	111	N/A
Snowy Valleys Council*	N/A	N/A	64
Strathfield Council	87	70	70
Sutherland Shire Council	333	316	325

Local government area	2014–15	2015–16	2016–17
Tamworth Regional Council	157	144	144
Temora Shire Council	19	18	19
Tenterfield Shire Council	35	29	31
The Hills Shire Council***	232	215	N/A
The Hills Shire Council****	N/A	N/A	199
Tumbarumba Shire Council**	30	26	N/A
Tumut Shire Council**	41	38	N/A
Tweed Shire Council	168	156	163
Unincorporated Far West	8	8	7
Upper Hunter Shire Council	54	47	46
Upper Lachlan Shire Council	33	33	32
Uralla Shire Council	22	21	21
Urana Shire Council**	10	10	N/A
Wagga Wagga City Council	158	139	137
Wakool Shire Council**	19	21	N/A
Walcha Council	15	14	14
Walgett Shire Council	28	26	25
Warren Shire Council	13	12	12
Warringah Council**	262	232	N/A
Warrumbungle Shire Council	37	34	32
Waverley Council	290	248	244

Local government area	2014–15	2015–16	2016–17
Weddin Shire Council	16	14	14
Wellington Council**	26	24	N/A
Wentworth Shire Council	34	27	28
Willoughby City Council	246	207	214
Wingecarribee Shire Council	180	161	173
Wollondilly Shire Council	55	54	53
Wollongong City Council	340	310	323
Woollahra Municipal Council	212	190	201
Wyong Shire Council**	198	176	N/A
Yass Valley Council	98	92	96
Young Shire Council**	46	42	N/A
Total	17,499	15,369	15,838

Notes:

*Councils commenced in 2016.

**Councils amalgamated into new Councils in 2016.

Hornsby Shire Council and The Hills Shire Council still exist, however they were partly merged into City of Parramatta Council.

Refers to Hornsby Shire Council and The Hills Shire Council pre-council amalgamations and *refers to them post-amalgamations.

Licences are grouped by the current local government area recorded for each licence. Counts do not include limited licences.

Table A36–7. Total number of liquor licences granted between 2014–15 and 2016–17 financial years

Licence type	30 June 2015	30 June 2016	30 June 2017
Liquor—club licence	0	0	2
Liquor—hotel licence: Full hotel	8	4	6
Liquor—hotel licence: General bar	6	3	6
Liquor—limited licence	1,732	1,535	1,563
Liquor—on-premises licence	504	518	751
Liquor—packaged liquor licence	110	97	118
Liquor—producer wholesaler licence	95	88	146
Liquor—small bar licence	20	19	25
Total	2,475	2,264	2,617

Table A36–8. Total number of liquor licence applications refused and withdrawn and total number of liquor licenses suspended or cancelled between the 2014–15 and 2016–17 financial years

Action	30 June 2015	30 June 2016	30 June 2017
Refused	15	36	28
Suspended	4	8	10
Cancelled	1	3,010	516
Withdrawn	309	345	366

*The large number of liquor licences cancelled is due to cancellations that occurred as part of the inaugural Annual Liquor Licence Fee Scheme commenced in 2015-2016. As part of this scheme, licensees that had not paid their periodic fees by a specified date were cancelled and this program continued in 2016-17.

Table A36–9. Total number of authorisations, to which s. 51 applies, granted by the Authority

Authorisation type	30 June 2015	30 June 2016	30 June 2017
Club functions	16	16	25
Drink on-premises permanent	10	22	30
Extended trading	145	115	114
Function on other premises	308	316	258
Junior members	0	2	3
Minors area	118	88	114
Minors functions	2	1	2
Non-restricted area	61	62	81
Primary service	82	79	117
Sale on other premises	54	51	59
Take away sales	2	2	0
Vessel trading	1	0	0
Total	799	754	803

Attachment F—Gaming operations statistics

Table A36–10: Numbers of entitlements, gaming machines authorised as at 30 June 2017 and net profit for the 2016–17 financial year

Local government area	Clubs: No. of entitlements	Clubs: No. machines authorised as at 30 June 2017	Hotels: No. of entitlements	Hotels: No. of machines authorised as at 30 June 2017	*Net profit (\$)
Albury City Council	1,100	1,039	245	245	67,399,509.30
Armidale Regional Council	194	194	125	125	11,893,371.36
Ballina Shire Council	426	424	168	165	25,248,313.73
Balranald Shire Council	134	134	6	6	8,189,427.89
Bathurst Regional Council	313	290	144	144	20,997,553.76
Bayside Council	1,259	1,187	422	417	128,217,967.17
Bega Valley Shire Council	628	600	121	97	24,130,928.99
Bellingen Shire Council	130	128	48	47	4,892,898.99
Berrigan Shire Council	392	353	32	29	13,984,754.75
Blacktown City Council	2,184	2,141	688	688	264,178,474.07
Bland Shire Council	84	84	25	25	1,840,461.43
Blayney Shire Council	25	23	22	22	933,457.85
Blue Mountains City Council	377	268	182	179	18,544,240.78
Bogan Shire Council	43	42	6	6	1,054,131.67
Bourke Shire Council	30	30	0	0	1,633,176.46
Brewarrina Shire Council	12	12	7	7	1,175,769.55
Broken Hill City Council	301	296	40	36	13,187,480.47
Burwood Council	474	468	160	160	82,926,364.15
Byron Shire Council	271	271	158	158	12,728,126.57
Cabonne Council	90	90	19	15	2,198,275.14
Camden Council	422	376	199	199	39,162,743.28
Campbelltown City Council	1,728	1,594	324	324	153,111,922.69

Local government area	Clubs: No. of entitlements	Clubs: No. machines authorised as at 30 June 2017	Hotels: No. of entitlements	Hotels: No. of machines authorised as at 30 June 2017	*Net profit (\$)
Canterbury-Bankstown Council	4,147	4,023	856	829	538,991,328.13
Carrathool Shire Council	22	22	8	8	642,282.42
Central Coast Council	4,148	4,060	657	626	263,082,548.73
Central Darling Shire Council	22	22	21	21	1,704,776.31
Cessnock City Council	641	639	197	194	27,750,012.48
City of Canada Bay Council	664	653	205	205	61,423,541.70
City of Parramatta Council	1,365	1,330	587	521	176,544,994.05
City of Ryde Council	1,023	940	196	196	98,999,511.95
City of Sydney Council	977	691	3,442	3,246	320,970,804.43
Clarence Valley Council	568	559	251	250	27,060,418.35
Cobar Shire Council	65	65	36	30	3,277,524.61
Coffs Harbour City Council	659	642	189	187	44,927,156.11
Coolamon Shire Council	38	37	23	23	667,889.61
Coonamble Shire Council	62	62	17	17	2,380,327.31
Cootamundra-Gundagai Regional Council	114	112	43	42	5,338,535.74
Cowra Council	146	142	29	29	5,283,036.51
Cumberland Council	2,243	2,178	552	552	348,975,240.13
Dubbo Regional Council	496	496	240	240	34,638,349.19
Dungog Shire Council	63	63	33	33	1,534,249.14
Edward River Council	137	137	27	27	4,558,505.61
Eurobodalla Shire Council	759	725	98	98	34,453,685.91
Fairfield City Council	3,363	3,362	479	479	484,687,885.34
Federation Council	818	802	30	30	33,216,365.17
Forbes Shire Council	97	97	49	49	5,670,539.80

Local government area	Clubs: No. of entitlements	Clubs: No. machines authorised as at 30 June 2017	Hotels: No. of entitlements	Hotels: No. of machines authorised as at 30 June 2017	*Net profit (\$)
Georges River Council	1,635	1,561	418	418	191,342,196.70
Gilgandra Shire Council	48	48	15	15	1,870,542.39
Glen Innes Severn Council	83	83	22	22	4,031,145.34
Goulburn Mulwaree Council	342	341	108	105	20,418,975.47
Greater Hume Shire Council	70	65	41	41	1,852,672.35
Griffith City Council	380	376	92	92	21,952,549.68
Gunnedah Shire Council	122	113	66	66	7,211,789.60
Gwydir Shire Council	49	49	13	13	1,413,181.53
Hawkesbury City Council	589	570	277	262	42,310,717.24
Hay Shire Council	50	50	27	26	1,855,298.09
Hilltops Council	148	148	65	61	7,423,669.99
Hornsby Shire Council	913	893	162	162	54,438,121.59
Hunter's Hill Council	13	13	33	33	1,727,154.90
Inner West Council	1,366	1,120	957	945	140,579,600.27
Inverell Shire Council	122	122	55	54	7,132,041.31
Junee Shire Council	52	52	17	17	2,000,081.64
Kempsey Shire Council	352	352	114	114	19,665,554.04
Kiama Municipal Council	242	224	48	48	8,084,271.22
Ku-ring-gai Council	59	58	47	47	6,284,991.77
Kyogle Council	42	42	38	38	1,845,326.67
Lachlan Shire Council	77	77	47	45	3,327,890.07
Lake Macquarie City Council	2,120	1,994	450	448	102,724,717.44
Lane Cove Council	60	60	27	27	4,494,280.13
Leeton Shire Council	104	104	30	30	4,890,031.61
Lismore City Council	310	302	157	157	17,252,252.28

Local government area	Clubs: No. of entitlements	Clubs: No. machines authorised as at 30 June 2017	Hotels: No. of entitlements	Hotels: No. of machines authorised as at 30 June 2017	*Net profit (\$)
Lithgow City Council	220	220	88	88	12,211,003.39
Liverpool City Council	1,129	1,092	367	365	151,706,164.53
Liverpool Plains Shire Council	77	74	23	23	3,454,889.31
Lockhart Shire Council	44	44	2	2	578,120.61
Maitland City Council	499	498	271	270	37,458,231.02
MidCoast Council	1,175	1,108	272	272	55,175,541.15
Mid-Western Regional Council	246	229	152	151	11,921,844.11
Moree Plains Shire Council	152	148	83	82	10,281,071.05
Mosman Municipal Council	75	75	33	33	6,296,495.25
Murray River Council	979	957	59	59	55,148,271.54
Murrumbidgee Council	46	44	15	15	1,342,123.37
Muswellbrook Shire Council	198	198	72	72	10,661,106.30
Nambucca Shire Council	267	267	70	70	11,885,940.95
Narrabri Shire Council	164	154	67	66	6,798,341.56
Narrandera Shire Council	83	83	24	24	3,096,322.39
Narromine Shire Council	81	79	21	21	2,453,717.01
Newcastle City Council	2,266	2,144	929	929	144,035,182.68
Northern Beaches Council	2,190	1,816	412	412	135,553,600.16
North Sydney Council	377	320	311	296	55,154,992.95
Oberon Council	45	45	20	20	1,289,689.22
Orange City Council	319	309	176	170	24,732,260.27
Parkes Shire Council	187	187	57	57	7,669,809.99
Penrith City Council	2,338	2,133	458	443	178,844,734.62
Port Macquarie-Hastings Council	1,028	1,013	198	190	56,589,072.07
Port Stephens Council	769	742	213	213	43,544,720.32

Local government area	Clubs: No. of entitlements	Clubs: No. machines authorised as at 30 June 2017	Hotels: No. of entitlements	Hotels: No. of machines authorised as at 30 June 2017	*Net profit (\$)
Queanbeyan-Palerang Regional Council	658	626	126	125	42,167,746.04
Randwick City Council	1,212	1,162	373	373	110,458,714.43
Richmond Valley Council	266	266	94	94	13,020,885.16
Shellharbour City Council	816	776	121	121	51,868,554.52
Shoalhaven City Council	1,418	1,392	236	236	72,784,503.50
Singleton Council	224	216	95	92	10,962,774.61
Snowy Monaro Regional Council	166	165	106	106	7,286,546.91
Snowy Valleys Council	154	154	79	79	5,971,742.56
Strathfield Council	159	132	132	104	28,621,240.59
Sutherland Shire Council	1,901	1,725	336	310	120,493,343.46
Tamworth Regional Council	539	539	245	222	29,980,882.09
Temora Shire Council	68	68	12	12	2,679,233.73
Tenterfield Shire Council	66	64	29	29	2,205,772.41
The Hills Shire Council	699	686	179	179	74,633,421.46
Tweed Shire Council	2,034	1,847	241	209	97,146,107.83
Unincorporated Far West	0	0	1	1	38,013.31
Upper Hunter Shire Council	159	158	53	52	5,406,085.11
Upper Lachlan Shire Council	38	38	16	15	953,007.70
Uralla Shire Council	36	36	21	21	910,973.48
Wagga Wagga City Council	436	423	334	334	35,150,305.88
Walcha Council	26	26	7	7	382,859.79
Walgett Shire Council	169	169	17	17	7,236,264.12
Warren Shire Council	41	41	11	11	1,271,279.11
Warrumbungle Shire Council	63	63	32	32	2,414,267.71

Local government area	Clubs: No. of entitlements	Clubs: No. machines authorised as at 30 June 2017	Hotels: No. of entitlements	Hotels: No. of machines authorised as at 30 June 2017	*Net profit (\$)
Waverley Council	663	471	228	191	50,089,415.69
Weddin Shire Council	27	27	11	11	1,052,151.19
Wentworth Shire Council	202	182	54	54	11,909,358.58
Willoughby City Council	494	458	204	204	61,168,173.20
Wingecarribee Shire Council	326	313	137	137	19,876,174.52
Wollondilly Shire Council	129	129	123	123	9,724,168.15
Wollongong City Council	2,732	2,622	545	543	159,279,597.60
Woollahra Municipal Council	136	118	166	163	21,597,183.51
Yass Valley Council	94	94	56	56	5,405,617.04

*Net profit is the combined profit from gaming machines for all venues with gaming machines within a local government area (LGA). It is not exactly the same as player losses because it includes factors such as the paying of jackpots across multiple venues and LGAs. Changes have been made to reporting on gaming machine data and net profit has replaced turnover as the main data category on the financial impacts of gaming machine activity. This change has been made as net profit is the closest indicator of how much communities have lost on gaming machines. Turnover has commonly been misinterpreted and led to wrong assumptions about the amount of money lost on gaming machines. This change is in line with other jurisdictions.

In keeping with past Annual Reports, entitlements numbers represent the sum of Gaming Machine Entitlements and Poker Machine Permits for current, suspended, cancelled and surrendered licences.

Attachment G—Internal audit and risk management statement

Risk management, insurance and internal audit

The Authority's insurance cover is arranged under the Treasury Managed Fund for workers' compensation and public property liabilities. The Authority's Internal Audit Charter provides the framework for internal audit, in compliance with s. 11(2) of the *Public Finance and Audit Act 1983*. See below for a copy of the Internal Audit and Risk Management Statement.

Internal Audit and Risk Management Attestation Statement for the 2016–2017 Financial Year for the Independent Liquor and Gaming Authority

I, **David Armati, Deputy Chairperson** am of the opinion that the Independent Liquor and Gaming Authority has internal audit and risk management processes in operation that are, excluding the exceptions or transitional arrangements described below, compliant with the eight core requirements set out in the *Internal Audit and Risk Management Policy for the NSW Public Sector*, specifically:

Table A36–11. Compliance with core requirements

Item	Core requirements	Compliant, non-compliant or in transition
Risk management framework		
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
Internal audit function		
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
Audit and Risk Committee		
3.1	An independent and Audit and Risk Committee with appropriate expertise has been established	In transition Compliant as at December 2016
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

Exceptions or transitional arrangements

Treasury approved a Principal-led shared arrangement for oversight of the Independent Liquor and Gaming Authority with the NSW Department of Justice effective December 2016.

Membership

The chair and members of the Audit and Risk Committee are:

- Chair, Carolyn Burlew, October 2015 – October 2020
- Independent Member 1, David Antaw, November 2015 – November 2018
- Independent Member 2, Leah Fricke, November 2015 – November 2018
- Independent Member 3, Ralph Kelly, November 2015 – November 2018
- Independent Member 4, John Pearson, March 2016 – March 2019.



David Armati
Deputy Chairperson
Independent Liquor and Gaming Authority

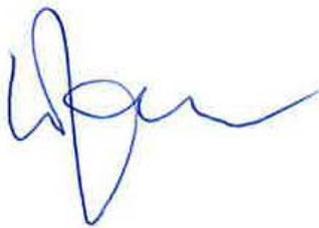
FINANCIAL STATEMENTS

**FOR THE YEAR ENDING
30 JUNE 2017**

Statement in accordance with Section 41C (1B) of the Public Finance and Audit Act, 1983

Pursuant to Section 41C (1B) of the *Public Finance and Audit Act 1983*, I state that:

- (a) the accompanying financial statements have been prepared in accordance with applicable Australian Accounting Standards (which include Australian Accounting Interpretations), the provisions of the *Public Finance and Audit Act 1983*, the applicable clauses of the *Public Finance and Audit Regulation 2015*, and the Financial Reporting Directions issued by the Treasurer;
- (b) the accompanying financial statements exhibit a true and fair view of the financial position as at 30 June 2017 and financial performance of the Independent Liquor and Gaming Authority for the year then ended; and
- (c) at the date of signing we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Philip Crawford



Craig Sahlin

30 October 2017



INDEPENDENT AUDITOR'S REPORT

Independent Liquor and Gaming Authority

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of the Independent Liquor and Gaming Authority (the Authority), which comprise the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Authority as at 30 June 2017, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B 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 the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Authority in accordance with the requirements of the:

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

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament 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
- precluding the Auditor-General from providing non-audit services.

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

The Board's Responsibility for the Financial Statements

The members of the Board are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the members of the Board determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members of the Board must assess the Authority's ability to continue as a going concern except where the Authority will be dissolved by an Act of Parliament or otherwise cease operations. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of 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 description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Authority carried out its 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
- about any other information which may have been hyperlinked to/from the financial statements.



David Daniels
Director, Financial Audit Services

30 October 2017
SYDNEY

Independent Liquor & Gaming Authority Financial Statements

Statement of Comprehensive Income

For the year ended 30 June 2017

	Notes	Parent Entity ¹			Consolidated Entity
		Actual 2017 \$'000	Budget 2017 \$'000	Restated* 2016 \$'000	Restated* 2016 \$'000
EXPENSES excluding losses					
Personnel services	2(a)	8,381	9,194	13,963	10,918
Employee related	2(b)	-	-	-	3,045
Operating expenses	2(c)	2,028	3,700	2,848	2,848
Depreciation and amortisation	2(d)	7	30	17	17
TOTAL EXPENSES excluding losses		10,416	12,924	16,828	16,828
REVENUE					
Sale of goods and services	3(a)	1,109	450	1,141	1,141
Retained taxes, fees and fines	3(b)	2,662	2,750	3,066	3,066
Grants and contributions	3(c)	1,526	1,526	14,079	12,816
Acceptance by the Crown Entity of personnel benefits and other liabilities	3(d)	-	-	-	1,263
Interest income	3(e)	402	-	390	390
Other income		762	-	-	-
TOTAL REVENUE		6,461	4,726	18,676	18,676
OPERATING RESULT		(3,955)	(8,198)	1,848	1,848
Other (losses)		(2,296)	-	-	-
NET RESULT	14	(6,251)	(8,198)	1,848	1,848
Other comprehensive income		-	-	-	-
TOTAL COMPREHENSIVE INCOME		(6,251)	(8,198)	1,848	1,848

1. The Parent entity is the Independent Liquor and Gaming Authority (ILGA). The Consolidated entity in the prior year was the Independent Liquor and Gaming Authority and the Independent Liquor and Gaming Authority (ILGA) Staff Agency. The ILGA Staff Agency was abolished from 30 October 2015.

* Certain amounts do not correspond to the 2016 financial statements. See note 22 for details regarding the restatement.

The accompanying notes form part of these financial statements.

Independent Liquor & Gaming Authority Financial Statements

Statement of Financial Position

As at 30 June 2017

	Notes	Parent Entity				Consolidated Entity	
		Actual 2017	Budget 2017	Restated* 2016	Restated* 1 July 2015	Restated* 2016	Restated* 1 July 2015
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS							
Current Assets							
Cash and cash equivalent	4	11,569	254	5,177	8,566	5,177	8,566
Receivables	5	5,347	3,006	6,287	1,087	6,287	1,087
Total Current Assets		16,916	3,260	11,464	9,653	11,464	9,653
Non-Current Assets							
Plant and equipment	6	29	353	36	32	36	32
Lease receivable	7	4,620		4,468	4,329	4,468	4,329
Intangible assets	8	-	-	-	-	-	-
Total Non-Current Assets		4,649	353	4,504	4,361	4,504	4,361
Total Assets		21,565	3,613	15,968	14,014	15,968	14,014
LIABILITIES							
Current Liabilities							
Payables	9	11,958	1,821	2,851	2,057	2,851	2,057
Provisions	10	-	1,130	-	-	-	-
Other	11	2,755	110	14	702	14	702
Total Current Liabilities		14,713	3,061	2,865	2,759	2,865	2,759
Non-Current Liabilities							
Provisions	10	-	34	-	-	-	-
Total Non-Current Liabilities		-	34	-	-	-	-
Total Liabilities		14,713	3,095	2,865	2,759	2,865	2,759
Net Assets		6,852	518	13,103	11,255	13,103	11,255
EQUITY							
Accumulated funds		6,852	518	13,103	11,255	13,103	11,255
Total Equity		6,852	518	13,103	11,255	13,103	11,255

* Certain amounts do not correspond to the 2016 financial statements. See note 22 for details regarding the restatement.

The accompanying notes form part of these financial statements.

Independent Liquor & Gaming Authority Financial Statements

Statement of Changes in Equity

For the year ended 30 June 2017

	Notes	Accumulated Funds \$'000	Total \$'000
Parent Entity			
Balance at 1 July 2016 *		8,385	8,385
Correction of errors		(4,718)	(4,718)
Restated balance as at 1 July 2016		13,103	13,103
Net result for the year		(6,251)	(6,251)
Total comprehensive income for the year		6,852	6,852
Balance at 30 June 2017		6,852	6,852
Parent Entity and Consolidated Entity			
Balance at 1 July 2015 *		6,676	6,676
Correction of errors		(4,579)	(4,579)
Restated balance as at 1 July 2015		11,255	11,255
Net result for the year		1,848	1,848
Total comprehensive income for the year		1,848	1,848
Balance at 30 June 2016		13,103	13,103

* Certain amounts do not correspond to the 2016 financial statements. See note 22 for details regarding the restatement.

The accompanying notes form part of these financial statements.

