



PART C

DEPARTMENT AND AGENCY ADDITIONAL ESTIMATES STATEMENTS

DEPARTMENT OF COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE ARTS

SECTION 1

DEPARTMENT OVERVIEW

The Department of Communications, Information Technology and the Arts resulted from machinery of Government changes in October 1998. The objectives of the restructure were to:

- bring the various Government policy and strategic activities in relation to information economy issues together in one department:
 - ensuring that there is a focus of responsibility on a Whole-of-Government basis;
 - providing industry with a key point of contact in dealing with Government; and
 - bringing to bear on very complex issues a broad range of skills that have been developed across the Commonwealth; and
- take advantage of the broad range of skills available to create synergies in respect of the integration and coordination of policy issues across the Portfolio consistent with the Departmental Mission Statement "to enhance the well-being of all Australians through the enrichment of our culture and the development of the information economy."

ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOMES

From the further sale of 16.6% of Telstra, funds have been provided to the Social Bonus initiatives which will: expand access in regional, rural and remote Australia to the improved telecommunications infrastructure; assist Australia's small and medium information technology and telecommunications (IT&T) firms and entrepreneurs create new business and employment opportunities; improve environmental protection; and provide better access for Australians to IT networks to government services. In total, Social Bonus initiative funding is \$1 billion, of which the Portfolio is responsible for \$670m over 5 years. Of the \$670m, \$319m is reflected as an Additional Estimate variation to the budget and forward estimates.

The other major variation to the Department's estimates is the supplementation for depreciation and the consequent increase in Capital Use Charge (CUC) funding.

As a result of experience in the Budget, and feedback from Senators, the Department has revised the output structure within the existing outcomes.

A map showing the previous output structure and its corresponding new outputs is shown at the start of each outcome.

DEPARTMENT OF COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE ARTS RESOURCING FOR ALL OUTCOMES

(Including changes since Budget)

**DEPARTMENT OF
COMMUNICATIONS,
INFORMATION TECHNOLOGY
AND THE ARTS**

Secretary Mr. N Stevens

**Total price of outputs
\$715.676m**

Dept outcomes \$213.662m

Administered Exp. \$381.807m

Special Approp. \$120.207m

OUTCOME 1

A cultural environment that
enriches the lives of all
Australians.

**Total price of outputs
\$407.965m**

Dept outputs \$161.138m

**Administered Exp.
\$245.344m**

Special Approp. \$1.483m

OUTCOME 2

Competitive and diverse
communications and
information technology
industries and services.

**Total price of outputs
\$277.607m**

Dept outputs \$27.676m

**Administered Exp.
\$131.207m**

Special Approp. \$118.724m

OUTCOME 3

Australians have electronic
access to Government
information and services.

**Total price of outputs
\$13.291m**

Dept outputs \$13.291m

Administered Exp. \$nil

Special Approp. \$nil

OUTCOME 4

Competitive advantage in the global information economy to enhance Australian social well-being.

**Total price of outputs
\$16.813m**

Dept outputs \$11.557m

Administered Exp. \$5.256m

Special Approp. \$nil

MEASURES - DEPARTMENT SUMMARY

Table 1.1 Summary of Measures since the 1999-2000 Budget

Measure	Outcome	Appropriations (\$ 000) 1999-2000			Appropriations (\$ 000) 2000-2001			Appropriations (\$ 000) 2001-2002			Appropriations (\$ 000) 2002-2003		
		Admin Expenses	Dept. Outputs	Total	Admin Expenses	Dept Outputs	Total	Admin Expenses	Dept Outputs	Total	Admin Expenses	Dept Outputs	Total
Book Industry Assistance Plan	1	nil	nil	nil			*			*			*

Film Australia Ltd Building Repairs (Equity Injection offset by Departmental savings)	1	1,000	-1,000	nil	nil	nil	nil	nil	nil	nil	nil	nil	nil
Further commercialisation of Overseas Estate Increased rent on Washington Embassy	1	nil	11	11	nil	11	11	nil	11	11	nil	11	11
National Archives Rent Supplementation	1	nil	511	511	nil	511	511	nil	511	511	nil	511	511
Telstra Social Bonus Local Government Fund	2	4,900	100	5,000	2,540	460	3,000	14,540	460	15,000	11,660	340	12,000
Telstra Social Bonus Building Additional Rural Networks (BARN)	2	9,840	160	10,000	9,270	730	10,000	19,270	730	20,000	19,450	550	20,000

*Footnote: The Government will provide \$240m over four years from 2000-01 to 2003 04 to fund a range of initiatives related to the book industry. The allocation funding between portfolios had not been finalised at the time of publication.

MEASURES - DEPARTMENT SUMMARY

Table 1.1 Summary of Measures since the 1999-2000 Budget (continued)

Measure	Outcome	Appropriations (\$ 000) 1999-2000			Appropriations (\$ 000) 2000-2001			Appropriations (\$ 000) 2001-2002			Appropriations (\$ 000) 2002-2003		
		Admin Expenses	Dept. Outputs	Total	Admin Expenses	Dept Outputs	Total	Admin Expenses	Dept Outputs	Total	Admin Expenses	Dept Outputs	Total

Telstra Social Bonus Launceston Broadband Project	2	2,890	110	3,000	2,940	60	3,000	2,940	60	3,000	2,940	60	3,000
Telstra Social Bonus Building IT Strengths (BITS)	2	36,690	310	37,000	8,790	1,210	10,000	54,820	1,180	56,000	29,400	600	30,000
Telstra Social Bonus Connecting Tasmanian Schools	2	15,000	nil	15,000	nil	nil	nil	nil	nil	nil	nil	nil	nil
Telstra Social Bonus Expanded Mobile Phone Coverage	2	3,000	nil	3,000	nil	nil	nil	nil	nil	nil	nil	nil	nil
Telstra Social Bonus Trials in Innovative Government Electronic Regional Services (TIGERS)	3	nil	3,000	3,000	nil	2,000	2,000	nil	5,000	5,000	nil	nil	nil
Telstra Social Bonus Net Alert	4	nil	2,000	2,000	nil	nil	nil	nil	1,000	1,000	nil	nil	nil

BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

Table 1.2 - Appropriation Bill (No 3) 1999 - 2000 Department of Communications, Information Technology and the Arts