Independent Liquor & Gaming Authority Financial Statements

Statement of Cash Flows

For the year ended 30 June 2017

	Notes	Parent Entity			Consolidated
		Actual 2017 \$'000	Budget 2017 \$'000	Actual 2016 \$'000	Entity Actual 2016 \$'000
Cash Flows From Operating Activities					
Payments					
Personnel services		(1,039)	(77)	(14,007)	(14,007)
Other ¹		(4,323)	(13,060)	(2,209)	(2,209)
Total Payments		(5,362)	(13,137)	(16,216)	(16,216)
Receipts					
Sale of goods and services		1,701	450	(430)	(430)
Grants and contributions		1,526	1,526	9,225	9,225
Other		8,527	2,916	4,053	4,053
Total Receipts		11,754	4,892	12,848	12,848
Net Cash Flows From Operating Activities	14	6,392	(8,245)	(3,368)	(3,368)
Cash Flows From Investing Activities					
Purchases of plant, equipment & intangible assets		-	-	(21)	(21)
Net Cash Flows From Investing Activities		-	-	(21)	(21)
Net Cash Flows From Financing Activities		-	-	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents		6,392	(8,245)	(3,389)	(3,389)
Opening cash and cash equivalents		5,177	8,499	8,566	8,566
Closing Cash and Cash Equivalents	4	11,569	254	5,177	5,177

The accompanying notes form part of these financial statements.

1. Budget amount includes personnel services and was not aligned at the time preparing the budget.

Independent Liquor & Gaming Authority Financial Statements

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

1. Summary of Significant Accounting Policies

a) Reporting Entity

The Independent Liquor and Gaming Authority (“Authority”) is a reporting entity and is a NSW statutory body established under the *Gaming and Liquor Administration Act 2007* which constitutes the Authority as the licensing and regulatory authority for the purposes of the *Liquor Act 2007*, the *Casino Control Act 1992*, the *Gaming Machines Act 2001* and the *Registered Clubs Act 1976*.

The Authority as a reporting entity comprises all the entities under its control. The Authority controlled the Independent Liquor and Gaming Authority Staff Agency (the Staff Agency) until it was abolished by Administrative Arrangements (Administrative Changes – Liquor and Gaming) Order 2015 effective from 30 October 2015. The sole objective of the Staff Agency was to provide personnel services to the Authority. After the Staff Agency was abolished, the Authority ceased to be a consolidated entity. As such consolidated entity figures for the 2016-17 financial year are not presented in the financial statements.

In the process of preparing consolidated financial statements for the comparative period, all inter-entity transactions and balances between the parent entity and the Staff Agency were eliminated, and uniform accounting policies were applied.

The Authority’s services, and the operational support provided to it, are described in note 20.

The Authority is a not-for-profit entity, and is controlled by the State of New South Wales which is the ultimate parent. Liquor and Gaming NSW, a Division of the Department of Industry, provides personnel services to the Authority.

These financial statements for the year ended 30 June 2017 have been authorised for issue by the Board on __ October 2017.

(b) Basis of Preparation

The Authority’s financial statements are general purpose financial statements which have been prepared on an accrual basis and in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983* and *Public Finance and Audit Regulation 2015* and
- the Financial Reporting Directions mandated by the Treasurer.

Plant and equipment are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention.

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.

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

1. Summary of Significant Accounting Policies (continued)

(d) Administered Activities

The Authority 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 for the achievement of the Authority's own objectives.

Transactions and balances relating to the administered activities are not recognised as the Authority's income, expenses, assets and liabilities, but are disclosed in Notes 15, 16 and 17 as 'Administered Income', 'Administered Expenses', 'Administered Assets' and 'Administered Liabilities'.

(e) Insurance

The Authority'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.

(f) 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 Authority 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 Taxation Office are classified as operating cash flows.

(g) 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) Grants and Contributions

Contributions from other bodies, including grants and donations, are recognised as income when the Authority obtains control over the assets comprising the contributions. Control over contributions is normally obtained upon the receipt of cash.

(ii) Sale of Goods

Revenue from the sale of goods is recognised as revenue when the Authority transfers the significant risks and rewards of ownership of the goods, usually on delivery of goods.

(iii) Rendering of Services

Revenue is recognised when the service is provided or by reference to the stage of completion.

(iv) Retained Taxes, Fees and Fines

Liquor licensing and gaming revenue other than those relating to the casino precinct were managed and collected by Liquor and Gaming NSW (L&G NSW) which was part of the Department of Justice to 31 March 2017 then part of the Department of Industry. Revenue is recognised when the service is provided.

Independent Liquor & Gaming Authority Financial Statements

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

1. Summary of Significant Accounting Policies (continued)

(g) Income Recognition (continued)

(v) Grants

Grants for recurrent and capital expenditure purposes were received from the Department of Justice in accordance with the approved amount indicated in the Budget Papers for the financial year. Grants were recognised as income of the Authority upon receipt of the grants in cash.

(h) Plant and Equipment

(i) Acquisition of Plant and Equipment

Plant and equipment are initially measured 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 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.

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

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. deferred payment amount is effectively discounted at an asset-specific rate.

(ii) Capitalisation Thresholds

Plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network or group costing more than \$5,000) are capitalised.

(iii) 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.

The fair value of plant and equipment equates to 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 account these 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 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 6 for further information regarding fair value.

The Authority's plant and equipment comprises non-specialised assets with short useful lives, which are measured at depreciated cost as a surrogate for fair value. As the Authority does not own buildings and infrastructure assets, revaluations of plant and equipment are not required.

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

1. Summary of Significant Accounting Policies (continued)

(h) Plant and Equipment (continued)

(iv) Impairment of Plant and Equipment

As a not-for-profit entity with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. As plant and equipment is carried at fair value or an amount that approximates fair value impairment can only arise in the rare circumstances where the costs of disposal are material. Specifically, impairment is unlikely for not-for-profit entities given that AASB 136 modifies the recoverable amount test for non-generating assets of not-for-profit entities to the higher of fair value less costs of disposal and depreciated replacement cost, where depreciated replacement cost is also fair value.

(v) Depreciation of Plant and Equipment

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 Authority.

Depreciation rates by class of assets are:

- computer equipment 25% pa
- office equipment 25% pa
- office furniture and fitting 10% pa

(vi) 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.

(vii) Leased Assets

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

Where a non-current asset is acquired by means of a finance lease, at the commencement of the lease term, the asset is recognised at its fair value or, if lower, the present value of the minimum lease payments, at the inception of the lease. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Finance lease accounting requires the Authority to recognise its finance leased asset as a receivable equal to the net investment in the lease at inception, which is defined as the gross investment in the lease discounted at the interest rate implicit in the lease.

The gross investment in the lease is the aggregate of the minimum lease payments receivable by the Authority and any unguaranteed residual value accruing to the Authority. The unguaranteed residual value represents the amount the Authority expects to recover from the value of the leased asset at the end of the lease term that is not guaranteed in any way by either the lessee or third parties unrelated to the Authority.

The interest rate implicit in the lease is the discount rate that, at inception of the lease, causes the aggregate present value of the minimum lease payments and the unguaranteed residual value to be equal to the sum of the fair value of the leased asset and any initial direct costs of the Authority.

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

Independent Liquor & Gaming Authority Financial Statements

1. Summary of Significant Accounting Policies (continued)

(h) Plant and Equipment (continued)

(vii) Leased Assets (Continued)

The Authority's unguaranteed residual interest in the leased asset will be regularly re-assessed for impairment in future periods. If there is a reduction in the estimated unguaranteed residual value, the income allocation over the lease term will be revised and any reduction in respect of amounts accrued will be recognised immediately. The expected residual value will depend upon specific factors such as, volatility of land values, the rate of technological change and competitive conditions. Refer to note 7 for further details.

(viii) Intangible Assets

The Authority recognises intangible assets only if it is probable that future economic benefits will flow to the Authority 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.

The Authority's intangible assets consisted of computer software only.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the Authority's intangible assets, the assets are carried at cost less any accumulated amortisation.

The Authority's intangible assets are amortised using the straight line method over a period of four years (i.e. 25% pa).

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.

(i) Liabilities

Personnel Services

Due to the Machinery of Government changes detailed in Note 1 (o) below, the Department of Justice and the Department of Industry (the Departments) have provided personnel services to the Authority to enable it to carry out its functions. The expense and liabilities arising from the Departments provision of these services are classified as "Personnel Services" in the Statement of Comprehensive Income and the Statement of Financial Position respectively.

From 1 July 2016, personnel services costs are based on a fee for services arrangement. Under this arrangement the personnel services payment from the Authority includes the settlement of all employee benefit obligations as they accrue. Following the fee for service payment, the liability for all employee benefits provisions such as annual leave, long service leave and superannuation, reside with the employer Department.

In 2015-16 personnel services liabilities included all applicable employee benefits such as salaries and wages, recreation leave, long service leave, superannuation, workers' compensation insurance and payroll tax.

Independent Liquor & Gaming Authority Financial Statements

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

1. Summary of Significant Accounting Policies (continued)

(j) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in net result.

The Authority's principal financial instruments are outlined below (refer note 18). These financial instruments arise directly from the entity's operations or are required to finance the entity's operations. The Authority does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Further quantitative and qualitative disclosures are included throughout these financial statements.

(i) 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 results for the year.

Any reversals of impairment losses are reversed through the net results for the year, where there is objective evidence, except reversals of impairment losses on an investment in an equity instrument classified as "available for sale" which must be made through a reserve. 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.

(ii) De-recognition of Financial Assets and liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Authority transfers the financial asset:

- where substantially all the risks and rewards have been transferred or
- where the Authority has not transferred substantially all the risks and rewards, if it has not retained control.

Where the Authority has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Authority's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

Independent Liquor & Gaming Authority Financial Statements

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

1. Summary of Significant Accounting Policies (continued)

(k) Fair Value Hierarchy

A number of the Authority's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Authority does not hold financial assets and liabilities that are valued at fair value using valuation techniques. The entity determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

Refer Note 6 and Note 18 for further disclosures regarding fair value measurements of financial and non-financial assets.

(l) Equity and Reserves

The category 'Accumulated Funds' includes all current and prior period retained funds.

(m) Budgeted Amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament 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 financial statements are explained in Note 19.

(n) 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. The Consolidated entity in the prior year was the Independent Liquor and Gaming Authority and the Independent Liquor and Gaming Authority (ILGA) Staff Agency. The ILGA Staff Agency was abolished from 30 October 2015.

(o) Machinery of Government Changes

At the commencement of the 2016-17 year, ILGA was supported by the Department of Justice. As at 1 April 2017, the NSW Government under Administrative Arrangements (Administrative Changes – Public Services Agencies), Order 2017, transferred ILGA's support to the Department of Industry. References to Departments refer to both the Department of Justice and the Department of Industry.

(p) Changes in Accounting Policies, Including New or Revised Australian Accounting Standards

(i) Effective for the first time in 2016-17

The accounting policies applied in 2016-17 are consistent with those of the previous financial year except as a result of AASB 2015-16 Amendments to Australia Accounting Standards – Extending Related Party Disclosures to Not for Profit Public Sector Entities which has been applied for the first time in 2016-17. The required disclosures are made at Note 21.

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new AAS, unless Treasury determines otherwise. The following new AAS's have not been applied and are not yet effective:

AASB 9 Financial Instruments.

AASB 15, AASB 2014-5, AASB 2015-8 and 2016-3 regarding Revenue from Contracts with Customers

AASB 16 Leases.

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

Independent Liquor & Gaming Authority Financial Statements

1. Summary of Significant Accounting Policies (continued)

(p) Changes in Accounting Policies, Including New or Revised Australian Accounting Standards (continued)

(ii) Issued but not yet effective (continued)

AASB 1058 Income of Not-for-profit Entities.

AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107.

AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities.

AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities.

AASB 2017-1 Amendments to Australian Accounting Standards – Transfer of investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments.

AASB 2017-2 Amendments to Australian Accounting Standards – Further Annual Improvements 2014-2016 Cycle.

While the impact of these standards in the period of initial application has not been specifically quantified, they are not expected to materially impact the financial statements.

	Parent Entity		Consolidated Entity
	Actual 2017 \$'000	Actual 2016 \$'000	Actual 2016 \$'000
2. Expenses (excluding losses)			
(a) Personnel services expenses			
Salaries and wages (including annual leave)	975	7,982	5,429
Superannuation – defined benefit plan	-	134	88
Superannuation – defined contribution plans	45	398	261
Long service leave	-	1,259	1,082
Redundancy payments	-	3,591	3,591
Workers' compensation insurance	-	16	16
Payroll tax	19	581	453
Fringe benefit tax	-	2	(2)
Personnel Service Charge	7,342	-	-
	8,381	13,963	10,918
(b) Employee related expenses			
Salaries and wages (including annual leave)	-	-	2,553
Superannuation – defined benefit plan	-	-	46
Superannuation – defined contribution plans	-	-	137
Long service leave	-	-	177
Workers' compensation insurance	-	-	-
Payroll tax	-	-	128
Fringe benefit tax	-	-	4
	-	-	3,045

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

Parent Entity

Consolidated
Entity

Independent Liquor & Gaming Authority Financial Statements

	Actual 2017 \$'000	Actual 2016 \$'000	Actual 2016 \$'000
2. Expenses (excluding losses) (continued)			
(c) Other operating expenses include the following:			
Auditor's remuneration – audit of the financial statements	123	100	100
Operating lease rental expense - minimum lease payments	90	246	246
Insurance	-	4	4
Contractors [Note (c)(1)]	235	131	131
Consultants			
- Genting Hong Kong Ltd review	-	391	391
- Crown Sydney Ltd review	-	124	124
- Section 31 investigation [Note (c)(2)]	502	-	-
- Other	2	301	301
- Casino Project	-	43	43
Maintenance	1	25	25
Other - Casino licensing expenses	3	91	91
Legal fees	440	631	631
Rents remitted to Treasury	250	250	250
Travelling	3	54	54
Information technology	40	24	24
Other administration expenses	339	433	433
	2,028	2,848	2,848
Bad debts *	2,296	-	-

* Noted in other losses in the Statement of Comprehensive Income.

(c)(1) A contractor is any individual who is engaged to undertake operational work that would or could be regarded as normally undertaken by an employee, but internal expertise is not available. Contractors are free to decide the manner in which they will complete the task and achieve the desired result. Contractors are distinct from employees as they are engaged under a different set of legal arrangements.

Contractor costs of \$235,938 in 2017 relate to charges by the Department of Justice for providing corporate services to the Authority (\$131,448 in 2016).

(c)(2) Under section 31 of the *Casino Control Act 1992*, the Authority, not later than 3 years after the grant of a casino licence and thereafter at intervals not exceeding 5 years, must investigate and form an opinion as to whether or not (a) the casino operator is a suitable person to continue to give effect to the casino licence and the Act, and (b) it is in the public interest that the casino licence should continue in force.

The last section 31 investigation was completed and reported to the Minister in late 2016.

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

	Parent Entity		Consolidated Entity
	Actual 2017 \$'000	Actual 2016 \$'000	Actual 2016 \$'000
<hr/>			

Independent Liquor & Gaming Authority Financial Statements

2. Expenses (excluding losses) (continued)

(d) Depreciation and amortisation expense:

Computer equipment	6	15	15
Office equipment	1	1	1
Office furniture and fittings	-	1	1
Depreciation	7	17	17
Amortisation – intangible assets	-	-	-
	7	17	17

3. Revenue

(a) Sale of goods and services

Recovery of expenses from Genting Hong Kong Limited in connection with the review on Genting Hong Kong Limited	-	389	389
Recovery of expenses from Crown Sydney Limited in connection with a review of Crown Sydney Limited as a result of the Crown Sydney's application for a restricted gaming licence	-	123	123
Recovery of expenses from Central Monitoring System Licence	-	207	207
Gaming Technology Unit Revenue	1,109	422	422
	1,109	1,141	1,141

(b) Retained taxes, fees and fines

Casino Special Employee License fees [see Note 1 (d) and Note 17 (vii)]	622	1,363	1,363
Licensing – Liquor revenue	2,033	1,703	1,703
Miscellaneous revenue	7	-	-
	2,662	3,066	3,066

(c) Grants and contributions

Grants (recurrent) from the Department of Justice	1,526	14,079	12,816
---	--------------	---------------	---------------

(d) Acceptance by the Crown Entity of personnel benefits and other liabilities

The following liabilities and / or expenses have been assumed by the Crown Entity

Superannuation – defined benefit	-	-	135
Long service leave	-	-	1,121
Payroll tax	-	-	7
	-	-	1,263

(e) Interest Income

Interest on Finance Lease	402	390	390
---------------------------	------------	------------	------------

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

	Parent Entity		Consolidated Entity
	Actual	Actual	Actual
	2017	2016	2016
	\$'000	\$'000	\$'000

4. Current Assets – Cash and Cash Equivalents

Independent Liquor & Gaming Authority Financial Statements

Cash at bank and on hand	11,569	5,177	5,177
--------------------------	--------	-------	-------

For the purposes of the Statement of cash flows, cash and cash equivalents include cash at bank and cash on hand.

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)	11,569	5,177	5,177
Closing cash and cash equivalents (per statement of cash flows)	11,569	5,177	5,177

Refer Note 18 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

5. Current Assets – Receivables

Finance Lease (refer Note 7)	250	250	250
Other debtors	7,414	6,058	6,058
Less allowance for impairment	(2,316)	(21)	(21)
	5,348	6,287	6,287

Movement in the allowance for Impairment:

Balance at 1 July	21	-	-
Amounts written off during the year	-	-	-
Amounts recovered during the year	-	-	-
Increase / (Decrease) in allowance Recognised in profit or loss	2,295	21	21
Balance at 30 June	2,316	21	21

Details regarding credit risk of trade debtors that are neither past due nor impaired, are disclosed in note 18.

6. Non-Current Assets – Plant and Equipment

	Computer Equipment \$'000	Office Equipment \$'000	Office Furniture & Fittings \$'000	Total \$'000
Parent Entity and Consolidated Entity				
At 1 July 2016 – fair value				
Gross carrying amount	121	98	39	258
Accumulated depreciation and impairment	(108)	(93)	(21)	(222)
Net carrying amount	13	5	18	36

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

6. Non-Current Assets – Plant and Equipment (continued)

	Computer Equipment \$'000	Office Equipment \$'000	Office Furniture & Fittings \$'000	Total \$'000
Parent Entity				
At 30 June 2017 – fair value				
Gross carrying amount	121	98	39	258
Accumulated depreciation and impairment	(115)	(93)	(21)	(229)

Independent Liquor & Gaming Authority Financial Statements

Net carrying amount	6	5	18	29
Parent Entity and Consolidated Entity				
At 1 July 2015 – fair value				
Gross carrying amount	367	98	39	504
Accumulated depreciation and impairment	(360)	(92)	(20)	(472)
Net carrying amount	7	6	19	32
Parent Entity				
At 30 June 2016 – fair value				
Gross carrying amount	121	98	39	258
Accumulated depreciation and impairment	(108)	(93)	(21)	(222)
Net carrying amount	13	5	18	36

Reconciliation

A reconciliation of the carrying amount of each class of plant and equipment at the beginning and end of the current and previous reporting period is set out below:

Parent Entity

Year ended 30 June 2017

Net carrying amount at start of year	13	5	18	36
Additions	-	-	-	-
Disposals/written off	-	-	-	-
Reclassification of intangibles	-	-	-	-
Depreciation expense	(7)	-	-	(7)
Net carrying amount at 30 June 2017	6	5	18	29

Parent Entity and Consolidated Entity

Year ended 30 June 2016

Net carrying amount at start of year	7	6	19	32
Additions	21	-	-	21
Disposals/written off	-	-	-	-
Reclassification of intangibles	-	-	-	-
Depreciation expense	(15)	(1)	(1)	(17)
Net carrying amount at 30 June 2016	13	5	18	36

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

7. Lease Receivable

	Parent Entity	Parent and Consolidated Entity
	30 June 2017	30 June 2016
	\$'000	\$'000
Current – Finance lease receivable (note 5)	250	250
Non-current – Finance lease receivable	4,620	4,468
	<u>4,870</u>	<u>4,718</u>
Amounts receivable under finance lease:		
Minimum lease payments		
Not later than one year	250	250
Later than one year and not later than five	1,000	1,000

Independent Liquor & Gaming Authority Financial Statements

years		
Later than 5 years	17,750	18,000
	19,000	19,250
Add: Unguaranteed residual value of land	1,046,882	1,046,882
	1,065,882	1,066,132
Less: unearned finance income	(1,061,012)	(1,061,414)
Present value of minimum lease payments receivable and unguaranteed residual value	4,870	4,718

On 5 May 1994, City West Development Corporation transferred the Star Casino Land to the Authority (then known as Casino Control Authority) at a nominal value of \$1, to be leased to the holder of the Sydney casino licence to facilitate the development of the casino complex. The Authority entered into the finance lease arrangement with the Star Pty Ltd for the land at 20-80 Pyrmont Street, Pyrmont, NSW, 2009 (Star Casino Land). The remaining term of the finance lease is for 76.5 years at 30 June 2017. As the lease receivable had not been recorded in prior years, the entry is also shown in Note 22 as a Prior period error.

The land is described as Lot 500 DP 11611507, and Lots 301 & 302 DP 873212 located in the Parish of St Andrew, Locality of Pyrmont, in the Local Government Area of Sydney.

The implicit interest rate inherent in the lease is estimated at approximately 8.5% at the inception date for the entire lease term. The finance lease receivables at the end of the reporting period are neither past due nor impaired.

8. Intangibles

	Software \$'000	Total \$'000
Parent Entity and Consolidated Entity		
At 1 July 2016 – fair value		
Gross carrying amount	224	224
Accumulated amortisation and impairment	(224)	(224)
Net carrying amount	-	-
Parent Entity		
At 30 June 2017 – fair value		
Gross carrying amount	224	224
Accumulated amortisation and impairment	(224)	(224)
Net carrying amount	-	-

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

8. Intangibles (continued)

	Software \$'000	Total \$'000
Parent Entity and Consolidated Entity		
At 1 July 2015 – fair value		
Gross carrying amount	224	224
Accumulated amortisation and impairment	(224)	(224)
Net carrying amount	-	-
Parent Entity		
At 30 June 2016 – fair value		
Gross carrying amount	224	224
Accumulated amortisation and impairment	(224)	(224)

Independent Liquor & Gaming Authority Financial Statements

Net carrying amount	-	-
----------------------------	---	---

Reconciliation

A reconciliation of the carrying amount of each class of intangibles at the beginning and end of the current and previous reporting period is set out below:

Parent Entity

Year ended 30 June 2017

Net carrying amount at the start of year	-	-
Amortisation	-	-
Net carrying amount at 30 June 2017	-	-

Parent Entity and Consolidated Entity

Year ended 30 June 2016

Net carrying amount at the start of year	-	-
Amortisation	-	-
Net carrying amount at 30 June 2016	-	-

	Parent Entity		Consolidated Entity
	Actual 2017 \$'000	Actual 2016 \$'000	Actual 2016 \$'000
9. Current Liabilities - Payables			
Creditors	3,014	56	56
Department of Justice / Industry - Personnel Services / Grant payable	8,235	-	-
Net GST payable	411	411	411
Accruals and personnel services			
Accrued liabilities - personnel services	(14)	1,621	1,621
Accruals	312	763	763
	11,958	2,851	2,851

Details regarding liquidity risk, including a maturity analysis of the above payables are disclosed in Note 18

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

	Parent Entity		Consolidated Entity
	Actual 2017 \$'000	Actual 2016 \$'000	Actual 2016 \$'000
10. Provisions			
Current Provisions	-	-	-
Non-current Provisions	-	-	-
Aggregate employee benefits and related on-costs			
Current Provisions	-	-	-
Non-current Provisions	-	-	-
Accrued personnel services liability [note 9]	(14)	1,621	1,621
	(14)	1,621	1,621
11. Current Liabilities – Other			
Deposits held for Casino Special Employee Licensing	-	40	40

Independent Liquor & Gaming Authority Financial Statements

application			
Deposits from Genting Hong Kong Limited held for covering expenses in connection with the Authority's review of Genting Hong Kong Limited.	-	(26)	(26)
Liabilities to the Crown	2,755	-	-
	<u>2,755</u>	<u>14</u>	<u>14</u>

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 18.

12. Commitments for Expenditure

(a) Capital Commitments

The Authority did not have any capital commitments as at 30 June 2017 (2016: \$0).

(b) Operating Lease Commitments

The Authority did not have any operating lease commitments as at 30 June 2017 (2016: \$0).

(c) Finance Lease Commitments

The Authority did not have any finance lease commitments as at 30 June 2017 (2016: \$0).

13. Contingent Liabilities and Contingent Assets

(a) Contingent liabilities

The Authority has contingent liabilities of \$38,300 as at 30 June 2017 (2016: \$0).

(b) Contingent Assets

The Authority has contingent assets of \$15,000 as at 30 June 2017 (2016: \$0).

Independent Liquor & Gaming Authority Financial Statements

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

14. Reconciliation of Cash Flows from Operating Activities to Net Result

	Parent Entity		Consolidated
	Actual 2017 \$'000	Actual 2016 \$'000	Actual 2016 \$'000
Net cash used on operating activities	6,392	(3,368)	(3,368)
Depreciation and amortisation	(7)	(17)	(17)
(Increase)/Decrease in provisions	-	5,199	5,199
Increase/(Decrease) in receivables	(788)	1,124	1,124
(Increase)/Decrease in creditors	(11,848)	(1,090)	(1,090)
Net result	(6,251)	1,848	1,848

15. Administered Assets and Liabilities ¹

Administered assets

	2017	2016	2016
Receivable – Casino duty	9,441	12,165	12,165
Receivable – Responsible Gambling Levy	129	195	195
Total Administered assets	9,570	12,360	12,360

Administered liabilities

	2017	2016	2016
Deferred income – current	8,300	8,330	8,330
Deferred income – non current	11,560	19,860	19,860
Total Administered liabilities	19,860	28,190	28,190

1. Administered Assets and Liabilities are excluded from the Statement of Financial Position.

16. Administered Revenue – Schedule of Uncollected Amounts

2017 – (Parent Entity)

	Less than 30 days	30-90 days	Greater than 90 days	Total
	\$'000	\$'000	\$'000	\$'000
Casino Duty	9,441	-	-	9,441
Responsible Gambling Levy	129	-	-	129
Total	9,570	-	-	9,570

2016 – (Parent Entity and Consolidated entity)

	Less than 30 days	30-90 days	Greater than 90 days	Total
	\$'000	\$'000	\$'000	\$'000
Casino Duty	12,165	-	-	12,165
Responsible Gambling Levy	195	-	-	195
Total	12,360	-	-	12,360

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

Independent Liquor & Gaming Authority Financial Statements

17. Administered Revenues

The Authority administered the undermentioned Crown revenues to NSW Treasury. These revenues were not recorded in the financial statements of the Authority.

	Parent Entity		Consolidated
	Actual	Actual	Entity
	2017	2016	Actual
	\$'000	\$'000	\$'000
Administered revenues			
(i) Casino Duty	202,811	193,145	193,145
(ii) Rebate player duty	61,870	60,834	60,834
(iii) Responsible gambling levy	19,067	18,513	18,513
(iv) Casino Regulatory and Compliance Deed payment	8,330	8,330	8,330
(v) Casino Supervisory Levy	7,344	7,165	7,165
(vi) Casino Rent	250	250	250
(vii) Casino special employee licence fees	475	337	337
(viii) Controlled contracts fees	10	8	8
(ix) Fees for granting of liquor licences (casino precinct)	-	-	-
(ix) Others	23	90	90
(x) Liquor application/grant fees	1,830	883	883
(xi) Gaming machine fees	205	648	648
Total Administered revenues	302,215	290,203	290,203

(i) Casino Duty

Pursuant to section 114 of the *Casino Control Act 1992*, a casino duty is to be paid to the Authority in respect of the casino licence. Duty is calculated and paid on a weekly basis. The Authority audited the weekly casino duty paid by The Star Pty Ltd. The duty was, at Treasury's direction, remitted directly to Treasury each week.

(ii) Rebate Player Duty

The amount shown above comprises the Rebate Player Duty \$61.9 million (2016: \$60.8 million) including Rebate Instalments of \$6.0 million (2016: \$6.0 million). All the amounts were remitted to Treasury during the year.

Rebate player duty means casino duty calculated at the Rebate Player Duty Rate on non-NSW Gross Revenue in accordance with clause 4 of schedule 5 of the Amended and Restated Casino Duty and Responsible Gambling Levy Agreement.

Rebate Player Duty Rate is 10%.

Duty above the instalment amounts becomes payable when Rebate Player Gross Revenue exceeds \$60.0 million in a Calendar Year.

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

17. Administered Revenues (continued)

Independent Liquor & Gaming Authority Financial Statements

(ii) Rebate Player Duty (continued)

Rebate Player Instalment Amounts

Subject to clause 3 of schedule 5 of the Amended and Restated Casino Duty and Responsible Gambling Levy Agreement dated 26 June 2008, the Licensee (The Star Pty Ltd) must pay to the Authority, at the discretion of the Treasurer, \$6.0 million in each Calendar Year.

The Licensee must pay this amount via instalments on the following dates:

- (a) \$3.0 million on 1 January; and
- (b) \$3.0 million on 1 July.

The amounts were not refundable in whole or in part. The above revenues were remitted to Treasury for the year ending 30 June 2017.

GST Offset

Under clause 7 of schedule 5 of the Amended and Restated Casino Duty and Responsible Gambling Levy Agreement, the Treasurer must rebate GST offset payments to the casino licensee (The Star Pty Ltd).

(iii) Responsible Gambling Levy

Section 115 of the *Casino Control Act 1992* requires a responsible gambling levy to be paid by the casino licensee.

The Authority validated the weekly responsible gambling levy paid by The Star Pty Ltd which was remitted by the casino operator direct to NSW Treasury.

The money derived from payment of the responsible gambling levy is subject to the operation of a trust deed appointing trustees and containing provisions approved by the Minister to the expenditure of that money for the benefit of the community. Responsibility for providing administrative support and assistance to the trustees and the Minister in relation to the administration of the Fund and the operation of the trustees lies with the Departments.

(iv) Casino Regulatory and Compliance Deed Payment

On 14 December 1994, in accordance with the *Casino Control Act 1992*, the Authority granted the Licensee (The Star Pty Ltd) a licence to operate a casino in NSW. On the same date, the Licensee also entered into an Exclusivity Agreement where damages were payable by the State of NSW if certain regulatory events occurred during the Exclusivity Period. The Original Exclusivity Agreement expired on or about 14 September 2007.

Following negotiations the State of NSW agreed to grant the Licensee a new Exclusivity Period and protection rights that apply from 14 November 2007 to 13 November 2019 for which The Licensee agreed to pay \$100 million. Pursuant to the Casino Regulatory and Compliance Deed, this payment is required in two lump sums of \$50 million (plus GST).

The first instalment was received and remitted to Treasury in July 2009. The second instalment was received and remitted to Treasury in July 2010.

The total amount of \$100 million was considered as administered revenue over a period of 12 years commencing from 14 November 2007. Hence, there was administered revenue of \$8,330,000 for year ended 30 June 2017.

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

17. Administered Revenues (continued)

(ix) Casino Supervisory Levy

Independent Liquor & Gaming Authority Financial Statements

Section 115A of the Casino Control Act 1992, requires a casino supervisory levy to be paid by the casino licensee. The amount of the levy is fixed by the Casino Control Agreement (Supervisory Levy) Regulation 2013. The regulation requires the casino operator (The Star Ltd) to pay a casino supervisory levy of \$7,344,443 in 2016-17 (2015-16: \$7,165,310). The levy, which is paid to the Authority, is treated as Consolidated Revenue and is passed onto NSW Treasury.

(vi) Casino Rent

In accordance with the Permanent Site Lease, The Star Pty Ltd has to pay \$250,000 to the Authority being annual rent of the permanent casino site commencing from 14 December 1996. The money was received from The Star Pty Ltd on 29 January 2017 and was then remitted to Treasury.

(vii) Casino Special Employee Licensing Fees

Section 44 of the *Casino Control Act 1992* provides that a person must not exercise in or in relation to a casino any of the functions of a special employee except in accordance with the authority conferred on the person by a licence.

Staff of The Star Pty Ltd who are "Special Employees" under Section 43 of the Casino Control Act 1992 must be licensed by the Authority. With effect from 1 May 2013 the licence application fee is \$1,000 for each casino special employee.

Under Section 55 of the Casino Control Act 1992 these licences expire 5 years after being granted. The licensee may, under Section 56 of the Act, apply to the Authority for the licence to be renewed. With effect from 1 May 2013 the fee for a renewal of licence is \$1,000.

In the year ended 30 June 2017, the Authority collected and remitted to Treasury \$475,450 (2016: \$336,710) in respect of Casino Special Employee Licence application fees (including fees for renewal of licences).

(viii) Controlled Contracts Fees

Under Section 36 of the *Casino Control Act 1992*, a "controlled contract" means:

- (a) a contract that relates to the supply or servicing of gaming equipment that has been approved by the Authority under section 68 (1), or
- (b) a contract or class of contracts, that, in the opinion of the Authority, is materially significant to the integrity of the operation of a casino and that the Authority declares, by notice in writing to the casino operator, to be a controlled contract.

Section 37 of the *Casino Control Act 1992* provides that the casino operator must not enter into or become a party to a controlled contract, or the variation of a controlled contract, relating to the casino until the operator has given the Authority written notice of the details of the proposed contract or variation of contract and the investigation time that the Authority is allowed by this section has elapsed. The contract notice must be accompanied by the prescribed fee of \$2,500.

In the year ended 30 June 2017, there was \$10,000 collected and remitted of controlled contract fees (2016: \$7,500).

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

17. Administered Revenues (continued)

(ix) Fees for Granting of Liquor Licences (casino precinct)

The fees for liquor licensing and associated matters are prescribed in the *Liquor Regulation 2008*.

Independent Liquor & Gaming Authority Financial Statements

In the year ended 30 June 2017, there were no fees for granting of liquor licences (casino precinct), also (2016: \$0).

(x) Others

In the year ended 30 June 2017, other revenues received included:

(a) A total of \$1,500 in infringement notices (2016: \$40,000) were issued to the Star during the year. These relate to breaches of the *Casino Control Act 1992*:

Section 94(1)	\$0 (2016: \$40,000);
Section 163	\$1,500 (2016: \$0);

(b) A total of \$22,596 (2016: \$49,512) in connection with infringement notices issued to persons for breaches of the Casino Control Act or Regulation.

The above revenues were remitted to Treasury.

(xi) Liquor Application/Grant Fees

In accordance with the *Liquor Act 2007* and *Liquor Regulation 2008* the Authority received fees for the granting of a new liquor licence and for a change to an existing liquor licences. The fees were collected by the Department of Justice (Liquor and Gaming Division) on behalf of the Authority. They included:

- Liquor – Club Licence fees
- Liquor – Hotel Licence fees
- Liquor – Limited Licence fees
- Liquor – On Premises Licence fees
- Liquor – Packaged Liquor Licence fees
- Liquor – Producer Wholesaler Licence fees

(xii) Gaming Machine Fees

In accordance with the *Gaming Machines Act 2001* and *Gaming Machines Regulation 2010*, the Authority received fees for the granting and renewal of gaming-related licences and work permits. The fees were collected by the Department of Justice (Liquor and Gaming Division) on behalf of the Authority. They included:

- Gaming Machine Licence fees
- Gaming Machine Technicians fees

Independent Liquor & Gaming Authority Financial Statements

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

18. Financial Instruments

The Authority's Board 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 entity, to set risk limits and controls and to monitor risks.

	Note	Category	Parent Entity		Consolidated
			Actual 2017 \$'000	Actual 2016 \$'000	Entity Actual 2016 \$'000
(a) Financial Instrument Categories					
			Carrying Amount	Carrying amount	Carrying Amount
Financial Assets					
Class:					
Cash and cash equivalents	4	N/A	11,569	5,177	5,177
Receivables	5	Loans and receivables (at amortised cost)	272	2,385	5,967
Financial Liabilities					
Class:					
Payables	9	Financial liabilities measured at amortised cost	11,546	2,440	2,440
Other	11	Financial liabilities measured at amortised cost	2,755	12	12

The financial instruments excluded statutory receivables and payables, prepayment and unearned revenues as these were not within the scope of AASB 7 *Financial Instruments: Disclosures*.

(b) Credit Risk

Credit risk arises when there is the possibility of the Authority's debtors defaulting on their contractual obligations, resulting in a financial loss to the Authority. 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 Authority, including cash and receivables. No collateral is held by the Authority. The Authority has not granted any financial guarantees.

Cash and Cash Equivalents

Cash and Cash Equivalents comprise cash on hand and bank balances within the NSW Treasury Banking System.

Receivables

All trade debtors are recognised at the amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the Authority will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions. No interest is earned on trade debtors.

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

Independent Liquor & Gaming Authority Financial Statements

18. Financial Instruments (continued)

(b) Credit Risk (continued)

Receivables (continued)

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 results 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.

All the receivables of the Authority are short-term.

	As at 30 June	
	Past due but not impaired \$'000	Considered Impaired \$'000
Parent Entity		
2017		
<3 months overdue	-	-
3 months – 6 months overdue	-	-
>6 months overdue	10	-
Parent Entity and Consolidated Entity		
2016		
<3 months overdue	8	-
3 months – 6 months overdue	-	-
> 6 months overdue	-	21

Payables

These amounts represent liabilities for goods and services provided to the Authority 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.

Investments

The Authority has no investments other than the Authority's bank balance within the Treasury Banking System which earns interest.

(c) Liquidity Risk

Liquidity risk is the risk that the Authority will be unable to meet its payment obligations when they fall due. The Authority continuously manages risk through monitoring future cash flows to ensure adequate holding of high quality liquid assets.

The Authority's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

Independent Liquor & Gaming Authority Financial Statements

18. Financial Instruments (continued)

(c) Liquidity Risk (continued)

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 TC11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Authority may automatically pay the supplier simple interest.

In the year ended 30 June 2017 the Authority was not required to pay any interest for late payment (2016: \$0).

The table below summarises the maturity profile of the Authority's financial liabilities:

	Maturity Dates		
	< 1 year \$'000	1-5 years \$'000	>5 years \$'000
Parent Entity			
2017			
Payables	11,546	-	-
Other Liabilities	2,755	-	-
Total	14,301	-	-
Parent Entity and Consolidated Entity			
2016			
Payables	2,440	-	-
Other Liabilities	12	-	-
Total	2,452	-	-

All the above financial liabilities are non-interest bearing.

(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 Authority's exposure to market risk is primarily through interest rate risk on the Authority's bank balances within the NSW TCorp.

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. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Authority operates and the time frame for the assessment. The sensitivity analysis is based on risk exposures in existence at the statement of financial position date. The analysis is performed on the same basis as for 2016. The analysis assumes that all other variables remain constant.

The Authority is not materially exposed to interest rate risk.

Other Price Risk

The Authority has no financial assets and liabilities exposed to other price risk.

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

Independent Liquor & Gaming Authority Financial Statements

18. Financial Instruments (continued)

(e) Fair Value Compared to Carrying Amount

Financial instruments are generally recognised at amortised cost. The amortised cost of the financial instruments recognised in the statement of financial position approximates the fair value, because of the short-term nature of the financial instruments.

19. Budget Review

Net Result

The net result for the year ended 30 June 2017 is a deficit of \$6,251,000 (2016: \$1,848,000). The change in net results has been driven by a number of significant legislative changes and the resulting operational changes as a consequence.

Whilst 2017 was the first full reporting year following the reforms to Liquor and Gaming regulations in NSW, the regulatory support provided to the Authority and revenue alignments have also changed in this period

Most importantly, the Authority ceased to have any staff when the Independent Liquor and Gaming Authority Staff Agency was abolished from 30 October 2015 and all staff and employment-related liabilities were transferred to Liquor and Gaming. Since that date, the Authority has relied on personnel services provided by Liquor and Gaming to enable it to carry out its statutory functions. The Authority has incurred a personnel services charge for the provision of these services.

In addition, the administrative, processing and corporate support provided to the Authority has been significantly affected by Machinery of Government changes that moved the Authority from the Department of Industry to the Department of Justice from 1 July 2016 and then back to the Department of Industry from 1 April 2017.

Personnel Services expenses

- The 2017 personnel services charge (note 2(a)) of \$7,342,000 (2016: \$0) is a flat fee for service from Liquor and Gaming reflecting the administrative, compliance and processing services provided and does not include or reflect employee-related leave provisions or commitments.
- The total personnel services expenses of \$8,381,000 are \$813,000 under the budgeted amount of \$9,194,000 and \$5,582,000 under the 2016 actuals of \$13,963,000.

Other operating expenses of \$2,028,000 is \$1,672,000 below the budgeted amount of \$3,700,000 primarily due to lower than anticipated legal and consultancy investigations costs required in addressing licensing and disciplinary matters.

Other losses of \$2,296,000 reflects the impairment of a revenue-related receivable for the year ended 30 June 2016.

Total revenue of \$6,461,000 is \$1,735,000 above budget of \$4,726,000 with \$402,000 related to unbudgeted interest income.

Assets and Liabilities

Total assets of \$21,566,000 are significantly above budget. This is due to the funding and banking arrangements with the Departments resulting in increases in cash holdings that are attributable to personnel services costs of \$8,235,000 (note 9) being unpaid to the Department of Justice and Department of Industry at 30 June 2017.

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

Independent Liquor & Gaming Authority Financial Statements

19. Budget Review (continued)

Assets and Liabilities (continued)

Total liabilities were \$14,713,000 as reflected in payables and other liabilities due to the Department of Justice and Treasury.

Cash Flows

Net cash flows from operating activities is a surplus of \$6,392,000. This is a function of cash receipts of \$11,754,000 that are \$1,094,000 below prior year of 2016 of \$12,848,000 while payments of \$5,362,000 are \$10,854,000 below the 2016 payments of \$16,216,000 which is reflected in the closing cash balances of \$11,569,00.

20. Services of the Independent Liquor and Gaming Authority

Service Description

The Independent Liquor and Gaming Authority comprises of one service group called 'Casino Supervision and Liquor and Gaming Related Services'. This service group covers administration of systems for the licensing, supervision, control and monitoring of legal casino gaming in New South Wales and also the licensing and approval functions for liquor, gaming machines and registered clubs.

This service group contributes to protecting the integrity of casino gaming in New South Wales and minimising harm to individuals and families by working towards a range of intermediate results that include the following:

- compliant casino operator who respects the public interest;
- only suitable employees and companies are associated with the Casino;
- illegal and undesirable activities precluded from the Casino; and
- licensed entities and staff conduct authorised gambling and liquor activities in a responsible manner.

Operational services relating to liquor licensing are provided by Liquor & Gaming NSW, a Division of the Department of Justice, now the Department of Industry. The Department of Justice provided financial support services in this area to 31 March 2017. Due to the Machinery of Government Changes as at 1 April 2017, this support was moved to the Department of Industry and Industry continues to provide this support as needed.

The expenses, revenues, assets and liabilities of the service group are presented in the primary financial statements.

21. Related Party Disclosures

The Department's key management personnel compensation is as follows:

	30 June 2017
	\$'000
Short-term employee benefits:	
Salaries	449
Other monetary allowances	-
Non-monetary benefits	-
Other long-term employee benefits	-
Post-employment benefits	-
Termination benefits	-
Total remuneration	449

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

Independent Liquor & Gaming Authority Financial Statements

21. Related Party Disclosures (continued)

There were no transactions entered into during the year with key management personnel, their close family members and controlled or jointly controlled entities thereof.

During the year, the Authority entered into transactions on arm's length terms and conditions with other entities that are controlled/jointly controlled/significantly influenced by the NSW Government. These transactions in aggregate are a significant portion of the Authority's rendering of services and receiving of services. These transactions include:

- Grants and contributions received from the Department of Justice
- Transactions relating to the Treasury Banking System;
- Personnel and corporate service received from the Department of Justice and the Department of Industry
- Payments into the Treasury Managed Fund for workers' compensation insurance and other insurances.

22. Prior Period Errors

The Authority has identified the following prior period errors and the necessary corrections have been made as required by AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors as following:

- The amount of the correction for each financial line affected
- The amount of the correction at the beginning of the earliest prior period presented

In May 1994, City West Development Corporation transferred the Star Casino Land to the Authority (then known as Casino Control Authority). On 14 December 1994, the Star Casino Land was leased to The Star Pty Ltd (then known as Sydney Harbour Casino Properties Pty Ltd) for 99 years to facilitate the development of the casino complex.

From financial reporting periods commencing 1 July 2010 onwards, Australian Accounting Standards required long-term land leases to be classified as finance leases, if they transferred substantially all of the risks and rewards incidental to ownership of the land. According to Treasury Policy Paper 11-01 'Accounting policy: Lessor classification of long-term land leases' this would typically occur where the lease term is 50 years or more.

In the current period, it was decided that a 'finance lease' classification would appropriately reflect the substance of this lease arrangement. Accordingly a finance lease receivable has been recognised for the Star Casino Land as described in Note 7. The amount of rent that was previously considered as administered revenue and remitted to NSW Treasury as Crown Revenue has been reflected as an expense in the current year and in previous years. This will in future be retained by the Authority, as lessor under the 99 year finance lease.

The following tables disclose the restatement of line items in the statement of comprehensive income and statement of financial position, impacted by the prior period error for the year ended 30 June 2016 and 30 June 2015.