	1998-99 Estimated Expenses	1999- 2000 Budget	1999- 2000 Revised	Additional Estimates	Reduced Estimate
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
ADMINISTERED EXPENSES					
Outcome 1	113,047	139,278	137,291	-	(1,987)
Outcome 2	80,773	161,508	93,207	-	(68,301)
Outcome 3	120,000	-	-	-	-
Outcome 4	-	-	5,256	5,256	-
Total:	313,820	300,786	235,754	5,256	-70,288
DEPARTMENTAL OUTPUTS					
Outcome 1	109,555	95,497	149,286	53,789	-
Outcome 2	114,541	28,160	27,676	-	(484)
Outcome 3	29,816	24,840	13,291	-	(11,549)
Outcome 4	14,967	12,469	11,557	-	(912)
Total:	268,879	160,966	201,810	53,789	-12,945
Appropriation Bill 3 (Administered & Departmental) TOTAL	582,699	461,752	437,564	59,045	-83,233

Table 1.3 - Appropriation Bill (No 4) 1999-2000 - Department of Communications,
Information Technology and the Arts

	1998-99 Estimated Expenses	1999- 2000 Budget	1999- 2000 Revised	Additional Estimates	Reduced Estimate
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000

SPECIFIC PURPOSE PAYMENTS TO THE STATES AND TERRITORIES (SPP)					
Outcome 1	-	-	-	-	-
Outcome 2	-	-	35,000	35,000	-
Outcome 3	-	-	-	-	-
Outcome 4	-	-	-	-	-
Total:	-	-	35,000	35,000	-
EQUITY INJECTIONS AND LOANS					
Equity Injections	-	1,930	14,552	12,622	-
Loans	-	-	-	-	-
Carryover from previous years	-	31,340	29,902	3,568	(5,006)
Administered Capital	-	2,570	-	-	(2,570)
Total Capital:	-	35,840	44,454	16,190	(7,576)
Appropriation Bill 4 SPP & Administered TOTAL:	-	35,840	79,454	51,190	(7,576)

Table 1.4 Special Appropriations and Other Appropriations Department of Communications, Information Technology and the Arts

	1998-99 Estimated Expenses	1999- 2000 Budget	1999- 2000 Revised	Additional Estimates	Reduced Estimate
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
SPECIAL APPROPRIATIONS					
Outcome 1	64,483	64,483	1,483	-	(63,000)
Outcome 2	23,124	124,124	118,724	-	(5,400)
Outcome 3	-	-	-	-	-

Outcome 4	-	-	-	-	-
Total:	87,607	188,607	120,207	-	(68,400)
OTHER APPROPRIATIONS					
Outcome 1	13,714	84,017	107,053	23,036	-
Outcome 2	-	2,000	3,000	1,000	-
Outcome 3	-	-	-	-	-
Outcome 4	-	-	-	-	-
Total:	13,714	86,017	110,053	24,036	-

Table 1.5 - Staff years (number) - Department of Communications,
Information Technology and the Arts

	1999- 2000 Budget	1999-2000 Revised	Variation
Outcome 1	550	550	-
Outcome 2	190	217	27
Outcome 3	150	153	3
Outcome 4	73	73	-
Total:	963	993	30

SECTION 2

REVISIONS TO OUTCOMES AND OUTPUTS

OUTCOME 1

A CULTURAL ENVIRONMENT THAT ENRICHES THE LIVES OF ALL AUSTRALIANS

This outcome will be achieved through the management of programs and grants, which encourages creativity, excellence, participation and access to diverse cultural experiences that complement the activities of the cultural organisations in the Portfolio. Against this outcome, the Department will also improve the sustainability of cultural organisations and assist in preserving and promoting Australia's heritage.

MAP OF REVISED OUTPUT STRUCTURE

PBS	PAES OUTPUTS
1999-00	1999-00
Output 1.1	Output 1.1
Output 1.2	Output 1.2
Output 1.3	Output 1.3
Output 1.4	Output 1.4
Output 1.5	Output 1.5
Output 1.6	Output 1.6

Output 1.7	Output 1.7
Output 1.8	Output 1.8
Output 1.9	Output 1.9
Output 1.10	
Output 1.11	

OUTCOME-OUTPUT STRUCTURE FOR OUTCOME 1

OUTCOME	OUTPUTS
OUTCOME 1 A cultural environment that enriches the lives of all Australians. Total Price \$407.965m Dept output \$161.138m Administered Exp. \$245.344m Special Approp. \$1.483m	<p>Output 1.1 Support for Australian cultural activities. Total Price \$19.406m</p> <p>Output 1.2 Increase awareness, knowledge and understanding of the Centenary of Federation and encourage participation in events celebrating the Centenary. Total Price \$20.337m</p> <p>Output 1.3 Understanding and knowledge of Australian history, culture and portraiture through access to Old Parliament House and the National Portrait Gallery. Total Price \$9.947m</p>

	<p style="text-align: center;">Output 1.4</p> <p>New facilities for the National Museum of Australia and the Australian Institute of Aboriginal and Torres Strait Islander Studies.</p> <p style="text-align: center;">Total Price \$2.804m</p>
	<p style="text-align: center;">Output 1.5</p> <p>Science and technology exhibitions and programs.</p> <p style="text-align: center;">Total Price \$12.468m</p>
	<p style="text-align: center;">Output 1.6</p> <p>A high quality, safe and accessible national audiovisual collection.</p> <p style="text-align: center;">Total Price \$21.466m</p>
	<p style="text-align: center;">Output 1.7</p> <p>The national audiovisual collection is widely accessed by the public.</p> <p style="text-align: center;">Total Price \$22.343m</p>
	<p style="text-align: center;">Output 1.8</p> <p>All agencies apply best practice in the creation, management (including control, preservation, custody and accessibility) and disposal of Commonwealth records.</p> <p style="text-align: center;">Total Price \$30.792m</p>
	<p style="text-align: center;">Output 1.9</p> <p>The Australian community understands the role archives play in society, accepts the intrinsic value of</p>

the National Archives and its collection, and has satisfying access to it.

Total Price \$21.575m

CONTRIBUTION OF OUTPUTS TO OUTCOME 1

The outputs contributing to Outcome 1 cover the broad spectrum of Australian arts and culture. They include provision of policy advice to the Minister on arts and heritage issues, and the Minister's responsibilities under relevant legislation. Through Output 1 the Department is responsible for managing the delivery of the Cultural Development Assistance Program aimed at promoting cultural excellence, creativity and enrichment of cultural life in Australia.