Notes to and Forming Part of the Financial Statements

For The Year Ended 30 June 2017

22. Prior Period Errors (continued)

	30 June 2016	
	Previously	Prior period error Restated

Independent Liquor & Gaming Authority Financial Statements

	reported \$'000	\$'000	\$'000
Statement of comprehensive income			
Interest income	-	390	390
Operating expenses	2,598	250	2,848
Net result	1,708	140	1,848
Total comprehensive income	1,708	140	1,848

	30 June 2016			30 June 2015		
	Previously reported \$'000	Prior period error \$'000	Restated \$'000	Previously reported \$'000	Prior period error \$'000	Restated \$'000
Statement of financial position						
<i>Current Assets</i>						
Receivables	6,037	250	6,287	837	250	1,087
<i>Non-current Assets</i>						
Receivable	-	4,468	4,468	-	4,329	4,329
Total assets	11,250	4,718	15,968	9,435	4,579	14,014
Accumulated funds	8,385	4,718	13,103	6,676	4,579	11,255
Total equity	8,385	4,718	13,103	6,676	4,579	11,255

23. Event after Reporting Period

The Authority was not aware of any events after the reporting period that would have a significant impact to the financial statements and the notes to the financial statements.

END OF AUDITED FINANCIAL STATEMENTS

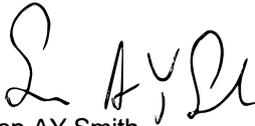
NSW Department of Industry financial statements June 2017

**STATEMENT BY THE SECRETARY,
DEPARTMENT OF INDUSTRY**

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

- The accompanying financial statements and notes to the financial statements have been prepared in accordance with applicable Australian Accounting Standards (which include Australian Accounting Interpretations), the provisions of the *Public Finance and Audit Act 1983*, the applicable clauses of the *Public Finance and Audit Regulation 2015* and the financial reporting directions mandated by the Treasurer;
- The financial statements exhibit a true and fair view of the financial position of the Department of Industry as at 30 June 2017, 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: 20 September 2017



Simon AY Smith
SECRETARY



INDEPENDENT AUDITOR'S REPORT

Department of Industry

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of the Department of Industry (the Department), which comprise the statement of financial position as at 30 June 2017, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows 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 2017, 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 the standards are 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 requirements of the:

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

I have also fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament 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
- precluding the Auditor-General from providing 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 of the Department is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Department Head determines is necessary to enable the preparation and fair presentation of the financial statements that 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 except where operations will cease as a result of an administrative restructure. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of 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 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/auditors_responsibilities/ar3.pdf.

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
- about any other information which may have been hyperlinked to/from the financial statements.



Margaret Crawford
Auditor-General of NSW

4 October 2017
SYDNEY

Beginning of the Financial Statements

Department of Industry

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

	Notes	Consolidated			Parent	
		Actual 2017 \$000	Budget 2017 \$000	Actual 2016 \$000	Actual 2017 \$000	Actual 2016 \$000
Expenses excluding losses						
Operating expenses						
Employee related	2(a)	503,196	531,821	543,048	501,976	542,047
Other operating expenses	2(b)	344,253	392,015	407,259	301,069	394,518
Depreciation and amortisation	2(c)	87,747	101,900	100,313	82,652	85,176
Grants and subsidies	2(d)	2,043,499	1,586,311	1,176,799	2,040,274	1,188,817
Finance costs	2(e)	19	-	-	19	-
Other expenses	2(f)	17,736	11,958	24,167	17,246	23,657
Total expenses excluding losses		2,996,450	2,624,005	2,251,586	2,943,236	2,234,215
Revenue						
Appropriation (net of transfer payments)	3(a)	2,405,480	2,041,997	1,568,512	2,402,480	1,568,512
Sale of goods and services	3(b)	257,615	265,245	290,725	229,208	287,714
Investment revenue	3(c)	20,384	17,458	18,316	18,333	16,276
Fees and fines		-	9,390	-	-	-
Grants and contributions	3(d)	104,574	273,507	100,355	100,465	100,147
Acceptance by the Crown Entity of employee benefits and other liabilities	7(a)	12,183	15,634	39,901	12,183	39,901
Transfers to NSW Treasury	7(b)	(66,629)	(62,223)	(62,393)	(65,736)	(62,258)
Other revenue	3(e)	28,329	12,000	27,603	27,856	27,179
Personnel services revenue	3(f)	6,668	-	25,231	6,668	25,231
Total Revenue		2,768,604	2,573,008	2,008,250	2,731,457	2,002,702
Gain / (loss) on disposal	4	(7,255)	3,557	1,381	(10,605)	619
Other Gains / (losses)	5	9,594	(200)	19,883	9,493	19,761
Net Result	27	(225,507)	(47,640)	(222,072)	(212,891)	(211,133)
Other comprehensive income						
Items that will not be reclassified to net result						
Net increase / (decrease) in property, plant and equipment revaluation surplus		(186,668)	-	(45,253)	(101,107)	74,147
Items that may be reclassified to net result						
Superannuation actuarial gains / (losses)	21(b)	10,390	-	(9,632)	10,390	(9,632)
Total other comprehensive income		(176,278)	-	(54,885)	(90,717)	64,515
TOTAL COMPREHENSIVE INCOME		(401,785)	(47,640)	(276,957)	(303,608)	(146,618)

The accompanying notes form part of these financial statements.

Budget reflects the budget for the consolidated entity, after eliminating transactions between Department of Industry, Lands Administration Ministerial Corporation (LAMC) and Water Administration Ministerial Corporation (WAMC) (Note 1w).

Refer Note 26 for budget v. actual variance analysis.

Department of Industry
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	Notes	Consolidated			Parent	
		Actual 2017 \$000	Budget 2017 \$000	Actual 2016 \$000	Actual 2017 \$000	Actual 2016 \$000
ASSETS						
Current Assets						
Cash and cash equivalents	10	275,398	140,501	278,612	233,991	243,363
Receivables	11	169,996	131,088	146,626	169,933	144,383
Inventories	12	2,718	12,522	2,585	2,718	2,585
Biological assets	19	2,551	-	2,485	2,551	2,485
Other financial assets	17	6,138	5,439	7,096	6,104	7,062
Non-current assets held for sale	18	105	1,490	412	105	412
Total Current Assets		456,906	291,040	437,816	415,402	400,290
Non-Current Assets						
Receivables	11	149,678	163,901	159,271	140,585	150,466
Inventories	12	2,582	7,893	2,554	2,582	2,554
Financial assets at fair value	13	30	-	4,965	30	4,965
Property Plant and Equipment	14					
- Crown Land		5,323,141	6,157,556	5,589,441	5,192,714	5,419,094
- Land (Non Crown Land)		117,423	-	113,749	104,018	101,638
- Buildings		231,914	-	226,635	216,358	209,966
- Plant and Equipment		45,658	58,811	52,086	45,269	49,959
- Infrastructure Systems		2,042,771	2,228,353	2,110,040	1,279,722	1,286,595
- Work in Progress		54,951	-	37,005	54,951	37,005
Total Property Plant and Equipment		7,815,858	8,444,720	8,128,956	6,893,032	7,104,257
Intangible assets	15					
- Intangible assets		193,890	182,158	193,835	193,262	193,128
- Work in progress - Intangible assets		6,052	-	2,310	6,052	2,310
Total Intangible assets		199,942	182,158	196,145	199,314	195,438
Investments accounted for under the equity method **	31	-	5,660	-	-	-
Biological assets	19	5,421	-	5,280	5,421	5,280
Other financial assets	17	9,015	-	11,445	7,698	9,968
Total Non-Current Assets		8,182,526	8,804,332	8,508,616	7,248,662	7,472,928
Total Assets		8,639,432	9,095,372	8,946,432	7,664,064	7,873,218
LIABILITIES						
Current Liabilities						
Payables	20	305,741	140,673	216,546	310,107	232,794
Provisions	21(a)	109,593	75,014	107,825	103,448	94,903
Other	22	32,399	22,511	13,394	31,832	12,815
Total Current Liabilities		447,733	238,198	337,765	445,387	340,512
Non-Current Liabilities						
Provisions	21(a)	27,473	33,090	40,952	27,473	40,952
Total Non-Current Liabilities		27,473	33,090	40,952	27,473	40,952
Total Liabilities		475,206	271,288	378,717	472,860	381,464
Net Assets		8,164,226	8,824,084	8,567,715	7,191,204	7,491,754
EQUITY						
Reserves		642,554	1,117,620	886,979	653,239	812,153
Accumulated funds		7,521,672	7,706,464	7,680,736	6,537,965	6,679,601
Total Equity		8,164,226	8,824,084	8,567,715	7,191,204	7,491,754

The accompanying notes form part of these financial statements.

Budget reflects the budget for the consolidated entity, after eliminating transactions between Department of Industry, Lands Administration Ministerial Corporation (LAMC) and Water Administration Ministerial Corporation (WAMC) (Note 1w).

** 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 31.

Refer Note 26 for budget v. actual variance analysis.

Department of Industry
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

Notes	Consolidated			Parent		
	Accumulated	Asset	Total	Accumulated	Asset	Total
	Funds	Revaluation	Equity	Funds	Revaluation	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2016	7,680,736	886,979	8,567,715	6,679,601	812,153	7,491,754
Net result for the year	(225,507)	-	(225,507)	(212,891)	-	(212,891)
Other comprehensive income:						
Net increase / (decrease) in property, plant and equipment	-	(186,668)	(186,668)	-	(101,107)	(101,107)
Superannuation actuarial gains / (losses)	10,390	-	10,390	10,390	-	10,390
Total other comprehensive income	10,390	(186,668)	(176,278)	10,390	(101,107)	(90,717)
Total comprehensive income for the year	(215,117)	(186,668)	(401,785)	(202,501)	(101,107)	(303,608)
Transfers to / (from) reserves	57,757	(57,757)	-	57,807	(57,807)	-
Transactions with owners in their capacity as owners						
Increase / (decrease) in net assets from equity transfers	(1,704)	-	(1,704)	3,058	-	3,058
Total transactions with owners in their capacity as owners	(1,704)	-	(1,704)	3,058	-	3,058
Balance at 30 June 2017	7,521,672	642,554	8,164,226	6,537,965	653,239	7,191,204
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)	(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	(271,700)	-	(271,700)	(268,140)	-	(268,140)
Total transactions with owners in their capacity as owners	(271,700)	-	(271,700)	(268,140)	-	(268,140)
Balance at 30 June 2016	7,680,736	886,979	8,567,715	6,679,601	812,153	7,491,754

The accompanying notes form part of these financial statements

Department of Industry
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2017

Notes	Consolidated			Parent	
	Actual	Budget	Actual	Actual	Actual
	2017	2017	2016	2017	2016
	\$000	\$000	\$000	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments					
Employee related	(490,426)	(514,831)	(548,991)	(490,426)	(548,991)
Grants and subsidies	(1,732,579)	(2,367,327)	(1,195,805)	(1,732,579)	(1,195,650)
Other	(594,806)	(569,557)	(366,427)	(589,971)	(363,882)
Total Payments	(2,817,811)	(3,451,715)	(2,111,223)	(2,812,976)	(2,108,523)
Receipts					
Sale of goods and services	330,928	289,331	353,418	320,771	346,598
Interest received	4,845	17,174	18,697	2,879	17,406
Appropriation	2,396,950	2,843,410	1,534,174	2,396,950	1,534,174
Cash transfers to the Consolidated Fund	(67,173)	(62,223)	(62,258)	(65,736)	(62,258)
Grants and contributions	98,045	206,394	105,021	98,045	104,955
Other	66,825	154,874	68,033	66,757	68,033
Total Receipts	2,830,420	3,448,960	2,017,085	2,819,666	2,008,908
NET CASH FLOWS FROM OPERATING ACTIVITIES	12,609	(2,755)	(94,138)	6,690	(99,615)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of Land and Buildings, Plant and Equipment and Infrastructure Systems	28,324	23,676	43,731	28,085	43,678
Purchases of Land and Buildings, Plant and Equipment and Infrastructure Systems	(45,486)	(207,583)	(47,890)	(45,486)	(47,890)
Other	-	(10,586)	-	-	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	(17,162)	(194,493)	(4,159)	(17,401)	(4,212)
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of borrowings and advances	-	-	(13)	-	(13)
Other	-	(1,307)	-	-	-
NET CASH FLOWS FROM FINANCING ACTIVITIES	-	(1,307)	(13)	-	(13)
NET INCREASE/(DECREASE) IN CASH	(4,553)	(198,555)	(98,310)	(10,711)	(103,840)
Opening cash and cash equivalents	278,612	339,056	378,882	243,363	349,163
Cash transferred in / (out) as a result of administrative restructuring	1,339	-	(1,960)	1,339	(1,960)
CLOSING CASH AND CASH EQUIVALENTS	275,398	140,501	278,612	233,991	243,363

The accompanying notes form part of these financial statements.

Refer Note 26 for budget v. actual variance analysis.

Budget reflects the budget for the consolidated entity, after eliminating transactions between Department of Industry, Lands Administration Ministerial Corporation (LAMC) and Water Administration Ministerial Corporation (WAMC) (Note 1w).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting entity

The Department of Industry is a NSW Government entity and is controlled by the State of New South Wales, which is the ultimate parent. Department of Industry (the Department) is a not-for-profit entity (as profit is not its principal objective) and it has no material cash generating units.

On 15 March 2017 - Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2017 outlined the following changes effective 1 April 2017:

- The name of the Department of Industry, Skills and Regional Development is changed to the Department of Industry.
- The transfer of the Trade and Industry branch, and those employees principally involved in providing support to the portfolio responsibilities of the Minister of Trade and Industry, from the Department of Premier and Cabinet to the Department of Industry.
- The transfer of Regional NSW branch, and those employees principally involved in providing support to the portfolio of the Minister for Regional NSW from the Department of Industry to the Department of Premier and Cabinet.
- The transfer of Liquor, Gaming and Racing employees principally involved in the administration of legislation allocated to the Minister for Racing, from the Department of Justice to the Department of Industry.
- The transfer of Resources, Energy and Utilities, and those employees who are principally involved in the administration of legislation allocated to the Minister for Resources and the Minister for Energy and Utilities, from the Department of Industry to the Department of Planning and Environment.

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

- 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.

Department of Industry provided personnel services to the 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 Department of Industry.

These financial statements for the period ended 30 June 2017 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)
- requirements of the *Public Finance and Audit Act 1983* and Regulation 2015 and,
- Financial Reporting Directions mandated 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

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 Department of Industry's own objectives.

Transactions and balances relating to the administered activities are not recognised as 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 29 and 30)

The accrual basis of accounting and all applicable accounting standards have been adopted for the reporting of the administered activities.

(e) Borrowing costs

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 31.

(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 that 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. 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 is 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 3a.
- 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 3a and 8. The liability is disclosed in Note 22 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 29 "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 goods.

(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 Department of Industry supplies personnel services is recognised as revenue. Revenue is recognised when the service has been provided.

(v) Investment Revenue

Interest income is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Rental income arising from operating leases is accounted for on a straight-line basis over the lease term. Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement. Dividend revenue is recognised when Department of Industry's right to receive payment is established.

(vi) Grants

Income from grants (other than contribution by owners) is recognised when the entity obtains control over the contribution. The entity is deemed to have assumed control when the grant is received or receivable.

Contributions are recognised at their fair value. Contributions of services are recognised when and only when a fair value of those services can be reliably determined and the services would be purchased if not donated.

(vii) 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 (continued)

(vii) Sale of Land (continued)

(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) Property, plant and equipment

(i) Acquisition of property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently revalued at fair value less accumulated depreciation and impairment. 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(u).

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 over the period of the credit.

(ii) Land assets

The consolidated entity has three broad categories of land which are reported as assets:

(a) Crown land

Crown land includes all parcels of Crown land, except for those with finance lease arrangements in place or Crown reserves under management by reserve trusts. Crown land includes land under operating lease, 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.

(b) Crown Reserves under trust

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

(c) 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 participant's perspective, using valuation techniques (market approach, income approach, cost approach) that maximise relevant observable inputs and minimise unobservable inputs. Also refer to Note 14 and Note 16 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. The consolidated entity conducts a comprehensive revaluation at least every three years for its land (except infrastructure, buildings and land under infrastructure) where the market or income approach is the most appropriate valuation technique and at least every five years for other classes of property, plant and equipment.

Interim revaluations are conducted between comprehensive revaluations where cumulative changes to indicators suggest fair value may differ materially from carrying value.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Property, plant and equipment (continued)

(iv) Revaluation of property, plant and equipment (continued)

The last comprehensive 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.

The last comprehensive revaluation on buildings and other infrastructure was completed in June 2014 and based on independent assessment. Buildings and other infrastructure have been indexed in 2017 financial year to reflect changes to indicators.

The last comprehensive revaluation on land was completed in March 2017 and was based on an independent assessment.

The comprehensive valuation of Crown Land at 31 December 2016 was undertaken by new valuers, being Opteon Property Group. The previous valuers were Land and Property Information. The valuation utilised a new valuation methodology. The new methodology included a reduced number of land categories that better align to value drivers, utilisation of sales evidence, benchmarks and factoring in of outliers to apply rates to specific land classes. Land tenures that are terminable at will or not in perpetuity, were valued using direct comparison of market sales evidence as opposed to the previous approach of capitalising rents. The change in valuation is a change in estimate. The new valuation methodology has resulted in a reduction in the value of Crown Land.

Crown Land is valued as follows:

The determination of global rates per hectare for a variety of land classifications for each Local Government Area (LGA) is considered the most appropriate approach to determine a value for 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.

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 rate 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 and discounting or adjusting factors. Where significantly different parcels of land were identified within a category, these were considered in compiling the overall rate per hectare for the land category.

Crown Land controlled by the Lands Administration Ministerial Corporation was comprehensively valued at 31 December 2016 and based on independent assessment per reserve.

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

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 recognised in other comprehensive income and credited to revaluation surplus in equity. However, to the extent that an increment reverses a revaluation decrement in respect of the same class of asset previously recognised as a loss in the net result, the increment is recognised immediately as a gain in the net result.

Revaluation decrements are recognised immediately as a loss in the net result, except to the extent that it offsets an existing revaluation surplus on the same class of assets, in which case, the decrement is 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 otherwise.

When revaluing non-current assets using the cost approach, the gross amount and the related accumulated depreciation are separately restated. Where the income approach or market approach is used, accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Where an asset that has previously been revalued is disposed of, any balance remaining in the revaluation surplus in respect of that asset is transferred to accumulated funds.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

(v) Impairment of property, plant and equipment

Derecognition of land occurs when a parcel of land shown in the 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 that have been granted to Local Aboriginal Land Councils under the *Aboriginal Land Rights Act 1983* as at June 2017, but not yet transferred. The amount, representing the fair value of land granted based on estimated size of the land, is treated as a revaluation decrease when granted. Until the land is surveyed, the precise area to be transferred is unknown.

(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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Property, plant and equipment (continued)

(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 included geological survey databases and related maps, images and models; and mineral core specimens obtained through drilling over a considerable period of time. These assets were transferred to the Department of Planning and Environment on 1 April 2017, pursuant to Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2017.

(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 historical cost of \$38.3 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, at the commencement of the lease term, the asset is recognised at its fair value or, if lower, the present value of the minimum lease payments, at the inception of the lease. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the entity's net investment in the lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the entity's net investment outstanding in respect of the leases.

An operating lease is a lease other than a finance lease. Operating lease payments are recognised as an operating expense in the Statement of Comprehensive Income on a straight-line basis over the lease term.

Lease income from operating leases where the consolidated entity is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included by the lessor entity in the Statement of Financial Position based on their nature.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Property, plant and equipment (continued)

(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. Following initial recognition, intangible assets are subsequently measured at fair value only if there is an active market. If there is no active market for the consolidated entity's intangible assets, the assets are carried at cost less any accumulated amortisation.

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, excluding water licences, are assessed to be finite.

The consolidated entities' intangible assets, where an active market exists, are amortised using the straight line method over a period of 3 - 14 years.

Water licences held are via the Department's 26.67% share in the Living Murray Initiative Joint Venture. Water licences are considered intangible assets and it has been assessed that there was no active market. Water licences are carried at cost less accumulated amortisation and impairment losses.

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.

Water entitlements have been tested for impairment, with the impairment calculation based on the recommendations of the Independent expert, Frontier Economics Pty Ltd.

(k) 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 12) 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.

(l) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in net result.

The entity determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

(i) Financial assets

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

• Financial assets at fair value through profit or loss

The entity subsequently measures financial assets classified as 'held-for-trading' or designated upon initial recognition 'at fair value through profit or loss' at fair value. Gains or losses on these assets are recognised in the net result for the year. Financial assets are classified as 'held-for-trading' if they are acquired for the purpose of selling or repurchasing in the near term.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(I) Financial Instruments (continued)

(i) Financial assets (continued)

- Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. 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 unless the effect of discounting is material.

- Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity that the entity has the positive intention and ability to hold to maturity are classified as 'held-to-maturity' investments. These financial assets are measured at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

- Available-for-sale financial assets

Financial assets that do not fall into any other category are accounted for as available-for-sale investments and measured at fair value. Gains or losses on available-for-sale financial assets are recognised 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.

- Impairment of financial assets

All financial assets, except those at fair value through profit and loss, are subject to an annual review for impairment. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

For certain categories of financial assets, such as trade receivables, the entity first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. Assets are assessed for impairment on a collective basis if they were assessed not to be impaired individually.

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 original 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 considered to be impaired, the amount of the cumulative loss is removed from equity and 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, reversals of 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.

(ii) Financial liabilities

Financial liabilities are classified as either 'at fair value through profit or loss' or 'at amortised cost'.

- Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held-for-trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held-for-trading are recognised in the net result.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in the net result.

- Financial liabilities at amortised cost (including borrowings and trade payables)

Financial liabilities at amortised cost are initially measured at fair value, net of transaction costs. These are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Payables represent liabilities for goods and services provided to the entity and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Borrowings are financial liabilities at amortised cost. Gains or losses are recognised in the net result for the year on de-recognition of borrowings.

Finance lease liabilities are determined in accordance with AASB 117.

- Financial Guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued and initially recognised at fair value plus, in the case of financial guarantees not at fair value through profit or loss, directly attributable transaction costs, 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 30 June 2017 and 30 June 2016.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Financial Instruments (continued)

(iii) 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.

(m) 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 18.

(n) Trust funds

Department of Industry receives monies in a trustee capacity for various trusts as set out in Notes 28 and 29 and holds security deposits in relation to Crown land tenures.

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

(o) Other assets

Other assets are recognised on a cost basis.

(p) Restricted assets

Refer Note 6.

(q) Employee benefits and other provision

(i) 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 Department of Industry has assessed the actuarial advice based on the Department of Industry's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where the entity does not expect to settle the liability within 12 months as the entity does not have an unconditional right to defer settlement.

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.

(ii) Long Service Leave and Superannuation

Department of Industry's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. 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".

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 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.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

(iii) 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Other Provisions

Other provisions are recognised 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.

(s) Contribution to Consolidated Fund

The consolidated entity operates a number of 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, excluding receipts of the reserve trusts managed by LAMC, are distributed to the Consolidated Fund. These distributions are 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), 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), Department of Industry is required to pay an annual contribution, based on any cash over and above working capital requirement, as determined annually.

(t) Fair Value hierarchy

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

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 (unadjusted) prices in active markets for identical assets / liabilities that the entity can access at the measurement
- 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 16 and Note 32(f) for further disclosures regarding fair value measurements of financial and non-financial assets.

(u) 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).

(v) 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, 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)

(w) Budgeted amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament for Department of Industry, Lands Administration Ministerial Corporation (LAMC) and Water Administration Ministerial Corporation (WAMC) 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 26.

The published budget has been adjusted for transfer payments and consolidation of WAMC and LAMC as follows:

Statement of Comprehensive Income

	Department of Industry Original Published \$000	LAMC & WAMC Original Published \$000	Total \$000	Eliminate LAMC & WAMC Transaction \$000	Adjusted for Transfer Payments \$000	As Reported \$000
Total Expenses Excluding Losses	3,396,385	92,723	3,489,108	(63,690)	(801,413)	2,624,005
Total Revenue	3,355,482	82,629	3,438,111	(63,690)	(801,413)	2,573,008
Gains/(Losses)	5,557	(2,200)	3,357	-	-	3,357
Net Result	(35,346)	(12,294)	(47,640)	-	-	(47,640)

Statement of Financial Position

	Department of Industry Original Published \$000	LAMC & WAMC Original Published \$000	Total \$000	Eliminate LAMC & WAMC Transaction \$000	Adjusted for Transfer Payments \$000	As Reported \$000
Total Assets	7,877,355	1,218,017	9,095,372	-	-	9,095,372
Total Liabilities	267,466	3,822	271,288	-	-	271,288
Total Equity	7,609,889	1,214,195	8,824,084	-	-	8,824,084

Statement of Cash Flows

	Department of Industry Original Published \$000	LAMC & WAMC Original Published \$000	Total \$000	Eliminate LAMC & WAMC Transaction \$000	Adjusted for Transfer Payments \$000	As Reported \$000
Net Cash Flows from Operating Activities	1,040	(3,795)	(2,755)	-	-	(2,755)
Net Cash Flows from Investing Activities	(194,993)	500	(194,493)	-	-	(194,493)
Net Cash flow from Financing Activities	(1,299)	(8)	(1,307)	-	-	(1,307)
Net Increase/(Decrease) in Cash	(195,252)	(3,303)	(198,555)	-	-	(198,555)

(x) 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.

(y) New Australian Accounting Standards issued and effective for the first time at 30 June 2017

The following new Australian Accounting Standards have been issued and are now effective for the first time at 30 June 2017.

- AASB 1057 and AASB 2015-9 Application of Australian Accounting Standards
- AASB 14 and AASB 2014-1 (Part D) regarding Regulatory Deferral Accounts
- AASB 2014-3 regarding accounting for acquisitions of interests in joint operations
- AASB 2014-4 regarding acceptable methods of depreciation and amortisation
- AASB 2014-6 regarding bearer plants
- AASB 2014-9 regarding equity method in separate financial statements
- AASB 2015-1 regarding annual improvements to Australian Accounting Standards 2012-2014 cycle
- AASB 2015-2 regarding amendments to AASB 101 disclosure initiatives
- AASB 2015-5 Amendments to Australian Accounting Standards - Investment Entities: Applying the Consolidation Exception
- AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities
- AASB 2015-7 Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-for-Profit Public Sector Entities
- AASB 2015-9 Amendments to Australian Accounting Standards - Scope and Application Paragraphs

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(z) New Australian Accounting Standards issued but not effective

The following new Australian Accounting Standards have been issued but are not yet effective. The Department of Industry 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 Financial Instruments (1 July 2018)
- AASB 15 Revenue from Contracts with Customers (1 Jul 2019)
- AASB 16 Leases (1 July 2019)
- AASB 2014-10 Sale of Contribution of Assets between an Investor and its Associate or Joint Venture (AASB 10 and AASB 128) (1 Jul 2018)
- AASB 2016-1 Amendments to Australian Accounting Standards - Recognition of Deferred Tax Assets for Unrealised Losses (AASB 112) (1 Jul 2017)
- AASB 2016-2 Amendments to Australian Accounting Standards - Disclosure initiative: Amendments to AASB 107; (1 Jul 2017)
- AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15 ; (1 Jul 2019)
- AASB 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities; (1 Jul 2017)
- AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities (1 July 2019)
- AASB 1058 Income of Not-for-profit Entities (1 July 2019)
- AASB 2017-1 Amendments to Australian Accounting Standards – Transfers of Investment Property, Annual Improvements 2014–2016 Cycle and Other Amendments (1 July 2018)
- AASB 2017-2 Amendments to Australian Accounting Standards – Further Annual Improvements 2014–2016 Cycle (1 July 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 consolidated entity for financial periods beginning 1 July 2019. 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. Consequential amendments have also been made to AASB 15 by AASB 2016-3.

Consequential amendments to other Standards are made by AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15. The mandatory application date of AASB 15 has been deferred to annual reporting periods beginning on or after 1 January 2018 by AASB 2015-8 and further deferred for not-for-profit entities by AASB 2016-7 to annual reporting periods beginning on or after 1 January 2019.

AASB 1058 *Income of Not-for-profit Entities* and AASB 2016-8 *Amendments to Australian Accounting Standards - Australian Implementation* provides additional 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 and AASB 1058 may have a material impact on the consolidated entity's revenue recognition policies. However management has not yet been able to reasonably estimate the possible future impacts of these standards.

AASB 9 Financial Instruments

AASB 9 will apply to the consolidated entity 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 requirements.

AASB 9 also improves and simplifies the approach for classification and measurement of financial assets compared with the requirements of AASB 139.

Management has not yet completed a detailed impact assessment of this new standard and is not currently able to reasonably estimate the possible future impacts of this standard.

AASB 16 Leases

AASB 16 replaces AASB 117 *Leases* and is expected to apply to the consolidated entity 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 consolidated entity's financial statements (refer note 24 for current operating lease commitments of \$90m). 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	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
(a) Employee Related Expenses				
Salaries and wages (including recreation leave)	412,558	425,635	411,338	424,635
Superannuation – defined benefit plans	6,884	8,617	6,884	8,617
Superannuation – defined contribution plans	32,853	30,534	32,853	30,534
Long service leave	6,981	34,741	6,981	34,741
Workers compensation insurance	1,480	1,403	1,480	1,403
Payroll tax and fringe benefits tax	26,473	28,488	26,473	28,488
Redundancy payments	15,850	13,384	15,850	13,384
Other - Miscellaneous	117	246	117	245
	503,196	543,048	501,976	542,047
(b) Other operating expenses include the following:				
Advertising and promotion	6,783	9,754	6,782	9,753
Assets under \$5,000	6,193	4,179	6,180	4,159
Auditor's remuneration – audit of financial reports	761	1,316	700	1,222
Bad and doubtful debts	851	366	851	350
Cleaning	4,263	4,586	4,227	4,544
Computer fees	17,716	13,019	17,714	13,016
Consultancy	16,708	14,348	16,607	14,285
Contractors and other fees	117,746	158,457	115,198	156,862
Cost of Sales	15,810	25,768	15,807	25,767
Courier and freight	939	890	939	890
Data/Internet	3,582	5,051	3,579	5,045
De-recognition of Crown Land	-	21,800	-	21,800
Electricity	4,602	4,813	4,549	4,766
Energy Concession Administration fee	656	850	656	850
Insurance	8,646	4,308	4,016	4,280
Land Impairment – Aboriginal Land Claims	-	17,070	-	17,070
Legal Crown Solicitors	1,360	777	1,360	766
Legal other	4,313	3,583	4,312	3,522
Maintenance*	15,016	15,463	14,585	14,357
Motor vehicle expenses	11,781	9,613	11,732	9,548
Operating lease rental expense – minimum lease payments	32,851	35,853	32,814	35,823
Other operating	22,708	31,016	15,613	21,538
Printing	1,758	1,968	1,756	1,968
Rates	137	360	137	361
Telecommunication	3,183	4,032	3,178	4,025
Training and staff development	3,018	3,197	3,017	3,192
Travel	14,798	14,822	14,760	14,759
Water operations	28,074	-	-	-
	344,253	407,259	301,069	394,518
Maintenance Reconciliation				
* Maintenance expense - contracted labour and other (non-employee related), as above	15,016	15,463	14,585	14,357
Employee related maintenance expense included in Note 2(a)	700	865	700	865
Total Maintenance expenses included in Note 2(a) + 2(b)	15,716	16,328	15,285	15,222
(c) Depreciation and amortisation expense				
Buildings	10,317	10,244	9,405	9,450
Infrastructure	59,480	67,426	55,449	53,641
Plant and Equipment	11,144	15,305	11,072	14,826
Amortisation of intangible assets	6,806	7,338	6,726	7,259
	87,747	100,313	82,652	85,176

2. EXPENSES EXCLUDING LOSSES (continued)

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
(d) Grants and subsidies				
Grants to Government bodies - not specified below	34,792	24,755	33,126	37,466
Grant to Other Non-Government Bodies - not specified below	32,124	36,495	32,124	36,365
Achieving Sustainable Groundwater Entitlements Program	304	3,625	304	3,625
Animal Welfare Organisations	500	1,410	500	1,410
Boosting Business	6,000	12,000	6,000	12,000
Country Towns Water Supply and Sewerage Scheme	26,805	23,585	26,805	23,585
Customer Assistance Policy	1,650	1,696	1,650	1,696
Deed of Settlement - MetGasCo	-	25,000	-	25,000
Destruction of Noxious Weeds	9,304	9,550	9,304	9,550
Energy Accounts Payment Assistance	11,105	11,790	11,105	11,790
Family Energy Rebate	2,041	5,932	2,041	5,932
Film Funding	13,000	-	13,000	-
Forests NSW ²	15,707	15,536	15,707	15,536
Hunter Water Corporation ²	11,051	14,431	11,051	14,431
Industry Capability Network (NSW)	174	423	174	423
Industry Training Services - budget dependent	348,044	267,416	348,044	267,416
Industry Training Services - other	302,199	159,793	302,199	159,793
Invasive Species	13,204	12,458	13,204	12,458
Jobs for NSW	19,283	-	19,283	-
Life Support Rebates Scheme	6,180	7,434	6,180	7,434
Low Income Household Rebate	139,186	187,708	139,186	187,708
Mobile Blackspots	39	11,962	39	11,962
Non cash capital land grant	27,303	12,433	25,744	11,870
NSW Gas Rebate for Low Income Households	13,690	16,250	13,690	16,250
Pensioner rate rebates – Essential Water	447	437	447	437
Recurrent grant to Murray Darling Basin Authority	28,454	24,699	28,454	24,699
Regional Industries Investment Fund	356	355	356	355
Regional Relocation Grants	-	5,515	-	5,515
Research Attraction & Acceleration Program	12,757	18,325	12,757	18,325
Scholarships	6,055	60	6,055	60
State Investment Attraction Scheme	-	12	-	12
State Parks Trusts	575	775	575	775
STEM Foundation	25,102	-	25,102	-
Surface Water Management	12,800	16,158	12,800	16,158
Sustain the Basin	12,796	14,135	12,796	14,135
Sydney School of Entrepreneurship	-	25,000	-	25,000
Sydney Water Corporation ²	111,693	165,636	111,693	165,636
TAFE NSW Commission ^{1,2}	759,785	-	759,785	-
Water NSW ²	37,182	36,504	37,182	36,504
Water and Sewer System for Aboriginal Communities	1,812	7,506	1,812	7,506
	2,043,499	1,176,799	2,040,274	1,188,817
(e) Finance Costs				
Amortised interest expense	19	-	19	-
	19	-	19	-
(f) Other expenses				
Shark Meshing	156	35	156	35
Australian Technology Showcase	-	461	-	461
Irrigation areas works – private sector	-	3,649	-	3,649
Rehabilitation of artesian bores	1	366	1	366
Crown lease waivers	5,347	7,358	5,180	7,143
Refunds and remissions of Crown Revenue	12,232	12,298	11,909	12,003
	17,736	24,167	17,246	23,657

1. Refer to Note 8 for prior year amount.

2. Cluster grants

3. REVENUES

(a) Appropriations and Transfers to the Crown Entity

Summary of Compliance	2017 \$000		2016 \$000	
	Appropriation	Expenditure	Appropriation	Expenditure
Original budget per Appropriation Act	2,843,410	3,614,554	2,941,538	2,541,183
Other Appropriations / Expenditure				
- Additional Appropriations	(232,610)	(232,610)		
- Section 24 PFAA – transfers of functions between entities	(54,198)	(54,195)	(964)	(964)
- Section 26 PFAA – Commonwealth specific purpose payments	7,484	7,484		
- Transfers to / from another entity (per Section 27 of the Appropriation Act)				
Total Appropriations / Expenditure / Net Claim on Consolidated Fund (includes transfer payments)	2,564,086	3,335,233	2,940,574	2,540,219
Appropriation drawn down*		2,537,404		2,415,111
Liability to Consolidated Fund (refer Note 22)		-		757
*Comprising:				
Transfer payments (refer Note 8)		131,924		845,842
Appropriations (per Statement of Comprehensive Income)**		2,405,480		1,569,269
		2,537,404		2,415,111
**Appropriations:				
Recurrent		2,405,480		1,539,769
Capital		-		29,500
		2,405,480		1,569,269

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 26.

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
(b) Sale of goods and services				
Sale of goods:				
Sale of produce	6,850	7,352	6,850	7,352
Sale of land developments	1,952	20,949	1,952	20,949
Sale of publications	448	470	448	470
Minor sales of goods and services	841	327	841	327
Rendering of services:				
Education and training	3,316	3,158	3,316	3,158
Consulting	406	60	406	60
Fees, levies and licences	62,116	74,206	63,044	73,556
Crown Land leases	47,647	56,392	44,888	53,531
Mine Safety Levy	26,496	34,746	26,496	34,746
Recovery of administrative costs	28,486	17,736	29,986	18,236
Other services	5,079	375	3,556	375
Income from water operations	43,700	41,475	17,147	41,475
Soil Conservation Service	30,278	33,479	30,278	33,479
	257,615	290,725	229,208	287,714
(c) Investment revenue				
Interest	3,666	3,294	2,874	2,486
Interest - Finance leases	13,814	12,699	12,618	11,488
Rents	2,902	2,285	2,839	2,264
Other	2	38	2	38
	20,384	18,316	18,333	16,276
(d) Grants and Contributions (Note 6)				
Grants – Industry/Private Bodies	38,800	44,114	37,806	44,185
Grants – Commonwealth Government	7,864	13,198	4,864	13,198
Grants – NSW Budget Sector Agencies	51,140	38,053	51,119	37,868
Grants – PTE's, Local & Other State Governments	6,770	4,990	6,676	4,896
	104,574	100,355	100,465	100,147
(e) Other revenue				
Other Revenue	28,329	27,603	27,856	27,179
	28,329	27,603	27,856	27,179
(f) Personnel Services Revenue				
Rural Assistance Authority	3,090	2,052	3,090	2,052
NSW Food Authority	2,968	22,459	2,968	22,459
Wild Dog Destruction Board	610	720	610	720
	6,668	25,231	6,668	25,231

4. GAIN / (LOSS) ON DISPOSAL

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
Gain / (loss) on disposal of property, plant and equipment				
Proceeds from disposal	33,146	28,826	29,065	21,236
Written down value of assets disposed	(40,401)	(27,445)	(39,670)	(20,617)
Net gain / (loss) on disposal of property, plant and equipment	(7,255)	1,381	(10,605)	619
Net gain/(loss) on disposal	(7,255)	1,381	(10,605)	619

5. OTHER GAINS / (LOSSES)

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
Gain/(Impairment) of Receivables	2,170	(779)	2,288	(851)
Gain/(Impairment) of Intangibles	4,306	18,128	4,306	18,128
Gain/(Impairment) of Property Plant and Equipment	-	2,534	-	2,484
Gain/(Impairment) on Finance Lease Revaluation	3,118	-	2,899	-
Net Other Gains / (Losses)	9,594	19,883	9,493	19,761

6. CONDITIONS ON CONTRIBUTIONS

Contributions received of \$12.460m during 2016-17 (\$37.640m during 2015-16) were provided for specific purposes associated with industry funded research with Department of 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 received with conditions which were unexpended at 30 June 2017 (including those received in prior years) were \$7.661m (30 June 2016 \$9.093m). These funds will be carried forward to the next financial year.

7(a). ACCEPTANCE BY THE CROWN ENTITY OF EMPLOYEE BENEFITS AND OTHER LIABILITIES

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
The following liabilities and/or expenses have been assumed by the Crown Entity or other Government agencies:				
Superannuation	6,025	7,849	6,025	7,849
Long Service Leave	5,830	31,624	5,830	31,624
Payroll tax	328	428	328	428
	12,183	39,901	12,183	39,901

7(b). TRANSFER TO NSW TREASURY

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
Transfers of Crown leasehold revenues to the Crown Entity	(66,629)	(62,393)	(65,736)	(62,258)
	(66,629)	(62,393)	(65,736)	(62,258)

8. TRANSFER PAYMENTS

Transfer Payments are the amounts received by Department of Industry for transfer to beneficiaries as established by legislation or other authoritative requirements.

Transfer payments are not controlled by Department of Industry.

Transfer payments made to the Local Land Services, NSW Food Authority, Rural Assistance Authority, Destination NSW, Office of Sport, Sydney Olympic Park Authority, Independent Liquor and Gaming Authority and TAFE NSW Commission are to fund operations and capital works.

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
Destination NSW	55,090	-	55,090	-
Local Land Services	25,625	7,151	25,625	7,151
NSW Food Authority	9,056	9,436	9,056	9,436
Rural Assistance Authority	3,565	7,235	3,565	7,235
Sports Cluster Agencies	38,098	-	38,098	-
Independent Liquor and Gaming Authority	490	-	490	-
TAFE NSW Commission ¹	-	822,020	-	822,020
Water Administration Ministerial Corporation	-	-	3,000	-
	131,924	845,842	134,924	845,842

Notes:

1. Reassessed conditions associated with payments and reclassified to Grants in current year. Refer Note 2(d).

9. SERVICE GROUPS OF THE DEPARTMENT

Economic and Regional 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.

The Trade and Industry functions transferred to this service group from the Department of Premier and Cabinet on 1 April 2017, pursuant to Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2017. The Regional NSW branch was transferred out of the service group to the Department of Premier and Cabinet on 1 April 2017, pursuant to Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2017.

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. Managing Crown Lands and LAMC from 1 July 2016.

This service group was transferred to the Department of Planning and Environment on 1 April 2017, pursuant to Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2017, with the exception of Crown Lands and LAMC which were retained by the consolidated entity and became a separate service group.

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 (up to 1 July 2016), LAMC (up to 1 July 2016) and catchments. This service group includes WAMC.

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 the Department.

Cluster Grant Funding

Service description: This service group covers the provision of grant funding to agencies within the Industry cluster. This includes funding to NSW Food Authority, New South Wales Rural Assistance Authority, Sydney Water Corporation, Hunter Water Corporation, Water NSW and Local Land Services.

Destination NSW, Office of Sport and Sydney Olympic Park Authority transferred to the Industry cluster from the Department of Premier and Cabinet on 1 April 2017, pursuant to Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2017. Sydney Water Corporation and Hunter Water Corporation were transferred out of the Industry cluster to the Department of Planning and Environment on 1 April 2017, pursuant to Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2017.

Skills Development

Service description: This service group covers the provision of government funded vocational education and training (VET) in NSW. Training Services NSW leads strategic policy, planning, funding, regulation and advice on VET to support economic, regional and community development. Training Services NSW is responsible for the implementation of funded programs, including Smart and Skilled, apprenticeships and traineeships and adult and community education.

Liquor and Gaming

Service description: This service group covers the regulation of liquor, gaming, clubs and wagering industries in NSW via compliance, enforcement and licensing functions, as well as providing policy advice, program evaluation and support to the Minister and NSW Government. The agency focuses on compliance and enforcement to minimise the risks of alcohol and gambling related harm in the community.

Not Attributable

Service description: This service group covers the support functions of the Industry cluster. This includes items that are not attributable to any of the other service groups, within the cluster.