The Outputs for the new building for the National Museum of Australia, the Centenary of Federation secretariat, and the management of Old Parliament House and the National Portrait Gallery also contribute to Outcome 1.

The Outputs also increase access, awareness and the promotion of science and technology, preservation, development and access to the national audiovisual heritage and the management and preservation of Commonwealth records

RESOURCES FOR OUTCOME 1

Table 2.1.0 Resources for Outcome 1

	Budget Expenses 1999-00 \$ 000	Variation To Expenses \$ 000	Revised Expenses 1999-00 \$ 000	Estimated Expenses 2000-01 \$ 000	Estimated Expenses 2001-02 \$ 000	Estimated Expenses 2002-03 \$ 000
ADMINISTERED EXPENSES						
Australian Film Finance Corporation	48,015	-	48,015	48,015	-	-
Cultural Development Program	87,856	1	87,857	87,955	78,545	79,665
Contemporary Music Program	1,000	-	1,000	-	-	-
Depreciation	538	-	538	538	538	538
	861	-	861	909	909	909
	20	-	20	20	20	20

- National Science and Technology building	-	-	-	140	275	275
- Old Parliament House building and contents	13	(13)	-	-	-	-
- National Archives of Australia	84,017	25,036	107,053	90,455	39,620	-
- Australian Federation Centre						
- Southern Cross Replica						
Federation Fund capital/ current grants						
Total Administered Expenses	220,320	25,024	245,344	228,032	119,907	81,407
SPECIAL APPROPRIATIONS						
Other Govt. Bodies	63,000	(63,000)	-	-	-	-
Other Trust Monies	400	-	400	400	400	400
Cultural Minister s Council	813	-	813	813	813	813
National Archives of Australia	20	-	20	20	20	20
ScreenSound Australia	250	-	250	250	250	250
Total Special Appropriations	64,483	(63,000)	1,483	1,483	1,483	1,483
PRICE OF DEPARTMENTAL OUTPUTS						
Output 1.1	14,430	4,976	19,406	18,059	20,028	24,921
Output 1.2	12,339	7,998	20,337	27,090	9,385	-
Output 1.3	8,299	1,648	9,947	10,377	11,509	14,160
Output 1.4	2,331	473	2,804	1,836	748	-
Output 1.5	11,468	1,000	12,468	11,847	12,149	12,276
	9,624	11,842	21,466	22,273	22,279	22,107

Output 1.6	10,411	11,932	22,343	22,969	22,975	22,797
Output 1.7	15,824	14,968	30,792	30,237	30,077	29,622
Output 1.8	22,049	(474)	21,575	21,170	21,059	20,740
Output 1.9						
Subtotal outputs	106,775	54,363	161,138	165,858	150,209	146,623
Revenue from Government (appropriation) for Departmental outputs	95,497	53,789	149,286	153,342	137,452	133,663
Revenue from other sources	11,278	574	11,852	12,516	12,757	12,960
Total price of outputs	106,775	54,363	161,138	165,858	150,209	146,623
TOTAL FOR OUTCOME 1	391,578	16,387	407,965	395,373	271,599	229,513

OUTCOME 1: A cultural environment that enriches the lives of all Australians.

Explanation of Variations

Administered Expenses

Cultural Development Program: variation to expenses reflects the net effect of:

- o a \$1m equity injection for Film Australia Ltd to fund the replacement and upgrade of air conditioning plant and equipment at the company's Lindfield site. The cost of the equity injection has been met from within the Department's current departmental budget allocation;
- o the transfer of the Contemporary Music Program element Business Planning \$1.35m from the department to the Australia Council.
- o depreciation funding of \$0.351m in 1999-2000 for the National Institute of Dramatic Arts.

Depreciation Southern Cross Replica: variation to expenses of -\$0.013m reflects a reduction in the Department's depreciation expense following the transfer of the Southern Cross Replica from the Department to the South Australian Government.

Federation Fund grants: variation to expense of \$25.036m against Outcome 1 and \$1m against Outcome 2 reflects the deferring of Federation Fund grant payments.

Special Appropriation

Other Government Bodies Special Appropriation reserve: this reserve is no longer used for agency salary payments following the introduction of devolved banking. It was used by ABA, ACA, Australia Council, NGA, ANMM and NLA during 1998-99.

Price of Departmental Outputs

The Variation for Outcome 1 relates to:

- o Increased provision for Capital Use Charge (CUC) and depreciation. Revaluation of National Archives of Australia assets and initial valuation of the ScreenSound Australia (SSA) heritage collection, both as required by accounting standards, has increased expenses and had a consequent effect on the CUC (\$36.534m).
- o Rent supplementation for the National Archives of Australia, following devolution from the Domestic Property Group (DoFA) (\$0.511m).
- o Carryover of departmental expenses relating to Centenary of Federation program activities (\$7.500m), NSTC operational expenses (\$1.000m) and SSA operational expenses

- (\$1.223m).
- o Revision to the allocation of corporate overheads across outcomes following a reassessment of corporate services used by policy divisions. Elements affected include property operating expenses, financial and human resource services, and other indirect costs (\$2.492m).
- o S.31 revenue estimate for Old Parliament House and Artbank not previously reported separately as information was not available when the 1999-00 Budget was finalised (\$2.132m)
- o Internal adjustments between outputs within the Department including restructure and accompanying administrative changes (\$2.971m).

Total Variation for Outcome 1 (\$54.363m).

As part of accrual budgeting implementation the National Archives has revalued its assets, using the deprival value methodology. Use of this methodology has led to valuations in certain asset classes which are much higher than historic cost. It was not possible to revalue assets and gain Department of Finance and Administration approval of the budgetary implications in time for the Budget.

The National Archives gained no depreciation funding in the May 1999 Budget.

The assessed deprival value of the National Archives assets at 30 June 1999 is \$75.344m. This compares with \$17.361m twelve months earlier. Fit-out of records repositories in each capital city comprises \$53.836m of the total value and shelving comprises \$12.555m. Other asset classes, each comprising minor parts of the total, are computer software systems, plant and equipment, computer leases, office machines, furniture and fittings and computers. The National Archives sought and received depreciation funding in the Additional Estimates for three of the asset classes, namely fit-out, shelving and plant and equipment. The new funding for depreciation (based on estimated useful lives of the relevant assets) is \$6.631m.