9. SERVICE GROUP STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Service Groups Previously Within:	Department of Industry						Department of Premier and Cabinet	Department of Justice	Department of Industry	Not Attributable 2017	Total NSW Department of Industry 2017
	Economic and Regional Development 2017	Resources & Energy 2017	Primary Industries 2017	Personnel Services 2017	Cluster Grant Funding 2017	Skills Development 2017	Trade & Investment April to June 2017	Liquor and Gaming April to June 2017	Lands and Forestry April to June 2017		
EXPENSES & INCOME	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Expenses excluding losses											
Operating Expenses											
Employee related	37,464	71,980	231,053	17,755	-	26,954	2,075	6,913	13,964	95,038	503,196
Other operating expenses	31,638	40,193	144,025	-	-	13,226	298	4,267	27,865	82,741	344,253
Depreciation and amortisation	94	33,531	35,137	-	-	262	29	302	11,664	6,728	87,747
Grants and subsidies	91,552	184,758	148,256	-	96,699	1,319,213	138	5,318	21,772	175,793	2,043,499
Finance costs	19	-	-	-	-	-	-	-	-	-	19
Other expenses	-	13,635	157	-	-	-	-	-	3,944	-	17,736
Total expenses excluding losses	160,767	344,097	558,628	17,755	96,699	1,359,655	2,540	16,800	79,209	360,300	2,996,450
Revenue											
Appropriation (net of transfer payments)**	-	-	-	-	-	-	-	-	-	2,405,480	2,405,480
Sale of goods and services	10,375	84,486	81,506	-	-	1,791	521	12,941	22,033	43,962	257,615
Investment revenue	51	13,777	984	-	-	-	-	49	3,763	1,760	20,384
Grants and contributions	850	8,787	76,707	-	-	4,632	181	-	9,288	4,129	104,574
Acceptance by the Crown Entity of employee benefits and other liabilities	969	3,190	4,855	583	-	704	45	90	(585)	2,332	12,183
Transfers to NSW Treasury	-	(47,905)	-	-	-	-	-	-	(18,724)	-	(66,629)
Other revenue	(18)	5,582	15,492	-	-	(5)	2	145	1,436	5,695	28,329
Personnel services revenue	-	-	-	6,668	-	-	-	-	-	-	6,668
Total Revenue	12,227	67,917	179,544	7,251	-	7,122	749	13,225	17,211	2,463,358	2,768,604
Gain/ (loss) on disposal	-	3,231	(1,221)	-	-	-	-	-	(9,224)	(41)	(7,255)
Other gains /(losses)	5	1,999	4,195	-	-	-	-	-	1,103	2,292	9,594
Net result	(148,535)	(270,950)	(376,110)	(10,504)	(96,699)	(1,352,533)	(1,791)	(3,575)	(70,119)	2,105,309	(225,507)
Other Comprehensive Income											
Net increase / (decrease) in property, plant and equipment asset revaluation reserve	-	(186,668)	-	-	-	-	-	-	-	-	(186,668)
Superannuation actuarial gains / (losses)	-	-	-	10,390	-	-	-	-	-	-	10,390
Other comprehensive income for the year	-	(186,668)	-	10,390	-	-	-	-	-	-	(176,278)
TOTAL COMPREHENSIVE INCOME	(148,535)	(457,618)	(376,110)	(114)	(96,699)	(1,352,533)	(1,791)	(3,575)	(70,119)	2,105,309	(401,785)

** Appropriations are made on an entity basis and not to individual service groups.

9. SERVICE GROUP STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 (continued)

Service Groups Previously Within:	Department of Industry						Department of Premier and Cabinet	Department of Justice	Department of Industry	Not Attributable	Total NSW Department of Industry
	Economic and Regional Development 2017	Resources & Energy 2017	Primary Industries 2017	Personnel Services 2017	Cluster Grant Funding 2017	Skills Development 2017	Trade & Investment April to June 2017	Liquor and Gaming April to June 2017	Lands and Forestry April to June 2017	2017	2017
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
ASSETS & LIABILITIES											
ASSETS											
Current Assets											
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	275,398	275,398
Receivables	36,900	-	66,697	2,150	(671)	19,176	911	1,726	43,107	-	169,996
Inventories	-	-	1,896	-	-	-	-	-	822	-	2,718
Biological assets	-	-	2,551	-	-	-	-	-	-	-	2,551
Other financial assets	-	-	-	-	-	-	-	-	6,138	-	6,138
Assets held for sale	-	-	3	-	-	-	-	-	102	-	105
Total Current Assets	36,900	-	71,147	2,150	(671)	19,176	911	1,726	50,169	275,398	456,906
Non-Current Assets											
Receivables	-	-	-	20,037	-	-	-	-	129,641	-	149,678
Inventories	-	-	-	-	-	-	-	-	2,582	-	2,582
Financial Assets at fair value	-	-	30	-	-	-	-	-	-	-	30
Total Property Plant and Equipment	703	-	1,942,762	-	-	743	209	1,349	5,844,215	25,877	7,815,858
Intangible assets	-	-	191,198	-	-	-	244	2,279	675	5,546	199,942
Biological assets	-	-	5,421	-	-	-	-	-	-	-	5,421
Other financial assets	440	-	-	-	-	-	-	-	8,575	-	9,015
Total Non-Current Assets	1,143	-	2,139,411	20,037	-	743	453	3,628	5,985,688	31,423	8,182,526
Total Assets	38,043	-	2,210,558	22,187	(671)	19,919	1,364	5,354	6,035,857	306,821	8,639,432
LIABILITIES											
Current Liabilities											
Payables	-	-	-	-	-	-	-	-	-	305,741	305,741
Provisions	7,255	-	37,676	1,857	-	23,612	739	2,229	36,225	-	109,593
Other	332	-	28	-	-	-	-	12,019	17,530	2,490	32,399
Total Current Liabilities	7,587	-	37,704	1,857	-	23,612	739	14,248	53,755	308,231	447,733
Non-Current Liabilities											
Provisions	895	-	2,356	20,036	-	609	46	-	1,696	1,835	27,473
Total Non-Current Liabilities	895	-	2,356	20,036	-	609	46	-	1,696	1,835	27,473
Total Liabilities	8,482	-	40,060	21,893	-	24,221	785	14,248	55,451	310,066	475,206
NET ASSETS	29,561	-	2,170,498	294	(671)	(4,302)	579	(8,894)	5,980,406	(3,245)	8,164,226

9. SERVICE GROUP STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 (continued)

Service Groups Previously Within:	Department of Industry						Department of Premier and Cabinet	Department of Justice	Department of Industry	Not Attributable 2017	Total NSW Department of Industry 2017
	Economic and Regional Development 2017	Resources & Energy 2017	Primary Industries 2017	Personnel Services 2017	Cluster Grant Funding 2017	Skills Development 2016	Trade & Investment April to June 2017 \$000	Liquor and Gaming April to June 2017 \$000	Lands and Forestry April to June 2017 \$000		
Administered Expenses											
Transfer Payments	-	-	-	-	-	-	-	-	-	-	-
Total Administered Expenses	-	-	-	-	-	-	-	-	-	-	-
Administered Revenue											
Consolidated Fund											
- Fees, fines & Licences	-	-	2,498	-	-	-	-	1,975	-	-	4,473
Total Administered Revenue	-	-	2,498	-	-	-	-	1,975	-	-	4,473
ADMINISTERED REVENUE LESS EXPENSES	-	-	2,498	-	-	-	-	1,975	-	-	4,473

Administered assets and liabilities are disclosed in Note 29

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.

9. SERVICE GROUP STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

EXPENSES & INCOME	Economic and Regional Development 2016 \$000	Resources & Energy 2016 \$000	Primary Industries 2016 \$000	Personnel Services 2016 \$000	Cluster Grant Funding 2016 \$000	Vocational Education and Training 2016 \$000	Skills Development 2016 \$000	Total NSW Department of Industry 2016 \$000
Expenses excluding losses								
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
Other expenses	-	58	24,109	-	-	-	-	24,167
Total expenses excluding losses	123,035	336,594	695,956	15,819	430,410	475,048	174,724	2,251,586
Revenue								
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
Total Revenue	5,345	72,016	293,930	25,451	(845,842)	6,881	2,450,469	2,008,250
Gain/ (loss) on disposal	(1,015)	(78)	2,956	-	-	-	(482)	1,381
Other gains / (losses)	24	84	18,831	-	-	-	944	19,883
Net result	(118,681)	(264,572)	(380,239)	9,632	(1,276,252)	(468,167)	2,276,207	(222,072)
Other Comprehensive Income								
Net increase / (decrease) in property, plant and equipment asset revaluation reserve	-	-	(45,253)	-	-	-	-	(45,253)
Superannuation actuarial gains / (losses)	-	-	(9,632)	-	-	-	-	(9,632)
Other comprehensive income for the year	-	-	(54,885)	-	-	-	-	(54,885)
TOTAL COMPREHENSIVE INCOME	(118,681)	(264,572)	(435,124)	9,632	(1,276,252)	(468,167)	2,276,207	(276,957)

** Appropriations are made on an entity basis and not to individual service groups.

9. SERVICE GROUP STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016 (continued)

ASSETS & LIABILITIES	Economic and Regional Development 2016 \$000	Resources & Energy 2016 \$000	Primary Industries 2016 \$000	Personnel Services 2016 \$000	Cluster Grant Funding 2016 \$000	Vocational Education and Training 2016 \$000	Skills Development 2016 \$000	Total NSW Department of Industry 2016 \$000
ASSETS								
Current Assets								
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
Total Current Assets	57,546	77,862	12,578	7,200	700	3,318	278,612	437,816
Non-Current Assets								
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
Biological assets	-	-	5,280	-	-	-	-	5,280
Other financial assets	459	-	10,986	-	-	-	-	11,445
Total Non-Current Assets	4,906	16,953	8,422,213	29,891	-	820	33,833	8,508,616
Total Assets	62,452	94,815	8,434,791	37,091	700	4,138	312,445	8,946,432
LIABILITIES								
Current Liabilities								
Payables	-	-	-	-	-	-	216,546	216,546
Provisions	50,878	14,591	33,178	5,161	-	4,017	-	107,825
Other	-	443	12,194	-	-	-	757	13,394
Total Current Liabilities	50,878	15,034	45,372	5,161	-	4,017	217,303	337,765
Non-Current Liabilities								
Provisions	1,002	1,119	3,732	29,883	-	801	4,415	40,952
Total Non-Current Liabilities	1,002	1,119	3,732	29,883	-	801	4,415	40,952
Total Liabilities	51,880	16,153	49,104	35,044	-	4,818	221,718	378,717
NET ASSETS	10,572	78,662	8,385,687	2,047	700	(680)	90,727	8,567,715

9. SERVICE GROUP STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016 (continued)

	Economic and Regional Development 2016 \$000	Resources & Energy 2016 \$000	Primary Industries 2016 \$000	Personnel Services 2016 \$000	Cluster Grant Funding 2016 \$000	Vocational Education and Training 2016 \$000	Skills Development 2016 \$000	Total NSW Department of Industry 2016 \$000
Administered Expenses								
Transfer Payments	-	-	-	-	-	-	-	-
Total Administered Expenses	-	-	-	-	-	-	-	-
Administered Revenue								
Consolidated Fund								
- Fees, fines & Licences	8,387	-	5,055	-	-	-	-	13,442
Total Administered Revenue	8,387	-	5,055	-	-	-	-	13,442
ADMINISTERED REVENUE LESS EXPENSES	8,387	-	5,055	-	-	-	-	13,442

Administered assets and liabilities are disclosed in Note 29

11. 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 of Industry, and in accordance with instructions by the Department of Industry. 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	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
Gross investment in the lease	1,341,253	1,350,170	1,315,697	1,325,833
Less: Unearned finance income	(1,203,897)	(1,216,945)	(1,187,994)	(1,201,969)
Less: Unguaranteed residual values	(13,582)	(10,332)	(11,247)	(8,342)
Present value of minimum lease payments	123,774	122,893	116,456	115,522
Gross investment in the lease				
Not later than one year after the current period	7,949	8,292	7,373	7,721
Later than one year and not later than five years	34,754	33,891	32,450	31,602
Later than five years	1,298,549	1,307,987	1,275,874	1,286,510
	1,341,252	1,350,170	1,315,697	1,325,833
Present value of minimum lease payments				
Not later than one year after the current period	7,715	7,845	7,156	7,289
Later than one year and not later than five years	26,223	26,423	24,308	24,521
Later than five years	89,836	88,625	84,992	83,712
	123,774	122,893	116,456	115,522
Net investment in the lease	137,356	133,225	127,703	123,864
Unguaranteed residual values	(13,582)	(10,332)	(11,247)	(8,342)
	123,774	122,893	116,456	115,522

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. \$45 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	
		2017 \$000	2016 \$000	2017 \$000	2016 \$000
Discount rate + 1%	+ 1%	(22,790)	(24,176)	(22,790)	(24,176)
Discount rate - 1%	- 1%	30,286	46,625	30,286	46,625
Capital gain on land + 1%	+ 1%	3,867	3,072	2,843	1,963
Capital gain on land - 1%	- 1%	(2,824)	(2,110)	(2,076)	(1,310)

12. CURRENT / NON-CURRENT ASSETS - INVENTORIES

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
CURRENT				
Valued at cost				
Land developments	822	689	822	689
Finished goods	1,896	1,896	1,896	1,896
	2,718	2,585	2,718	2,585
NON-CURRENT				
Valued at cost				
Land developments	2,582	2,554	2,582	2,554
	2,582	2,554	2,582	2,554

13. NON-CURRENT ASSETS - FINANCIAL ASSETS AT FAIR VALUE

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
NON-CURRENT				
Gold Exhibits	-	4,898	-	4,898
Shares	30	67	30	67
	30	4,965	30	4,965

Gold Exhibits

Department of Industry had control and custody of certain gold exhibits which were transferred following the closure of the Earth Exchange (Mining Museum) in 1995. The valuations were based on the estimated specimen value which includes the bullion value, but is also dependent on aesthetic qualities, rarity and heritage value.

These gold exhibits were transferred to the Department of Planning and Environment on 1 April 2017, pursuant to Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2017.

These exhibits were as follows:

	Weight (Troy Oz)	Consolidated		Parent	
		2017 \$000	2016 \$000	2017 \$000	2016 \$000
Maitland Bar Nugget	344.55	-	4,268	-	4,268
Lucky Hill Nugget	20.85	-	221	-	221
Woods Flat / Cowra Nugget	42.64	-	377	-	377
Alluvial Gold Samples	18.00	-	32	-	32
TOTAL	426.04	-	4,898	-	4,898

Shares

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	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
Dairy Farmers Milk Co-operative Ltd	-	28	-	28
Rice Growers Co-operative Mills Ltd	30	33	30	33
Rice Marketing Board of NSW	-	3	-	3
Moreton Resources Ltd (Formerly Cougar Energy Limited)	-	3	-	3
	30	67	30	67

Refer Note 31 for further information regarding interests in Joint Arrangements.

Refer Note 32 for further information regarding credit risk, liquidity risk and market risk arising from financial instruments.

14. NON-CURRENT ASSETS – PROPERTY PLANT AND EQUIPMENT

CONSOLIDATED	Crown Land \$000	Land \$000	Buildings \$000	Leased Land & Buildings \$000	Plant & Equipment \$000	Infrastructure Systems \$000	WIP PPE \$000	Total \$000
At 1 July 2016 - fair value								
Gross carrying amount	6,337,805	113,749	456,887	-	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)
Net Carrying Amount	5,589,441	113,749	226,635	-	52,086	2,110,040	37,005	8,128,956
At 30 June 2017 - fair value								
Gross carrying amount	5,672,990	117,423	455,282	-	118,190	3,742,778	54,951	10,161,614
Accumulated Depreciation and Impairment	(349,849)	-	(223,368)	-	(72,532)	(1,700,007)	-	(2,345,756)
Net Carrying Amount	5,323,141	117,423	231,914	-	45,658	2,042,771	54,951	7,815,858

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 \$000	Buildings \$000	Leased Land & Buildings \$000	Plant & Equipment \$000	Infrastructure Systems \$000	WIP PPE \$000	Total \$000
Year ended 30 June 2017								
Net carrying amount at start of year	5,589,441	113,749	226,635	-	52,086	2,110,040	37,005	8,128,956
Additions	18,658	-	1,188	-	5,919	4,558	31,614	61,937
Disposals	(74,282)	-	(9,899)	-	(11,677)	(919)	(11)	(96,788)
Transfers	-	-	6,331	-	2,293	1,042	(13,408)	(3,742)
Acquisitions/(Disposals) through administrative restructures	(125)	(2,744)	(11,463)	-	138	(4,823)	(249)	(19,266)
Net revaluation increment less revaluation decrements recognised in reserves	(210,551)	6,418	20,858	-	(25)	(7,494)	-	(190,794)
Impairment	-	-	-	-	-	(264)	-	(264)
Depreciation expense	-	-	(10,317)	-	(11,144)	(59,480)	-	(80,941)
Write back on disposal	-	-	8,581	-	8,068	111	-	16,760
Net Carrying amount at end of period	5,323,141	117,423	231,914	-	45,658	2,042,771	54,951	7,815,858

14. NON-CURRENT ASSETS – PROPERTY PLANT AND EQUIPMENT (continued)

CONSOLIDATED	Crown Land	Land	Buildings	Leased Land & Buildings	Plant & Equipment	Infrastructure Systems	WIP PPE	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
At 1 July 2015 - fair value								
Gross carrying amount	6,489,990	220,648	423,273	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)
Net Carrying Amount	5,747,656	220,648	191,534	163,681	52,658	2,117,013	60,635	8,553,825
At 30 June 2016 - fair value								
Gross carrying amount	6,337,805	113,749	456,887	-	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)
Net Carrying Amount	5,589,441	113,749	226,635	-	52,086	2,110,040	37,005	8,128,956

CONSOLIDATED	Crown Land	Land	Buildings	Leased Land & Buildings	Plant & Equipment	Infrastructure Systems	WIP PPE	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Year ended 30 June 2016								
Net carrying amount at start of year	5,747,656	220,648	191,534	163,681	52,658	2,117,013	60,635	8,553,825
Additions	17,838	-	25	-	13,143	3,778	30,172	64,956
Disposals	(89,268)	(955)	(1,030)	-	(8,190)	(247)	(1,932)	(101,622)
Transfers	-	1,338	1,653	-	4,886	26,467	(36,934)	(2,590)
Acquisitions/(Disposals) through administrative restructures	(29)	(112,591)	42,162	(163,681)	(529)	(83)	(14,936)	(249,687)
Net revaluation increment less revaluation decrements recognised in reserves	55,342	5,309	2,485	-	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
Net Carrying amount at end of year	5,589,441	113,749	226,635	-	52,086	2,110,040	37,005	8,128,956

Further details regarding Fair Value measurement are shown in Note 16.

Refer Note 23 for administrative restructure.

14. NON-CURRENT ASSETS – PROPERTY PLANT AND EQUIPMENT (continued)

PARENT	Crown Land	Land	Buildings	Leased Land & Buildings	Plant & Equipment	Infrastructure Systems	WIP PPE	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
At 1 July 2016 - fair value								
Gross carrying amount	6,167,458	101,638	413,379	-	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)
Net Carrying Amount	5,419,094	101,638	209,966	-	49,959	1,286,595	37,005	7,104,257
At 30 June 2017 - fair value								
Gross carrying amount	5,542,563	104,018	413,144	-	117,273	2,877,604	54,951	9,109,553
Accumulated Depreciation and Impairment	(349,849)	-	(196,786)	-	(72,004)	(1,597,882)	-	(2,216,521)
Net Carrying Amount	5,192,714	104,018	216,358	-	45,269	1,279,722	54,951	6,893,032

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	Land	Buildings	Leased Land & Buildings	Plant & Equipment	Infrastructure Systems	WIP PPE	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Year ended 30 June 2017								
Net carrying amount at start of year	5,419,094	101,638	209,966	-	49,959	1,286,595	37,005	7,104,257
Additions	17,400	-	1,188	-	5,919	4,293	31,614	60,414
Disposals	(72,534)	-	(9,698)	-	(10,152)	(919)	(11)	(93,314)
Transfers	-	-	6,331	-	2,293	1,042	(13,408)	(3,742)
Acquisitions/(Disposals) through administrative restructures	(17)	(2,744)	(11,463)	-	279	(116)	(249)	(14,310)
Net revaluation increment less revaluation decrements recognised in reserves	(171,229)	5,124	20,858	-	(25)	44,165	-	(101,107)
Depreciation expense	-	-	(9,405)	-	(11,072)	(55,449)	-	(75,926)
Write back on disposal	-	-	8,581	-	8,068	111	-	16,760
Net Carrying amount at end of period	5,192,714	104,018	216,358	-	45,269	1,279,722	54,951	6,893,032

14. NON-CURRENT ASSETS – PROPERTY PLANT AND EQUIPMENT (continued)

PARENT	Crown Land	Land	Buildings	Leased Land & Buildings	Plant & Equipment	Infrastructure Systems	WIP PPE	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
At 1 July 2015 - fair value								
Gross carrying amount	6,164,582	209,113	394,748	257,036	116,960	2,764,786	60,635	9,967,860
Accumulated Depreciation and Impairment	(742,334)	-	(219,414)	(93,355)	(68,514)	(1,470,704)	-	(2,594,321)
Net Carrying Amount	5,422,248	209,113	175,334	163,681	48,446	1,294,082	60,635	7,373,539
At 30 June 2016 - fair value								
Gross carrying amount	6,167,458	101,638	413,379	-	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)
Net Carrying Amount	5,419,094	101,638	209,966	-	49,959	1,286,595	37,005	7,104,257

PARENT	Crown Land	Land	Buildings	Leased Land & Buildings	Plant & Equipment	Infrastructure Systems	WIP PPE	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Year ended 30 June 2016								
Net carrying amount at start of year	5,422,248	209,113	175,334	163,681	48,446	1,294,082	60,635	7,373,539
Additions	17,766	-	25	-	13,143	2,642	30,172	63,748
Disposals	(88,316)	(955)	-	-	(6,584)	(17)	(1,932)	(97,804)
Transfers	-	1,338	1,883	-	4,886	26,237	(36,934)	(2,590)
Acquisitions/(Disposals) through administrative restructures	3,530	(112,591)	42,162	(163,681)	(529)	(83)	(14,936)	(246,128)
Net revaluation increment less revaluation decrements recognised in reserves	54,513	4,733	12	-	51	17,375	-	76,684
Impairment	9,353	-	-	-	-	-	-	9,353
Depreciation expense	-	-	(9,450)	-	(14,826)	(53,641)	-	(77,917)
Write back on disposal	-	-	-	-	5,372	-	-	5,372
Net Carrying amount at end of year	5,419,094	101,638	209,966	-	49,959	1,286,595	37,005	7,104,257

Further details regarding Fair Value measurement are shown in Note 16.

Refer Note 23 for administrative restructure

16. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS (continued)**(a) Fair value hierarchy****At 30 June 2017**

Consolidated	Level 1	Level 2	Level 3	Total Fair Value
Property, plant and equipment (Note 14)	\$000	\$000	\$000	\$000
Crown Land	-	130,486	5,192,714	5,323,200
Land (Non Crown Land)	-	117,423	-	117,423
Buildings	-	-	231,164	231,164
Plant and equipment	-	45,658	-	45,658
Infrastructure systems	-	71,075	1,971,696	2,042,771
Non-current assets (or disposal groups) held for sale (Note 18)	-	105	-	105
Biological Assets (Note 19)	-	7,972	-	7,972
Total	-	372,719	7,395,574	7,768,293

At 30 June 2016

Consolidated	Level 1	Level 2	Level 3	Total Fair Value
Property, plant and equipment (Note 14)	\$000	\$000	\$000	\$000
Crown Land	-	3,839,711	1,749,730	5,589,441
Land (Non Crown Land)	-	113,749	-	113,749
Buildings	-	225,112	1,523	226,635
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 18)	-	412	-	412
Biological Assets (Note 19)	-	7,765	-	7,765
Total	-	4,358,235	3,741,893	8,100,128

There were no transfers between level 1 or 2 during the period. Buildings were transferred from Level 2 to Level 3 during the period. Crown Land, excluding Waterways, were transferred from Level 2 to Level 3 during the period, this was due to a reduction in land categories and an increase in discounting across the categories. Waterways continue to be classified as Level 3.

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, excluding the 3 nautical mile zone, has been valued using market evidence with adjustment's (discount factor) for zoning, location, land size, comparability and utility due to restrictions. Discounts may range from 50-90%. 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.

The Crown Land Estate incorporates the 3 nautical mile zone (3nmz) which refers to land from the mean high water mark to the 3nmz boundary off the coast of NSW (comprising an area of 830,390 hectares). The valuation of the 3nmz has utilised comparison to land which has "low economic value". Low economic value" land is land to which there is limited potential to generate income. The 3nmz 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 3nmz has been valued at approximately \$550 per hectare.

Biological assets have been valued using market evidence taking into account condition, location and comparability and is therefore categorised as Level 2.

16. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS (continued)

(b) Reconciliation of recurring Level 3 fair value measurements

At 30 June 2017

Recurring Level 3 fair value measurements	Crown Land \$000	Buildings \$000	Infrastructure Systems \$000	Total Fair Value \$000
Fair value as at 1 July 2016	1,749,730	1,523	1,990,640	3,741,893
Additions	-	-	514	514
Disposals	-	-	(9,196)	(9,196)
Transfer from Level 2 to Level 3	3,656,881	239,765	469	3,897,115
Equity Transfers	-	-	(4,458)	(4,458)
Revaluation - Reserves	(213,897)	-	32,476	(181,421)
Revaluation - Equity	-	-	4,458	4,458
Depreciation	-	(10,124)	(43,207)	(53,331)
Fair value as at 30 June 2017	5,192,714	231,164	1,971,696	7,395,574

At 30 June 2016

Recurring Level 3 fair value measurements	Crown Land \$000	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
Transfers	-	-	(40,609)	(40,609)
Equity Transfers	-	-	23,114	23,114
Revaluation - Reserves	22,061	-	-	22,061
Depreciation	-	-	(43,744)	(43,744)
Fair value as at 30 June 2016	1,749,730	1,523	1,990,640	3,741,893

16. 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	Level 2	130,486	Market comparables	Sale prices of comparable land. Land Size Long-term land appreciation rate	N/A
Other Land	Level 2	117,423	Market comparables	Sale prices of comparable land. Land Size Long-term land appreciation rate	N/A
Infrastructure Systems (excl Coastal Infrastructure)	Level 2	71,075	Depreciated Replacement Cost	Price per square metre for recent, comparable construction	N/A
Plant and equipment	Level 2	45,658	Depreciated Replacement Cost	Recent market replacement costs	N/A
Buildings	Level 3	231,164	Depreciated Replacement Cost	Price per square metre for construction	N/A
Crown Land (excluding 3 nautical Mile)	Level 3	4,710,471	Market comparables (Land)	Combination of sale prices of comparable land discounted appropriately	N/A
Land Underwater - 3 nautical mile	Level 3	482,243	Market comparables (Land)	Low economic value land	N/A
Infrastructure - Joint Arrangement	Level 3	770,380	Depreciated Replacement Cost	Unit rates for construction	N/A
Infrastructure - Levee Banks	Level 3	762,608	Depreciated Replacement Cost	Recent market replacement costs	N/A
Infrastructure - Coastal	Level 3	438,267	Depreciated Replacement Cost	Price per square metre for construction	N/A

Refer Note 1j(iv) for valuation technique.

17. CURRENT / NON-CURRENT OTHER FINANCIAL ASSETS

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
CURRENT				
Loans	6,138	7,096	6,104	7,062
	6,138	7,096	6,104	7,062
NON-CURRENT				
Loans	9,015	11,445	7,698	9,968
	9,015	11,445	7,698	9,968

18. NON-CURRENT ASSETS HELD FOR SALE

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
Land and Buildings	105	412	105	412
	105	412	105	412

19. BIOLOGICAL ASSETS

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
Livestock and Fodder				
Net market value of livestock and fodder at beginning of reporting period	7,765	7,463	7,765	7,463
Net market value at reporting date	7,972	7,765	7,972	7,765
Net increment/(decrement) in the net market value of livestock and fodder	207	302	207	302
Total Net Biological Assets	7,972	7,765	7,972	7,765
Current	2,551	2,485	2,551	2,485
Non-Current	5,421	5,280	5,421	5,280
	7,972	7,765	7,972	7,765

20. CURRENT LIABILITIES - PAYABLES

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
CURRENT				
Accrued Salaries, Wages and On-Costs	4,491	3,794	4,491	3,794
Other Taxes payable	4,044	4,312	4,044	4,312
Other	68,881	33,226	75,017	49,715
Accruals*	183,220	97,034	181,461	96,848
Creditors	45,105	78,180	45,094	78,125
	305,741	216,546	310,107	232,794

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables are disclosed in Note 32.

* From 1 July 2015 the Department incorporates Training Services NSW and recognises payments to TAFE NSW. Accruals for Training Services NSW at 30 June 2017 amounted to \$30m and the Department has also accrued \$89m for payments to TAFE NSW based upon validated lodged student data.

21(a). CURRENT/NON-CURRENT LIABILITIES - PROVISIONS

	Note	Consolidated		Parent	
		2017 \$000	2016 \$000	2017 \$000	2016 \$000
CURRENT					
Employee benefits and related on-costs					
Recreation leave		37,086	43,104	37,086	43,104
Long service leave		11,627	22,095	11,627	22,095
Payroll tax		6,882	8,319	6,882	8,319
Other on-costs		241	234	241	234
Superannuation		191	(20)	191	(20)
Other		425	820	425	820
		56,452	74,552	56,452	74,552
Other provisions					
Restoration costs		1,798	191	1,798	191
Other		25,370	21,134	19,824	9,355
Contribution to Crown Entity		25,973	11,948	25,374	10,805
		53,141	33,273	46,996	20,351
Total current provisions		109,593	107,825	103,448	94,903
NON-CURRENT					
Employee benefits and related on-costs					
Long Service Leave		1,159	1,967	1,159	1,967
Payroll Tax		619	738	619	738
Superannuation – pooled fund	21(b)	19,976	29,680	19,976	29,680
		21,754	32,385	21,754	32,385
Other provisions					
Restoration costs		5,719	8,567	5,719	8,567
		5,719	8,567	5,719	8,567
Total non-current provisions		27,473	40,952	27,473	40,952

Recreation Leave

The liability at 30 June 2017 was \$37m (2016 - \$43m). This is based on leave entitlements at 30 June 2017.

The value of recreational leave expected to be taken within 12 months is \$14m (2016 - \$14m) and \$23m (2016 - \$29m) after 12 months.

Long Service Leave

The liability at 30 June 2017 was \$13m (2016 - \$24m). This is based on leave entitlements at 30 June 2017.

The value of long service leave expected to be taken within 12 months is \$2m (2016 - \$4m) and \$11m (2016 - \$20m) after 12 months.

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
Aggregate employee benefits and related on-costs				
Provisions – current	56,452	74,552	56,452	74,552
Provisions – non-current	21,754	32,385	21,754	32,385
Accrued salaries, wages and on-costs (Note 20)	4,491	3,794	4,491	3,794
	82,697	110,731	82,697	110,731
Movements in provisions (other than employee benefits)				
Restoration costs				
Carrying amount at beginning of financial year	8,758	9,482	8,758	9,482
Additional provisions recognised	7,948	919	7,948	919
Amounts used	(7,663)	(1,643)	(7,663)	(1,643)
Equity transfers	(1,526)	-	(1,526)	-
Carrying amount at end of financial year	7,517	8,758	7,517	8,758
Other provisions				
Carrying amount at beginning of financial year	21,134	13,096	9,355	1,605
Additional provisions recognised	18,375	8,038	18,375	7,750
Amounts used	(13,589)	-	(7,356)	-
Provisions reversed	(550)	-	(550)	-
Carrying amount at end of financial year	25,370	21,134	19,824	9,355
Contribution to Crown Entity				
Carrying amount at beginning of financial year	11,948	6,599	10,805	6,599
Additional provisions recognised	66,629	63,401	65,736	62,258
Amounts used	(52,604)	(58,052)	(51,167)	(58,052)
Carrying amount at end of financial year	25,973	11,948	25,374	10,805

21(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.

21(b). EMPLOYEE BENEFITS (Continued)

Reconciliation of the Net Defined Benefit Liability/(Asset)

Year ended 30 June 2017	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Net Defined Benefit Liability/(Asset) at beginning of the year	1,669	355	27,656	29,680
Current service cost	130	27	113	270
Net Interest on the net defined benefit liability/(asset)	32	7	550	589
Actual return on Fund assets less Interest income	(140)	(28)	(2,994)	(3,162)
Actuarial (gains)/losses arising from changes in demographic assumptions	4	-	1	5
Actuarial (gains)/losses arising from changes in financial assumptions	(100)	(24)	(5,741)	(5,865)
Actuarial (gains)/losses arising from liability experience	28	(9)	(1,387)	(1,368)
Employer contributions	(91)	(26)	(56)	(173)
Net Defined Benefit Liability/(Asset) at end of the year	1,532	302	18,142	19,976

Net Defined Benefit Liability/(Asset) Total is included in the statements as follows:

Non-Current Superannuation - pooled fund Note 21(a) 19,976

Year ended 30 June 2016	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Net Defined Benefit Liability/(Asset) at beginning of the year	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
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 year	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 21(a) 29,680

Reconciliation of the Fair value of Fund Assets

Year ended 30 June 2017	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Fair value of Fund assets at beginning of the year	1,913	355	41,915	44,183
Interest income	37	7	807	851
Actual return on Fund assets less Interest income	141	27	2,994	3,162
Employer contributions	91	26	56	173
Contributions by participants	41	-	37	78
Benefits paid	21	-	(2,602)	(2,581)
Taxes, premiums & expenses paid	(19)	3	383	367
Fair value of Fund assets at end of the year	2,225	418	43,590	46,233

21(b). EMPLOYEE BENEFITS (Continued)

Year ended 30 June 2016	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Fair value of Fund assets at beginning of the year	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

Reconciliation of the Defined Benefit Obligation

Year ended 30 June 2017	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Present value of defined benefit obligations at beginning of the period	3,582	707	69,574	73,863
Current service cost	130	27	113	270
Interest cost	70	14	1,357	1,441
Contributions by participants	41	-	37	78
Actuarial (gains)/losses arising from changes in demographic assumptions	4	-	1	5
Actuarial (gains)/losses arising from changes in financial assumptions	(100)	(24)	(5,741)	(5,865)
Actuarial (gains)/losses arising from liability experience	28	(8)	(1,388)	(1,368)
Benefits paid	21	0	(2,602)	(2,581)
Taxes, premiums & expenses paid	(19)	4	383	368
Present value of defined benefit obligations at end of the year	3,757	720	61,734	66,210

Year ended 30 June 2016	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Present value of defined benefit obligations at beginning of the year	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
Adjustment for entities taken out	(1,945)	(502)	(17,914)	(20,361)
Present value of defined benefit obligations at end of the year	3,582	707	69,574	73,863

21(b). EMPLOYEE BENEFITS (Continued)

Reconciliation of the effect of the Asset Ceiling

Year ended 30 June 2017	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Adjustment for effect of asset ceiling at beginning of the year	-	-	-	-
Change in the effect of asset ceiling	-	-	-	-
Adjustment for effect of asset ceiling at end of the year	-	-	-	-
Year ended 30 June 2016	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Adjustment for effect of asset ceiling at beginning of the year	-	-	-	-
Change in the effect of asset ceiling	-	-	-	-
Adjustment for effect of asset ceiling at end of the year	-	-	-	-

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 2017

Asset category	Total (A\$millions)	Quoted prices in active markets for identical assets Level 1 (A\$millions)	Significant observable inputs Level 2 (A\$millions)	Unobservable inputs Level 3 (A\$millions)
Cash	3,087	3,077	10	-
Australian Fixed Interest	2,501	1	2,500	-
International Fixed Interest	481	-	481	-
Australian Equities	9,446	8,947	499	-
International Equities	12,054	9,033	1,869	1,151
Property	3,453	926	533	1,994
Alternatives	9,066	391	5,068	3,607
Total	40,088	22,375	10,960	6,752

The percentage invested in each asset class at the reporting date is:

As at	30 Jun 17	30 Jun 16
Short Term Securities	7.7%	5.4%
Australian Fixed Interest	6.2%	7.1%
International Fixed Interest	1.2%	2.2%
Australian Equities	23.6%	25.5%
International Equities	30.1%	31.7%
Property	8.6%	9.5%
Alternatives	22.6%	18.6%
Total	100%	100%

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.

21(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 2017 include \$354.0 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 \$250 million (30 June 2016: \$222 million).

- Health Administration Corporation occupies part of a property 50% owned by the Pooled Fund with a fair value of \$261 million (30 June 2016: \$243 million).

Significant Actuarial Assumptions at the Reporting Date

As at	30 Jun 17	30 Jun 16
Discount rate	1.99% pa	1.99% pa
Salary increase rate (excluding promotional increases)	2.50% 2017/2018 to 2018/2019; 3.50% 2019/2020 and 2020/2021; 3.00% pa 2021/2022 to 2025/2026; 3.50% pa thereafter	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
Rate of CPI increase	2.00% 2017/2018; 2.25% 2018/2019; 2.50% pa thereafter	1.50% 2015/2016; 1.75% 2016/
Pensioner mortality	as per the 2015 Actuarial investigation of the Pooled Fund	as per the 2015 Actuarial investigation of the Pooled Fund

Sensitivity Analysis

The entity's total defined benefit obligation as at 30 June 2017 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 2017.

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	as above	as above	as above
Rate of CPI increase	as above	-1.0% pa	+1.0% pa
Salary inflation rate	as above	as above	as above
Defined benefit obligation (A\$'000)	66,210	75,645	58,415

	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)	66,210	70,570	62,211

	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)	66,210	66,369	66,056

	Base Case	Scenario G Higher mortality *	Scenario H Lower mortality **
Defined benefit obligation (A\$'000)	66,210	67,217	65,386

* Assumes the long term pensioner mortality improvement factors for years 2017-2021 also apply for years after 2021.

** Assumes the short term pensioner mortality improvement factors for years post 2021 also apply for years 2017-2021

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.

21(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 2017 financial position of the Fund calculated in accordance with AASB 1056 Accounting Standard "Superannuation Entities".

Year ended 30 June 2017	SASS \$000	SANCS \$000	SSS \$000	Total \$000
Accrued benefits*	3,125	578	35,825	39,528
Net market value of Fund assets	(2,224)	(419)	(43,589)	(46,232)
Net (Surplus)/Deficit	901	159	(7,764)	(6,704)
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)

* There is no allowance for a contribution tax provision within the Accrued Benefits figure for AASB 1056. Allowance for contributions tax is made when setting the contribution rates.

Contribution recommendations

Recommended contribution rates for the entity are:

Year ended 30 June 2017	SASS multiple of member contributions	SANCS % member salary	SSS multiple of member contributions
	1.9	2.5%	1.6
Year ended 30 June 2016	SASS multiple of member contributions	SANCS % member salary	SSS multiple of member contributions
	1.9	2.5%	1.6

Economic assumptions

The economic assumptions adopted for the 30 June 2017 AASB 1056 Accounting Standard " Superannuation Entities".

Weighted-Average Assumptions	June 2017	June 2016
Expected rate of return on Fund assets backing current pension liabilities	7.4% pa	7.8% pa
Expected rate of return on Fund assets backing other liabilities	6.4% pa	6.8% pa
Expected salary increase rate	2.7% to 30 June 2019 then 3.2% pa thereafter	3.0% to 30 June 2019, then 3.5%pa thereafter
Expected rate of CPI increase	2.2% pa	2.5% pa

Expected contributions

	SASS Financial Year to 30 June 2018 \$000	SANCS Financial Year to 30 June 2018 \$000	SSS Financial Year to 30 June 2018 \$000	Total Financial Year to 30 June 2018 \$000
Expected employer contributions	78	21	59	158

Profit and Loss Impact

	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
Current service cost	130	27	113	270
Net interest	32	7	550	589
Defined benefit cost	162	34	663	859

21(b). EMPLOYEE BENEFITS (Continued)

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
Defined benefit cost	185	37	546	768

Other Comprehensive Income

	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
Actuarial (gains) losses on liabilities	(68)	(33)	(7,127)	(7,228)
Actual return on Fund assets less interest income	(141)	(27)	(2,994)	(3,162)
Adjustment for effect of asset ceiling	-	-	-	-
Total remeasurement in Other Comprehensive Income	(209)	(60)	(10,121)	(10,390)

	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	-	-	-	-
Total remeasurement in Other Comprehensive Income	130	38	9,464	9,632

22. CURRENT / NON-CURRENT LIABILITIES - OTHER

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
CURRENT				
Liability to Consolidated Fund (see also Note 3a)	-	757	-	757
Unearned Income	32,399	12,637	31,832	12,058
Total Current Liabilities - Other	32,399	13,394	31,832	12,815

23. INCREASE / DECREASE IN NET ASSETS FROM EQUITY TRANSFERS

	Consolidated		Parent	
	2017 \$000 increase/(decrease)	2016 \$000 increase/(decrease)	2017 \$000 increase/(decrease)	2016 \$000 increase/(decrease)
Transfer of Assets within Total State Sector agencies	68	(30)	(15)	3,530
Transfer of Assets and liabilities as a result of administrative restructures	(1,772)	(271,670)	3,073	(271,670)
	(1,704)	(271,700)	3,058	(268,140)
(a) Transfer of Assets within Total State Sector agencies				
Transfers of land	68	(30)	(15)	3,530
	68	(30)	(15)	3,530

23. INCREASE / DECREASE IN NET ASSETS FROM EQUITY TRANSFERS (continued)

(b) The following Administrative restructures affecting equity occurred in 2017.

Consolidated	DPC	Justice	DPE	Water NSW	Food	WDD	Total Increase / (Decrease) \$000
	\$000	\$000	\$000	\$000	\$000		\$000
Assets							
Cash	626	23,289	(43,585)	(14,978)	-	-	(34,648)
Receivables	236	5,601	(5,775)	-	(4,117)	(50)	(4,105)
Other financial assets	124	-	(4,506)	-	-	-	(4,382)
Intangibles	262	2,494	(590)	-	-	-	2,166
Property, plant & equipment	208	1,436	(15,850)	(4,927)	-	-	(19,133)
	1,456	32,820	(70,306)	(19,905)	(4,117)	(50)	(60,102)
Liabilities							
Payables	(226)	(8,290)	41,640	-	-	-	33,124
Provisions - employee entitlements	455	(2,715)	6,794	14,978	4,117	50	23,679
Provisions - other	42	-	1,485	-	-	-	1,527
	271	(11,005)	49,919	14,978	4,117	50	58,330
Equity - Net	1,727	21,815	(20,387)	(4,927)	-	-	(1,772)

Parent	DPC	Justice	DPE	Water NSW	Food	WDD	Total Increase / (Decrease) \$000
	\$000	\$000	\$000	\$000	\$000		\$000
Assets							
Cash	626	23,289	(43,585)	(14,978)	-	-	(34,648)
Receivables	236	5,601	(5,775)	-	(4,117)	(50)	(4,105)
Other financial assets	124	-	(4,506)	-	-	-	(4,382)
Intangibles	262	2,494	(590)	-	-	-	2,166
Property, plant & equipment	208	1,436	(15,850)	(82)	-	-	(14,288)
	1,456	32,820	(70,306)	(15,060)	(4,117)	(50)	(55,257)
Liabilities							
Payables	(226)	(8,290)	41,640	-	-	-	33,124
Provisions - employee entitlements	455	(2,715)	6,794	14,978	4,117	50	23,679
Provisions - other	42	-	1,485	-	-	-	1,527
	271	(11,005)	49,919	14,978	4,117	50	58,330
Equity - Net	1,727	21,815	(20,387)	(82)	-	-	3,073

Administrative Arrangements (Administrative Changes - Public Service Agencies) Order 2017 - effective 1 April 2017

DPC - Department of Premier and Cabinet

Justice - Department of Justice

DPE - Department of Planning and Environment

Transfer LSL to Crown - effective 1 April 2017

WDD - Wild Dog Destruction Board

Food - Food Authority of NSW

Water Transformation - effective 1 July 2017

Water NSW

24. COMMITMENTS FOR EXPENDITURE

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
(a) Capital Commitments				
Aggregate capital expenditure for acquisition contracted for at balance date but not provided for:				
Not later than one year	42,118	25,050	42,118	25,050
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
Total (including GST)	42,118	25,050	42,118	25,050
(b) Operating Lease Commitments				
Future non-cancellable operating lease rentals not provided for and payable:				
Not later than one year	27,237	26,888	27,237	26,888
Later than one year and not later than five years	60,743	65,204	60,743	65,204
Later than five years	2,771	9,948	2,771	9,948
Total (including GST)	90,751	102,040	90,751	102,040
Representing:				
Non-Cancellable Operating Leases	90,751	102,040	90,751	102,040

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.

25. CONTINGENT LIABILITIES

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
Negligence (1)	40	500	40	500
Contamination (1)	400	400	400	400
Appeals (1)	180	349	180	180
Compulsory acquisition (2)	5,000	5,000	5,000	5,000
Other (1)	1,766	972	1,616	972
	7,386	7,221	7,236	7,052

1. Various legal appeals
2. Land acquisition matters. 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.

Under guidance of the Contaminated Land Management Strategy, DoI Lands & Forestry 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. The remediation works for sites at Urunga and the Coffs Harbour slipway have been completed. Urunga is still subject to a remediation order until such time as the Long Term Environmental Management Plan has been approved and ongoing maintenance orders issued under Section 28 of CLM Act 1997. There is no further financial liability on the Coffs Harbour slipway site. It is anticipated Urunga will be subject to maintenance and monitoring of approximately \$50,000 p.a. for five years.

The remediation of the Mt Costigan site has suffered from environmental degradation and will require further rehabilitation, the damage is currently being assessed by Soil Conservation Service. The financial liability for Wollongong Harbour is estimated at \$1,000,000 based on a preliminary investigation. Further funds may be required in the future. It is likely that the EPA will seek to regulate the former arsenic processing site at Jennings, with further investigations required to quantify remediation costs.

The proactive assessment of high risk categories of potentially contaminated land has determined that at end May 2017 there were 163 high risk sites. 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. Regional Services are identifying, assessing and remediating many of these sites within the financial year and don't carry the liability.

Aboriginal Land Claims

The Department of Industry has over 32,360 Aboriginal Land Claims to investigate as at 30 June 2017 (30 June 2016 - 29,300). The Department of Industry continues to process Aboriginal Land Claims and is progressing negotiations through the Aboriginal Land Agreement. The land in question is fully impaired when the Minister or the Court approves an Aboriginal Land Claim. Actions are progressing to streamline processing and prioritisation of Aboriginal Land Claims to ensure the finalising of Aboriginal Land Claims is focussed on achieving better outcomes for Aboriginal Land Councils and the state.