A direct consequence of the increase in the total assets value is additional funding of \$7.352m for the capital use charge payable to the Department of Finance and Administration.

As part of commercialisation of property the Department of Finance and Administration arranged, during the last year, for revaluation of the Commonwealth-owned records repositories which the National Archives occupies. On the basis of the Australian Valuation Office's revaluations the rent payable by the National Archives to the Department of Finance and Administration has increased by a net \$0.511m p.a. This amount has been supplemented (following the National Archives agreement with the Department of Finance and Administration on lease terms to apply in future).

The increase in 1999-2000 funding for ScreenSound Australia relates primarily to the revaluation of the heritage collection asset to \$165.38m. The revaluation led to additional depreciation funding of \$5m for the heritage collection. Other depreciation issues relating to buildings, plant and equipment were resolved in the Additional Estimates process, with additional depreciation funding of \$0.67m. As a result of revaluation of the heritage collection, the Capital Use Charge was increased from \$4.15m to \$21.03m.

Output 1.1 Support for Australian cultural activities.

A major policy focus for 1999-2000 will be the consideration of the recommendations of the Major Performing Arts Review. It is expected that the report will include a considered analysis of the performing arts sector and a set of strategic options for the future, together with an approach to their implementation. These will inform the Government's consideration of how to ensure that Australia continues to enjoy a financially healthy and vibrant performing arts sector.

A broad range of organisations of national cultural excellence - both performing and training organisations - will be assisted financially under specific Deeds of Grants offered by the Department to promote cultural excellence, creativity and enrich the cultural life of Australia.

The performing arts organisations include Symphony Australia, Opera Australia, the Opera Conference, the State Orchestra of Victoria and the Australian Opera and Ballet Orchestra. The national training organisations include the National Institute of Dramatic Art, the Australian National Academy of Music, the National Aboriginal and Islander Skills Development Association, the Australian Ballet School, the Australian Youth Orchestra and the Flying Fruit Fly Circus.

Assisted organisations are required to report on the effectiveness of their programs as a requirement of the grants.

The Department administers a suite of programs - Playing Australia, Visions of Australia and Festivals Australia - which enhance and promote access to Australia's culture, particularly access to cultural activities for people in regional and rural Australia. The successful projects are determined by a competitive process to maximise the program's impact and the successful applicants must comply with Deeds of Grant.

On line access to Australian cultural organisations and activities and Government support for the arts is provided through two Internet gateways, "Australia's Cultural Network" and "ArtsInfo".

The Art Indemnity Scheme will be continued to facilitate access to major international art exhibitions.

The Department also makes payments to Australian authors and publishers under the Public Lending Right Scheme to provide some level of compensation to them for the loss of income caused by the free multiple use of their books in public libraries.

The Australia Foundation for Culture and the Humanities will be funded as a wholly Government owned company with the broad objective of increasing private sector support for culture and the humanities.

The Department's administration of the *Protection of Moveable Cultural Heritage Act* (PMCH) protects Australia's cultural heritage by ensuring items of significance are not lost overseas by export.

Financial support is provided through the Distributed National Collection Program to ensure that heritage collections of national significance which are not held in national collecting institutions are better preserved, protected and accessed by the public.

The protection of indigenous heritage will be enhanced by a program for the Protection and Return of Indigenous Cultural Property.

The Department administers the Federation Community Projects Program, the Federation Cultural and Heritage Projects Program, and the major cultural facilities component of the Federation Fund.

Legislation to provide increased incentives to the Cultural Gifts Program from 1 July 1999 has been introduced into Parliament.

The Department administers two tax concession schemes designed to encourage private investment in qualifying Australian film product. Division 10BA of the Income Tax Assessment Act allows taxpayers a 100% concession for investment in individual films, the Film Licensed Investment Companies (FLIC) scheme allows taxpayers a 100% deduction on shares purchased in a FLIC which then spreads the investment across a range of product.

The Department provides policy advice on the arts, cultural heritage and film sectors.

Table 2.1.1 Performance Information for Outputs affected by Additional Estimates

Outcome 1

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
<p>Quality</p> <ul style="list-style-type: none"> • Provision of good quality, comprehensive and timely policy advice to the Minister, Minister's Office and senior management and their satisfaction with this advice. • Organisations required to provide reports as appropriate, on the range of performances, audience reach, critical acclaim, international response, as well as recognition and achievements of graduating students. • Range and impact of cultural activities funded to tour. • Community response to cultural components of Festivals. • Comprehensiveness of information available through 	<p>Quality</p> <ul style="list-style-type: none"> • Provision of good quality, comprehensive and timely policy advice to the Minister, Minister's Office and senior management and their satisfaction with this advice. • Organisations required to provide reports as appropriate, on the range of performances, audience reach, critical acclaim, international response, as well as recognition and achievements of graduating students. • Impact of touring cultural activities, festivals and indemnified exhibitions. • 100% compliance of Grant Deeds or Memoranda of Understanding (MOU) under the Federation Fund programs with Commonwealth and State environment, heritage,

<p>funded websites.</p> <ul style="list-style-type: none"> • Critical response to indemnified exhibitions. • Significance of collections assisted under the Distributed National Collection Program. • 100% compliance of Grant Deeds or Memoranda of Understanding (MOU) under the Federation Fund programs with Commonwealth and State environment, heritage, construction and audit requirements. • Recognition of films assisted through Departmental programs. 	<p>construction and audit requirements, and extent to which Australia's heritage collections are being better cared for and conserved.</p> <ul style="list-style-type: none"> • Importance of items donated under the Cultural Gifts and Bequests Program. <p>Quantity</p> <ul style="list-style-type: none"> • Number of policy briefs on the film, arts and cultural heritage sectors. • Completion and consideration of the Major Performing Arts Inquiry.
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Table 2.1.1 Performance Information for Outputs affected by Additional Estimates

Outcome 1 (cont)

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
<p>Quantity</p> <ul style="list-style-type: none"> • Importance of items donated under the Cultural Gifts and Bequests Program. • Timely and accurate advice on accountability and governance issues • Completion and consideration of the Major Performing Arts Inquiry. • Support for one meeting of the Cultural Ministers Council and two meetings of its Standing Committee of Officers. • Number of policy briefs on the film, arts and cultural heritage sectors. • The number of and location of performance by these companies. • The number of graduating students. 	<p>Quantity (cont.)</p> <ul style="list-style-type: none"> • The number of and location of performances by national organisations of cultural excellence, and the number of graduating students. • Number and geographic range of performance tours, festivals and cultural exhibitions assisted and number and value of international exhibitions indemnified. • Increase in online access to cultural information. • Increase in the level of private sector support for the arts and humanities. • Number and timeliness of applications processed under the PMCH Act. • Number of grant deeds and MOU signed under the three Federation Fund programs. • Support for one meeting of the

- Number and geographic range of performance tours and cultural exhibitions assisted.
- Number and location of community festivals assisted.
- Number and value of international exhibitions indemnified.
- Increase in online access to cultural information.
- Increase in the level of private sector support for the arts and humanities.
- Number and timeliness of applications processed under the PMCH Act.
- Number of Museums connected online.
- Number of indigenous communities assisted under the Return of Indigenous Cultural Property Program.
- Amount of private sector support for the film industry through departmentally administered programs (Division 10BA of the *Income Tax Assessment Tax 1936* and FLIC).
- Number of grant deeds and MOU signed under the three Federation Fund Programs.
- Number of advices to Portfolio agencies on accountability issues.
- Number of issues addressed at Portfolio Corporate Management Committee Meetings.

Price

- Total price \$14.430m

Cultural Ministers Council and two meetings of its Standing Committee of Officers.

Price

- Total price \$19.406m

Output 1.2 Increase awareness, knowledge and understanding of the Centenary of Federation and encourage participation in events celebrating the Centenary.

The Department provides the Secretariat that supports the National Council for the Centenary of Federation.

The National Council has been charged with the responsibility for developing strategies to promote awareness and understanding of the centenary across the community, for planning and co-ordinating a range of national events and celebrations to mark the centenary, and for administering a History and Education Program that will support activities which encourage Australians to gain a better understanding of the processes that led to Federation, to reflect on 100 years of Australian achievements, and to look to Australia's future as a nation.

Table 2.1.2- Performance Information for Outputs affected by Additional Estimates

Outcome 1

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
<p>Quality</p> <ul style="list-style-type: none"> • The National Council and the Minister are satisfied with Secretariat services, quality and timeliness. • The communications strategy and the celebratory activities are effectively integrated to ensure widespread community knowledge and interest in the activities and the delivery of activities that are relevant to the community. • The effective and efficient administration of the History and Education Program. <p>Quantity</p> <ul style="list-style-type: none"> • Levels of awareness across the community of the centenary and proposed celebratory activities increase (as measured by community sample surveys). 	<p>No change as per budget</p>

- A range of national celebratory activities are delivered around the country (featuring at least one major event in each State and Territory) and across the year (featuring a major event approximately every month of 2001) leading ultimately to widespread community involvement.

Price

- Total price \$12.339m

Price

- Total price \$20.337m

Output 1.3 - Understanding and knowledge of Australian history, culture and portraiture through access to Old Parliament House and the National Portrait Gallery.

The Department is responsible for the Management of Old Parliament House (OPH) and the National Portrait Gallery (NPG). Activities in 1999-2000 will be: a range of public programs including tours and exhibitions, marketing and promotion; the establishment and development of a National Register of Australian Portraits; refurbishment, repair, maintenance, preservation and upgrading of OPH/NPG and its collection; and the provision of quality catering, restaurant and conference facilities.

Table 2.1.3 Performance Information for Outputs affected by Additional Estimates

Outcome 1

Performance Information	Performance Information
1999-2000 BUDGET	1999-2000 REVISED

Quality

- Refurbish and maintain OPH in accordance with the Master Building Plan.
- Provide catering, restaurant and conference facilities of a high order.
- Enhanced visitor experience at OPH.
- Establish and develop a National Portrait Collection recognised for its excellence and a National Register of Australian Portraits.

Quantity

- Increase visitor numbers by 10%.
- Undertake 4 NPG exhibitions and 2 NPG seminars; 4 OPH exhibitions; 2 major OPH events and 2 new OPH tours, with a range of events and teaching activities to accompany each exhibition.
- Increase in donations to the National Portrait Gallery.
- Completion of planned Occupational Health and Safety building works including fire and lighting protection; complete roof repairs; and commence construction of the Australian Federation Centre.

Price

- Total price \$8.299m

No change as per budget.

- Total price \$2.804m

Output 1.5 Science and technology exhibitions and programs

Questacon The National Science and Technology Center will continue to encourage participation in, increase awareness of, and increase positive attitudes to, science and technology by providing a diverse range of exhibitions and other public programs. Programs will target audiences ranging from preschool to retirement age, with a particular focus on families, school students and teachers. Increasing emphasis is being placed on market research and customer evaluation to ensure programs are satisfying visitor needs and meeting the Centre's objectives.

An extensive exhibition program will be mounted at the Centre in Canberra with a highlight being the opening of a new major exhibition developed by Questacon on the science and technology supporting the sideshow and circuses, a very familiar cultural context.

Questacon will continue to give priority to taking exhibitions and education programs around Australia, with a special focus on regional and remote locations. A new major travelling education program, *NRMA Road Zone*, was launched in July 1999. Questacon's award-winning website will be further developed to enhance access to interactive science and technology activities.

The Centre is placing greater emphasis on technology to complement a strong science focus. Discussions are underway for a possible Questacon presence at the Australian Technology Park in Sydney. Australian innovation in science and technology is being showcased in the *Innovative Australians* travelling exhibition, developed for the Department of Foreign Affairs and Trade.

As Australia's National Science and Technology Centre, Questacon works with similar organisations overseas, particularly in the Asia-Pacific region. Highlights of 1999-2000 will be the New Zealand tour of the Centre's *Terrorsaurus* exhibition which features robotic dinosaurs and a tour of the *Mathamazing* exhibition to Japanese science centres and museums. The Centre's status as a full member of the international Association of Science and Technology Centres (the only full member in the southern hemisphere) will be peer reviewed during 1999-2000.

Table 2.1.5 Performance Information for Outputs affected by Additional Estimates

Outcome 1

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
Quality <ul style="list-style-type: none"> • 80% of visitors satisfied with Questacon programs. Quantity <ul style="list-style-type: none"> • Over 700,000 people participate in Questacon programs in 1999-2000, 60% outside Canberra. Price <ul style="list-style-type: none"> • \$15.70 per participant (44% funded by sponsorship and revenue). Total price \$11.468m	No change as per budget.