Insurance

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, 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, Jobs for NSW, Independent Liquor and Gaming Authority, Public Reserves Management Fund, Responsible Gambling Fund, Lands Administration Ministerial Corporation, Dams Safety Committee, NSW Rural Assistance Authority, Game and Pest Management Trust, Fisheries Administration Ministerial Corporation, Belgenny Farm Agricultural Heritage Centre Trust, Destination NSW, Local Land Services, Office of Sport, Sydney Olympic Park Authority, Aboriginal Fishing Trust Fund, NSW Skills Board and Technical and Further Education Commission, to ensure the ongoing financial viability during 2017-18 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.

26. 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 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.

Budget reflects the budget for the consolidated entity, after eliminating transactions between Department of Industry, Lands Administration Ministerial Corporation (LAMC) and Water Administration Ministerial Corporation (WAMC) (Note 1w).

Net Result

The actual net result is a loss of \$225 million compared to a budgeted loss of \$48 million, resulting in an unfavourable variance of \$178 million. This consists of favourable revenue of \$195 million, offset by unfavourable expenses of \$372 million.

Machinery of Government

On 1 April 2017 the Department was affected by significant changes arising from Machinery of Government changes (refer note 23(b)). These changes have given rise to significant variations from the published budget.

Expenses

Employee related expenses are \$29 million favourable to the budget due to transfer of staff out of the Department as a result of Machinery of Government offset by unbudgeted redundancy payments.

Other operating expenses are \$48 million favourable to the budget due to savings arising from completion of major water projects within budget as project outcomes were achieved earlier than expected. Net savings arising from Machinery of Government changes.

Depreciation and amortisation expenses are \$15 million favourable to budget due to delays in completion of capital expenditure projects and Property, plant and equipment being transferred out of the department as part of Machinery of Government.

Grants and subsidies are \$457 million unfavourable to the budget due to a change in the treatment of payment to the TAFE Commission which were treated as Transfer payments in the budget.

Revenue

Appropriations are \$363 million favourable to the budget due to change in the treatment of amounts received as Cluster Grants for the TAFE Commission which were classified as Transfer Payments in the budget.

Grants and contributions are \$168 million unfavourable to the budget due to the transfer of the Broken Hill Long Term Water project to Water NSW. This project was budgeted via a Grant from Restart NSW.

Other revenues are \$16 million favourable to the budget due to receipts from numerous unbudgeted projects, some of which were then paid out as Grants.

Statement of Financial Position

Current Assets

Cash and cash equivalents are \$135 million favourable to the budget due to opening balances of restricted cash being higher than forecast in budget.

Receivables are \$39 million favourable to the budget due to Machinery of Government restricted funds still to be transferred.

Non-Current Assets

Property, plant and equipment are \$629 million unfavourable to the budget due mainly to the transfer of the Broken Hill Long Term Water project to Water NSW (\$140m) and the reduction in the fair value of Crown Lands (\$216m).

Intangible assets are \$17 million favourable to the budget due to a late adjustment in the value of Intangible assets as at 30 June 2016 after the 16/17 budget had been finalised.

Current Liabilities

Payables are \$165 million unfavourable to the budget due to change in classification of payments made to TAFE NSW as grants. These payments had previously been classified as Transfer payments.

Provisions are \$34 million unfavourable to the budget due to an increase in the Contributions to the Crown Entity for transfer of Crown Lands revenue and the Department has taken up a provision for TAFE student data yet to be verified.

Other liabilities are \$10 million unfavourable to the budget due to the accounting treatment of Licence fee income that has transferred into the Department as a result of Machinery of Government.

Statement of Cash Flows

Cash flows from operating activities

Payments

Employee related are \$25 million favourable to the budget due to staff transferring out of the Department as a result of Machinery of Government Changes.

Grants and subsidies are \$635 million favourable to the budget due to reclassification of payments to TAFE NSW from Transfer payments to Grants. This change has impacted on the timing of when payments are being made.

Receipts

Sales of goods and services are \$41 million favourable to the budget due to timing of debtors cash receipts.

Appropriations are \$447 million unfavourable to the budget due to lower cash requirements than budgeted due to timing of payments for grants and other major liabilities delayed until new year.

Grants and Contributions are \$108 million unfavourable to the budget in line with transfer of broken Hill long term water project transferred to Water NSW.

Cash flows from investing activities

Purchases of property, plant and equipment and infrastructure are \$162 million favourable to the budget due to transfer of the Broken Hill Long Term Water project to Water NSW.

27. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET RESULT

	Consolidated		Parent	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
Net Cash used on operating activities	12,609	(94,138)	6,690	(99,615)
Depreciation and amortisation	(87,747)	(100,313)	(82,652)	(85,177)
Non-cash expenses	(101)	14	(101)	(191)
Proceeds from disposal	(184)	-	(184)	-
Gain / (loss) on disposal of PPE	(34,064)	23,253	(34,064)	23,706
Non-cash Grants	24,255	(37,852)	26,293	(28,729)
WAMC valuation decrement	-	50	-	-
Superannuation actuarial gains / (losses)	(10,390)	9,632	(10,390)	9,632
Provision for doubtful debt expense	2,787	(851)	2,787	(851)
Non-cash expense from MOG transfers	-	(5,250)	-	(5,250)
Decrease / (Increase) in provisions	(2,588)	(23,430)	(9,365)	(23,645)
Increase / (Decrease) in receivables	(78,137)	5,048	(61,799)	(518)
Increase / (Decrease) in other financial assets	(1,119)	(710)	(957)	(328)
Increase / (Decrease) in inventories	(379)	(8,625)	(379)	(8,625)
Decrease / (Increase) in creditors	(32,037)	(32,310)	(34,105)	(33,963)
Decrease / (Increase) in other liabilities	(14,655)	43,626	(14,665)	42,421
Net gain / (loss) in sale of plant and equipment	(3,757)	(216)	-	-
Net Result	(225,507)	(222,072)	(212,891)	(211,133)

28. TRUST FUNDS

Minerals Related Trust Funds are excluded from consolidated financial statements.

	2017 \$000	2016 \$000
--	---------------	---------------

Minerals Related Trust Funds - Deposits under the Mining Acts

Cash deposits were received in respect of various forms of titles issued under the provisions of the State's mining legislation. The control of the cash deposits were transferred to the Department of Planning and Environment on 1 April 2017, pursuant to Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2017.

These monies are excluded from the financial statements as Department of Industry cannot use them for the achievement of its objectives.

Bank guarantees from various mining enterprises for the amount of \$nil were held at 30 June 2017 (2016:\$2,165,637,418).

The following is a summary of the transactions in the trust account.

Balance at the beginning of the Financial Year	23,861	29,315
Add: Receipts	103,956	5,201
Less: Expenditure	(296)	(10,655)
Transfer to Department of Planning and Environment	(127,521)	-
Balance at the end of the reporting period	-	23,861

29. ADMINISTERED ASSETS AND LIABILITIES

Royalties and Licences

Department of Industry administers certain activities on behalf of other bodies. The assets and liabilities associated with these activities are listed below:

	2017 \$000	2016 \$000
Administered Assets		
Receivables – Royalties/Mining lease **	-	409
Less Provision for Doubtful Debts	-	(175)
	<u>-</u>	<u>234</u>
Administered Liabilities		
Current		
Income received in Advance	11,722	-
Non Current		
Income received in Advance *	159,946	-
	<u>171,668</u>	<u>-</u>

* Prior to 1 April 2017, this was administered by the Department of Justice.

** Receivables - Royalties/Mining lease was transferred to Department of Planning and Environment from 1 April 2017.

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.

Department of Industry holds money with NSW T-Corp, as well as term deposits with the Bank of Queensland, National Australia Bank Ltd and Suncorp Bank in relation to Retail Tenancy Trust Fund.

	Interest Account \$000	Trust Account \$000	Term Deposits \$000	Total \$000
Cash Balance at 30 June 2016	1,116	163,712	-	164,828
Add:				
Bonds Lodgements	-	40,773	-	40,773
Transfers between Accounts	2,059	-	150,000	152,059
Interest Revenue	2,957	845	-	3,802
Less:				
Transfers between Accounts	-	(152,059)	-	(152,059)
Bonds Released	-	(28,630)	-	(28,630)
Confund Support	-	-	-	-
Transfer to the Crown Entity	-	-	-	-
Balance at 30 June 2017	<u>6,132</u>	<u>24,641</u>	<u>150,000</u>	<u>180,773</u>
	9,916	148,300	-	158,216
Cash Balance at 30 June 2015	9,916	148,300	-	158,216
Add:				
Bonds Lodgements	-	43,136	-	43,136
Transfer between Interest and Trust Account	3,208	-	-	3,208
Interest Revenue	60	3,785	-	3,845
Less:				
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)
Balance at 30 June 2016	<u>1,116</u>	<u>163,712</u>	<u>-</u>	<u>164,828</u>

30. ADMINISTERED EXPENSES & INCOME

INCOME

	2017 \$000	2016 \$000
The following monies have been collected on behalf of the Crown Entity and forwarded to NSW Treasury:		
Fees	1,725	4,383
Fines	773	672
Licences	1,975	8,387
	<u>4,473</u>	<u>13,442</u>

31. JOINT ARRANGEMENTS

Department of Industry is engaged with several joint arrangements.

As at the period ended 30 June 2017, 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)

	2017	2016
	\$000	\$000
Ownership Interest	26.67%	26.67%
Reporting Date	30 June	30 June
Net Assets	<u>3,286,335</u>	<u>3,233,908</u>
Summarised financial information		
Statement of Financial Position		
	2017	2016
	\$000	\$000
ASSETS		
Non-Current Assets		
Infrastructure Assets	2,643,085	2,617,945
Property, Plant and Equipment	8,881	9,147
Intangibles	622,963	606,816
Other	11,406	-
Net Assets	<u>3,286,335</u>	<u>3,233,908</u>
Statement of Comprehensive Income		
	2017	2016
	\$000	\$000
Revenues	23,602	80,632
Expenses	38,636	37,908
Surplus / (Deficit) for the year	<u>(15,034)</u>	<u>42,724</u>
Aggregate asset revaluation increment for the financial year	<u>69,541</u>	<u>60,945</u>

31. 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.

	2017	2016
	\$000	\$000
Ownership Interest	50.00%	50.00%
Reporting Date	30 June	30 June
Net Assets	<u>136,908</u>	<u>139,949</u>

Summarised financial information

Statement of Financial Position	2017	2016
	\$000	\$000
ASSETS		
Current assets		
Cash and cash equivalents	3,920	3,693
Receivables	69	29
Non-Current Assets		
Property, Plant and Equipment	133,581	136,773
Total Assets	<u>137,570</u>	<u>140,495</u>
LIABILITIES		
Current Liabilities		
Payables	662	546
Total Liabilities	<u>662</u>	<u>546</u>
Net Assets	<u>136,908</u>	<u>139,949</u>
Statement of Comprehensive Income	2017	2016
	\$000	\$000
Revenues	2,732	2,323
Expenses	4,467	3,861
Surplus / (Deficit) for the year	<u>(1,735)</u>	<u>(1,538)</u>
Aggregate asset revaluation increment for the financial year	<u>(1,306)</u>	<u>2,255</u>

32. 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 Department of 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 is reviewed by the audit and risk committee.

(a) Financial Instrument Categories

Financial Assets Class:	Note	Category	Carrying Amount 2017 \$000	Carrying Amount 2016 \$000
Cash and Cash	10	N/A	275,398	278,612
Equivalents				
Receivables ¹	11	Loans and receivables (at amortised cost)	288,011	271,628
Financial Assets at fair value	13	Available for sale Financial Assets	30	4,965
Other Financial Assets	17	Loans and receivables (at amortised cost)	15,153	18,541
			578,592	573,746
Financial Liabilities Class:	Note	Category	Carrying Amount 2017 \$000	Carrying Amount 2016 \$000
Payables ²	20	Financial Liabilities measured at amortised cost	301,697	212,234
			301,697	212,234

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).

(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 \$24.62m (2016 \$25.60m) and past due but not considered impaired \$25.24m (2016 \$23.7m), together represent 83% (2016: 81%) of the total trade debtors. There are no debtors which are currently not past due or impaired whose terms have been renegotiated.

32. FINANCIAL INSTRUMENTS (continued)

The only financial assets that are past due or impaired are 'sales of goods and services' in the 'receivables' category of the balance sheet.

	Total ^{1,2}	Past due but not impaired ^{1,2}	Considered impaired ^{1,2}
	\$000	\$000	\$000
2017			
<3 months overdue	7,651	7,552	99
3 months - 6 months overdue	5,764	5,577	187
> 6 months overdue	21,978	12,109	9,869
2016			
<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

Notes

- Each Column in the table reports "gross receivables".
- 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 29.

Other Facilities

NSW Department of Industry has access to the following banking facilities:

	2017	2016
	\$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.

32. FINANCIAL INSTRUMENTS (continued)

	Weighted Average Effective Int. Rate	Nominal Amount ¹ \$000	Interest Rate exposure			Maturity Dates		
			Fixed Int. Rate \$000	Variable Int. Rate \$000	Non-interest Bearing \$000	< 1 yr	1 - 5 yrs	> 5 yrs
2017								
Payables	0.0%	301,697	-	-	301,697	301,697	-	-
		301,697	-	-	301,697	301,697	-	-
2016								
Payables	0.0%	212,234	-	-	212,234	212,234	-	-
		212,234	-	-	212,234	212,234	-	-

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. Department of 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%	
2017					
Financial Assets					
Cash and cash equivalents	275,398	(2,754)	(2,754)	2,754	2,754
Receivables	288,011	-	-	-	-
Financial assets at fair value	30	-	-	-	-
Other Financial Assets	15,153	(152)	(152)	152	152
Financial Liabilities					
Payables	301,697	-	-	-	-
2016					
Financial Assets					
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
Financial Liabilities					
Payables	212,234	-	-	-	-

Other price risk - Tcorp Hour Glass Investment facilities

The consolidated entity holds no units in Hour-Glass investment trusts.

32. 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 of Industry 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).

	2017			Total \$000
	Level 1 \$000	Level 2 \$000	Level 3 \$000	
Financial assets at fair value				
Loans Receivable	-	15,153	-	15,153
Share	-	30	-	30
	<u>-</u>	<u>15,183</u>	<u>-</u>	<u>15,183</u>
	2016			Total \$000
	Level 1 \$000	Level 2 \$000	Level 3 \$000	
Financial assets at fair value				
Loans Receivable	-	18,541	-	18,541
Share	28	39	-	67
	<u>28</u>	<u>18,580</u>	<u>-</u>	<u>18,608</u>

There were no transfers between Level 1 and 2 during the period ended 31 March 2017.

33. RELATED PARTY DISCLOSURES

The Department of Industry's key management personnel compensation are as follows:

	2017 \$000
Short-term employee benefits:	
Salaries	2,205
Other monetary allowances	1
Non-monetary benefits	21
Post-employment benefits	104
Total remuneration	<u><u>2,331</u></u>

During the year, the Department of Industry did not enter into transactions with key management personnel, their close family members and controlled or jointly controlled entities thereof.

33. RELATED PARTY DISCLOSURES (continued)

During the year, the Department of Industry entered into transactions with other entities that are controlled/jointly controlled/significantly influenced by NSW Government. These transactions (incurred in the normal course of business) in aggregate are a significant portion of the entity's revenue and expenses, and the nature of these significant transactions are detailed below;

Entity/Fund	Nature of Transaction
Audit Office of New South Wales	Audit services
Board of Studies, Teaching and Educational Standards	Support and provision of vocational education in schools
Cemeteries and Crematoria NSW	Administrative, secretarial support and operational assistance
Coal Innovation Fund NSW	Administrative, secretarial support and operational assistance
Crown Solicitor's Office	Legal advice
Dam Safety Committee	Grants paid
Department of Education	Payments to private vocational education providers on behalf of the Department of Industry. Receipt of funds in relation to educational programmes
Department of Finance, Services and Innovation	LPI lodgement fees payments and payments to Infrastructure NSW associated with management of projects, tenders and stakeholder engagement
Department of Justice	Mediation and dispute resolution
Department of Premier and Cabinet	Communications
Destination NSW	Grant
Environment Protection Authority	Fee for service
Essential Energy	Pensioner rebates
Fish Trust Funds	Grants received
Game & Pest Management Trust Fund	Administrative, secretarial support and operational assistance
Government Property NSW	Rent and accommodation
Independent Pricing and Regulatory Tribunal	Setting of fees, licences
Jobs NSW	Grants paid
Lands Administration Ministerial Holding Corporation	Administrative, secretarial support and operational assistance
Local Land Services	Fleet and shared service fees
Museum of Applied Arts and Sciences	Grants paid
NSW Food Authority	Service fees
NSW Self Insurance Corporation	Insurance premiums and claims receipts
NSW Skills Board	Administrative, secretarial support and operational assistance and grants
Office of Environment and Heritage	Soil conservation work and service fees
Office of the NSW Rural Fire Service	Bush fire mitigation
Public Reserves Management Fund	Grants received
Public Service Commission	Consulting
Roads and Maritime Services	Land sales
Service NSW	Software licences
State Records Authority of New South Wales	Library services
TAFE Commission	Delivery of training in accordance with funding deed and smart and skilled contracts and community service obligations
Transport for NSW	Port extensions
Water Administration Ministerial Corporation	Administrative, secretarial support and operational assistance and grants
Water NSW	Transfer of IPART revenue from WaterNSW
Transfer payments (Refer note 8)	
Cluster grants (refer note 2(d))	
Personnel Services (refer note 3(f))	

34. EVENTS AFTER REPORTING DATE

The Department of Industry is unaware, except as noted below, of any significant events after balance date that would impact the financial statements and the notes to the financial statements.

The liability for defined benefit superannuation of \$19.976m (note 21(a)) was assumed by the Crown Entity as at 1 July 2017. The Department of Industry will account for the liability as having been extinguished; resulting in the amount assumed being shown as part of the non-monetary Equity Transfers in the 2017-18 financial statements.

In July 2017, media concerns were raised relating to the management of water resources in the Murray Darling Basin. Following this, an interim report on the Independent investigation into NSW water management and compliance was issued by Ken Matthews on 8 September 2017. The final report is due by the end of November 2017. It is possible that if substantiated, these allegations may provide grounds which could give rise to liability under the State's Murray Darling Basin Agreement with the Commonwealth. However at this stage these remain allegations and there is not enough evidence to determine the extent of liability, if any.

The transfer of Soil Conservation Services to Local Land Services is expected to occur in October 2017.

End of Financial Statements

Index

- access 285
- aims and objectives 2
- annual report costs 118
- assets 30
- budget structure 29
- business environment 18
- capital works 91
- consultants 77
- consumer response 136
- contact details See access
- controlled entities 92
- credit card use 76
- economy of New South Wales 9
- employment arrangements 76
- engagement and collaboration 24
- evaluation and improvement 46
- executives See Principal officers
- expenses 29
- financial overview 29
- financial statements (Department of Industry) 220
- financial statements (Independent Liquor & Gaming Authority) 185
- Fishcare volunteer program 139
- fisheries trust fund 116
- funds granted to non-government community organisations 94
- gaming operations—casino 156
- gaming operations—clubs and hotels 159
- Government Information (Public Access) Act 2009* 140
- human resources 56
- Independent Liquor & Gaming Authority 148
- industry growth 14
- innovation, commercial focus, collaboration 26
- insurance 47
- insurance activities 48
- Internal Audit and Risk Management Attestation Statement 51
- job creation and economic growth 10
- job creation and economic growth in regional NSW 11
- job creation and infrastructure programs 14
- judicial decisions 44
- land disposal 91
- legislation and legal change 33
- liquor operations 154
- machinery of government changes 4
- mineral resources fund reports 117
- multicultural policies and services 132
- native game birds 128
- NSW Digital information security policy compliance attestation statement 53
- organisational structure 3
- overseas travel 61
- payment of accounts 88
- Premier's Priorities 28
- price determinations 93
- principal officers 32
- privacy management 146
- public interest disclosures 145
- recovery and threat abatement plans 128
- related annual reports 6
- research and development 119
- Responsible Gambling Fund 147
- revenue 29
- risk management 47
- services 3
- staff numbers 56
- State Priorities 28
- subsidiaries 93
- trade and investment 16
- transforming vocational education and training 16
- work health and safety 54
- workforce diversity 58
- workforce skills 12

Access

NSW Department of Industry

Web: www.industry.nsw.gov.au
 Email: <http://www.industry.nsw.gov.au/contact-us-email>

MLC Centre
 19 Martin Place
 Sydney NSW 2000
 GPO Box 5477
 Sydney NSW 2001
 Ph: +61 2 9338 6600
 Business hours: Monday to Friday,
 9.00 am–5.00 pm

323 Castlereagh Street
 Sydney NSW 2000
 PO Box K348
 Haymarket NSW 1240
 Ph: +61 2 9338 6600
 Business hours: Monday to Friday,
 9.00 am–5.00 pm

10 Valentine Avenue
 Parramatta NSW 2150
 Locked Bag 5123
 Parramatta NSW 2124
 Ph: +61 2 9338 6600
 Business hours: Monday to Friday,
 9.00 am–5.00 pm

NSW Department of Primary Industries

161 Kite Street
 Orange NSW 2800
 Locked Bag 21
 Orange NSW 2800
 Ph: +61 2 6391 3100
 Business hours: Monday to Friday,
 8.30 am–4.30 pm

NSW Small Business Commissioner

Web: www.smallbusiness.nsw.gov.au
 Email: we.assist@smallbusiness.nsw.gov.au

MLC Centre
 19 Martin Place
 Sydney NSW 2000
 GPO Box 5477
 Sydney NSW 2001
 Ph: 1300 795 534 or + 61 2 8222 4800
 Business hours: Monday to Friday,
 9.00 am–5.00 pm

NSW Chief Scientist and Engineer

Web: www.chiefscientist.nsw.gov.au
 Email: nswchiefscientist@chiefscientist.nsw.gov.au

MLC Centre
 19 Martin Place
 Sydney NSW 2000
 GPO Box 5477
 Sydney NSW 2001
 Ph: +61 2 9338 6786
 Business hours: Monday to Friday,
 9.00 am–5.00 pm

Training Services NSW

Level 12, 1 Oxford Street
 Darlinghurst NSW 2010
 PO Box 960
 Darlinghurst NSW 1300
 Ph: +61 13 28 11
 Business hours: Monday to Friday,
 9.00 am–5.00 pm

Access to the annual report

This annual report is available on the NSW Government's [OpenGov NSW website](http://www.opengov.nsw.gov.au)³⁸ and from the [department's website](http://www.industry.nsw.gov.au/about/our-business/publications)³⁹.

³⁸ www.opengov.nsw.gov.au

³⁹ www.industry.nsw.gov.au/about/our-business/publications