Price

- Total price \$12.468m

Output 1.6 A high quality, safe and accessible national audiovisual collection.

ScreenSound Australia is responsible for the preservation, development and provision of access to the national audiovisual heritage. Its collection which contains both audiovisual carriers (films, discs, audio and video tape formats etc.) and supporting paper-based and artifact items, is a unique cultural and social record of Australian society as it has developed over the past 100 years, and is seen as valuable to all Australians.

The organisation has extensive technical facilities and world class expertise in restoring a broad range of film, video and audio artifacts, and where necessary transferring their content to modern carriers for preservation and access. These services are in increasing demand throughout the Asia/Pacific region.

The collection is extensive and continues to reflect the vast output of materials constantly being generated throughout Australia. Intellectual and physical characteristics are recorded on a database developed specifically by ScreenSound for this purpose (MAVIS) which is now being increasingly adopted by similar national institutions throughout the world.

Table 2.1.6 Performance Information for Outputs affected by Additional Estimates**Outcome 1**

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
New output since Budget.	Quality <ul style="list-style-type: none"> • 80% of the audiovisual carriers are entered in the database Quantity <ul style="list-style-type: none"> • 259,000 feet of film, 150 video carriers and 650 audio carriers treated for preservation in accordance with published archival standards • No items of cultural significance are lost during the year Price

Price <ul style="list-style-type: none"> • Total price \$9.624m* 	<ul style="list-style-type: none"> • Total price \$21.466m
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*Notional split for 1.6 Comparison.

Output 1.7 The national audiovisual collection is widely accessed by the public.

Access to the national collection is achieved through a wide range of public programs including live presentations and film screenings. The organization has recently embarked upon a major exhibition strategy, which will see a more than doubling of the exhibition space at its Canberra headquarters. In addition, partnerships with industry, researchers, producers and performers are actively encouraged to ensure the widest possible use of the collection, and its presentation to a diverse cross section of Australians.

Research access to the collection has recently been significantly enhanced by the development of our web site, with the inclusion of a continually updated catalogue of the collection. Increasingly, this catalogue will also provide access to the audiovisual content of the objects. Digitization of the collection overtime, therefore, plays a pivotal role in this strategy.

Table 2.1.7 Performance Information for Outputs affected by Additional Estimates

Outcome 1

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
Quality <ul style="list-style-type: none"> • The percentage of clients satisfied with the service provided. • Proportion of the collection that is properly documented in the database. Quantity <ul style="list-style-type: none"> • Number of preservation carriers treated in accordance with published archival standards. • The percentage of Australians who see/hear some SSA material broadcast during the year. • No items of cultural significance are lost during the year. Price	Quality <ul style="list-style-type: none"> • 90% of clients who want personalised access to the Collection are satisfied with the services provided. Quantity <ul style="list-style-type: none"> • 400,000 people attend ScreenSound public programs in 1999-2000 (50% out of Canberra). • 200,000 people view or listen to ScreenSound s audio and video products based on the collection.

<ul style="list-style-type: none"> • Total price \$10.411m* 	<p>Price</p> <ul style="list-style-type: none"> • Total price \$22.343m
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*Notional split for 1.7 comparison.

Output 1.8 All agencies apply best practice in the creation, management (including control, preservation, custody and accessibility) and disposal of Commonwealth records.

As most records are now created electronically and in distributed networks, it is important that all public servants understand the need to create and manage full and accurate records of government administration. The National Archives is writing standards and guidelines to enable this to happen, and will provide explanatory and training material for dissemination across the Federal Government.

The Government is committed to ensuring electronic service delivery within government and with the public. The National Archives is developing a range of products, such as thesauri standards, that will facilitate these initiatives.

Table 2.1.8 Performance Information for Outputs affected by Additional Estimates

Outcome 1

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
<p>Quality</p> <ul style="list-style-type: none"> • All agencies understand and apply best practice in the creation, management (including control, preservation, accessibility and storage) and disposal of their records. 	<p>Quality</p> <ul style="list-style-type: none"> • Revised comprehensive policy on custody arrangements for Commonwealth records, new disposal arrangements for common administrative functions and new appraisal methodology completed by June 2000. • Record keeping and descriptive standards completed by June 2000. • Finalisation and launch of agency promotion and training strategy in March 2000. • Compliance by agencies with policies and standards, and their application. • Standards of service to agencies met.

Price	Price
<ul style="list-style-type: none"> Total price \$15.824m* 	<ul style="list-style-type: none"> Total price - \$30.792m

*Notional split for 1.8 comparison.

Output 1.9 The Australian community understands the role archives play in society, accepts the intrinsic value of the National Archives and its collection, and has satisfying access to it.

The National Archives strategic directions emphasize its commitment to promoting accessibility and use. To achieve this the Archives manages a public information campaign, publishes a range of material (reference guides, historical and pictorial books, resource kits for teachers) including an engaging and information rich website, develops and tours exhibitions, conducts events, and provides reference services to researchers by telephone, by mail and email and in person. A major focus for the Archives over the next few years is the systematic review of its collection. The affirmation of the archival value of material and arrangements for the disposal of a proportion will result in a better known and described collection which will assist research.

Table 2.1.9 Performance Information for Outputs affected by Additional Estimates

Outcome 1

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
Quality <ul style="list-style-type: none"> The Australian community understands the role archives play in society, accepts the intrinsic value of the National Archives, and has satisfying access to its collection. 	Quality <ul style="list-style-type: none"> 5% increase in the level of public awareness of, and satisfaction with, the role of the National Archives. 75% of reference tools produced, and 85% of reference services provided, satisfy researchers. 85% of publications, 85% of exhibitions and 90% of education programs and events satisfy consumers, visitors or attendees. Collection Review projects meet work plan objectives. Quantity

<p>Price</p> <ul style="list-style-type: none">• Total price \$22.049m*	<ul style="list-style-type: none">• Number of reference tools produced and number of reference enquiries completed.• Number of publications and exhibitions newly developed in reporting year, number of visitors to the website and numbers attending education programs and events. <p>Price</p> <ul style="list-style-type: none">• Total price \$21.575m
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*Notional split for 1.9 comparison.

OUTCOME 2

COMPETITIVE AND DIVERSE COMMUNICATIONS AND INFORMATION TECHNOLOGY INDUSTRIES AND SERVICES

The Department's policy advice assists the Government to develop and maintain a regulatory framework, which is likely to produce a competitive communications sector delivering diverse services. Policy advice is also directed towards ensuring all Australians have access to a diverse range of communications services and providing consumer safeguards.

Good policy advice is dependent on consultation, research and access to technical and statistical information.

The Department develops policies and administers programs, which foster world competitive information industries.

MAP OF REVISED OUTPUT STRUCTURE

PBS		PAES OUTPUTS
1999-00		1999-00
Output 2.1		Output 2.1
Output 2.2		Output 2.2
Output 2.3		Output 2.3
Output 2.4		Output 2.4

OUTCOME/OUTPUT STRUCTURE FOR OUTCOME 2

OUTCOME		OUTPUTS
<p data-bbox="289 418 464 444">OUTCOME 2</p> <p data-bbox="218 483 527 597">Competitive and diverse communications and information technology industries and services.</p> <p data-bbox="163 948 485 974">Total Price \$277.607m</p> <p data-bbox="163 1013 485 1039">Dept output \$27.676m</p> <p data-bbox="163 1078 422 1127">Administered Exp. \$131.207m</p> <p data-bbox="163 1166 554 1192">Special Approp. \$118.724m</p>		<p data-bbox="877 418 1031 444">Output 2.1</p> <p data-bbox="751 483 1066 565">Policy and regulatory frameworks for communications services</p> <p data-bbox="814 604 1094 630">Total Price \$4.453m</p>
		<p data-bbox="877 769 1031 795">Output 2.2</p> <p data-bbox="751 834 1108 948">Government initiatives and programs which support the development of innovative information industries.</p> <p data-bbox="814 987 1094 1013">Total Price \$14.003m</p>
		<p data-bbox="877 1149 1031 1175">Output 2.3</p> <p data-bbox="751 1214 1087 1295">Programs which promote access to communications services.</p> <p data-bbox="814 1334 1094 1360">Total Price \$6.859m</p>

Output 2.4

Research, advice and information on communications and information technology issues.

Total Price \$2.361m

CONTRIBUTION OF OUTPUTS TO OUTCOME 2

The Department's policy advice assists the Government to develop and maintain a regulatory framework, which is likely to produce a competitive communications sector delivering diverse services. Policy advice is also directed towards ensuring all Australians have access to a diverse range of communications services and providing consumer safeguards.

Good policy advice is dependent on consultation, research and access to technical and statistical information. Consultation with stakeholders ensures that the Department's advice is cognisant of industry developments and community concerns. It also assists industry to better understand Government objectives and policies. A targeted program of research and statistics gathering ensures that the economic and technical implications of policy options are properly identified and explained.

The Department develops policies and administers programs which foster world competitive information industries. Assistance and advice is directed at encouraging innovation and growth among Australian enterprises particularly small to medium firms and encouraging international investment in Australia's IT&T industry.

Departmental programs aim to increase access to, and promote use of, communications services by people in regional, rural and remote areas of Australia. Through their demand driven, community based approach, they promote the emergence of diverse services, at the same time encouraging competitive commercial supply of those services where ever feasible.

RESOURCES FOR OUTCOME 2

Table 2.2.0 Resources for Outcome 2

	Budget Expenses 1999-00 \$ 000	Variation to Expenses \$ 000	Revised Expenses 1999-00 \$ 000	Estimated Expenses 2000-01 \$ 000	Estimated Expenses 2001-02 \$ 000	Estimated Expenses 2002-03 \$ 000
ADMINISTERED EXPENSES						
Regional	48,243	-	48,243	48,243	47,859	27,759
Telecommunications	1,650	-	1,650	-	-	-
Infrastructure Fund	94	-	94	93	92	91
Cooma Call and Technology Centre	0	70,980	70,980	20,020	88,140	63,020
Radio for Print Handicapped	1,795	-	1,795	1,795	1,795	1,795
International Organisations Contributions*	5,445	-	5,445	3,845	3,845	3,845
Telstra Social Bonus 2	2,000	1,000	3,000	8,000	11,500	0
Compensation to Societe Internationale de Telecommunications Aeropnatiques						
National Transmission Network - residual funding pool						
Federation Fund grants						
Total Administered Expenses	59,227	71,980	131,207	81,996	153,231	96,510

SPECIAL APPROPRIATIONS						
Universal Service Levy			23,124		23,124	23,124
Untimed Local Call Access Reserve	23,124	-	50,000	23,124	50,000	-
Television Fund Reserve	50,000	-	18,600	50,000	24,000	24,000
Regional Telecommunications	24,000	(5,400)	27,000	24,000	27,000	-
Infrastructure Fund	27,000	-		27,000		
Total Special appropriations	124,124	(5,400)	118,724	124,124	124,124	47,124
PRICE OF DEPARTMENTAL OUTPUTS						
Output 2.1						
Output 2.2	4,525	(72)	4,453	12,797	13,303	11,004
Output 2.3	14,283	(280)	14,003	14,616	14,516	19,838
Output 2.4	6,943	(84)	6,859	5,437	5,653	4,676
	2,409	(48)	2,361	3,363	3,646	4,867
Subtotal outputs	28,160	(484)	27,676	36,213	37,119	40,385
Revenue from Government (appropriation) for Departmental outputs	28,160	(484)	27,676	36,213	37,119	40,385
Revenue from other sources	-	-	-	-	-	-
Total price of outputs	28,160	(484)	27,676	36,213	37,119	40,385
TOTAL FOR OUTCOME 2	211,511	66,096	277,607	242,333	314,474	184,019

* Moved to Outcome 4.

OUTCOME 2 Competitive and diverse communications and information technology industries and services.

Explanation of Variations

Administered Expenses

Telstra Social Bonus 2: the Social Bonus programs in this portfolio amount to \$670m in expenditure over 5 years.

Measures Table 1.1 provides a summary of Additional Estimates measures on Page 19.

Special Appropriations

Television Fund Reserve: an amount of \$5.4m in 1999-2000 has been transferred to the SBS for simplicity of administration.

Price of Departmental Outputs

The Variation for Outcome 2 relates to:

- o Additional Estimate Variation relating to Social Bonus initiatives (\$1.110m).
- o Internal administrative adjustments between Outputs within the Department (-\$0.598m)
- o Revision to the allocation of corporate overheads across outcomes following a reassessment of corporate services used by policy divisions. Elements affected include property operating expenses, financial and human resource services, and other indirect costs (-\$0.996).

Total Variation for Outcome 2 (-\$0.484m).

Output 2.1 Policy and regulatory frameworks for communications and services.

The Department's policy advice assists the Government to develop and maintain a regulatory framework, which is likely to produce a competitive communications sector delivering diverse services. Policy advice is also directed towards ensuring all Australians have access to a diverse range of communications services and providing consumer safeguards.

Table 2.2.1 Performance Information for Outputs affected by Additional Estimates

Outcome 2

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
<p>Quality</p> <ul style="list-style-type: none"> • Ministerial satisfaction with quality and timeliness of advice and draft legislation. • Successful introduction of digital television by Jan 2001. • Improved access to communication services in regional Australia. • Improvements in price, quality, type and spread of communication services. 	<p>Quality</p> <ul style="list-style-type: none"> • Ministerial satisfaction with quality and timeliness of advice and draft legislation. • Successful introduction of digital television by Jan 2001. • Improved access to communication services in regional Australia. • Improvements in price, quality, type and spread of communication services.

Quantity

- In accordance with *Television Broadcasting Services (Digital Conversion) Act 1998*, completion by 1 January 2000 of statutory reviews into regulation of digital television broadcasting and regional equalisation plan for facilitating introduction of digital television services in regional areas.
- Development of amendments to the *Broadcasting Services Act 1992* and associated legislation in relation to the outcome of the digital television statutory review.
- Policy advice on digital television reviews; digital television planning and implementation; introduction of radio services, access to broadcasting services, digitisation of national broadcasters; digital transmission of national television and digital industry development.
- Completion of review into telecommunications Universal Service Obligation (USO) funding arrangements to enable any new legislation provisions to take effect from 1 July 2000.
- Completion of review into the telecommunications competition regime under the *Trade Practices Act 1974* in 2000.
- Implementation of the Government's response to Telecommunications Interception Review by 1 January 2000.

Quantity

- In accordance with *Television Broadcasting Services (Digital Conversion) Act 1998*, completion by 1 January 2000 of statutory reviews into regulation of digital television broadcasting and regional equalisation plan for facilitating introduction of digital television services in regional areas.
- Development of amendments to the *Broadcasting Services Act 1992* and associated legislation in relation to the outcome of the digital television statutory review.
- Policy advice on digital television reviews; digital television planning and implementation; introduction of radio services; access to broadcasting services; digitisation of national broadcasters; digital transmission of national television and digital industry development; and regulation of content.
- Frequency and timing of meeting relating to policy development and implementation.
- The Department will make submissions to relevant reviews by other agencies or Parliamentary Committees.
- Establish review into the telecommunications competition regime under the *Trade Practices Act 1974* in 2000.

Table 2.2.1 Performance Information for Outputs affected by Additional Estimates

Outcome 2 (cont.)

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
<p>Quantity (cont.)</p> <ul style="list-style-type: none"> • Advice to the Office of Asset Sales and Information Technology Outsourcing (OASITO) with the processes for the further sale of Commonwealth equity in Telstra (subject to the passage of legislation). • Advice on the development and implementation of policies for the competitive selection of telecommunications universal service providers. • Implementation of the Government's policies on reform of the postal industry following the National Competitiveness Commission (NCC) report, through legislation to take effect from 1 July 2000. • Implementation of the Government's response to the review of the <i>Radiocommunications Act 1992</i> with any legislative changes to take affect from 1 July 2000. • Advice on telecommunications consumer and competition policy, telecommunications industry development, communications infrastructure and services, radiocommunications licensing and spectrum management, satellites, postal policy, and Government Business Enterprise (GBE) governance. • Advice on information technology investment attraction, new business formation, exports and trade, technology diffusion and innovation matters. • Policy advice and review of Government reforms pursued 	<p>Quantity (cont.)</p> <ul style="list-style-type: none"> • Completion of review into telecommunications Universal Service Obligation (USO) funding arrangements to enable any new legislation provisions to take effect from 1 July 2000. • Implementation of the Government's response to Telecommunications Interception • Advice on the development and implementation of policies for the competitive selection of telecommunications universal service providers. • Implementation of the Government's policies on reform of the postal industry following the National Competitiveness Commission (NCC) report, through legislation to take effect from 1 July 2000. • Implementation of the Government's response to the review of the <i>Radiocommunications Act 1992</i> with any legislative changes to take affect from 1 July 2000. • Advice on telecommunications consumer and competition policy, telecommunications industry development, communications infrastructure and services, radiocommunications licensing and spectrum management, satellites, postal policy, and Government Business Enterprise (GBE) governance. • Policy advice and review of Government reforms pursued through the <i>Copyright Act 1968</i>

through the *Copyright Act 1968*.

Price

- Total price \$4.525m

Price

- Total price \$4.453m

Output 2.2 Government initiatives which support the development of innovative information industries.

The Department develops policies and administers programs which foster world competitive information industries. Assistance and advice is directed at encouraging innovation and growth among Australian enterprises particularly small to medium firms and encouraging international investment in Australia's IT&T industry.

Table 2.2.2 Performance Information for Outputs affected by Additional Estimates

Outcome 2

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
<p>Quality</p> <ul style="list-style-type: none"> • The quality of consultation will be measured by: • Feedback from the Minister and industry, as well as the successful implementation, and understanding by industry, of any new policies or programs developed. • Consultations occur at appropriate points in the policy development process. • High quality applications and advice to the Regional Telecommunications Infrastructure fund (RTIF) Board and high level of satisfaction by the RTIF Board of departmental recommendations. <p>Quantity</p> <ul style="list-style-type: none"> • Frequency of meetings relating to policy development and implementation. The Department will consult with a range of industry and community bodies including: 	<p>Quality:</p> <ul style="list-style-type: none"> • Ministerial satisfaction with quality and timeliness of advice. • View of key stakeholders, including other government agencies and industry associations. <p>Quantity</p> <ul style="list-style-type: none"> • Advice on information industries development in areas including investment attraction, new business formation, exports and trade, emerging opportunities (both technological and business), technology diffusion and innovation. • Advice to the Office of Asset Sales and Information Technology Outsourcing (OASITO) on the industry development aspects of the selection process for group tenders. • Implementation of Building on IT Strengths program and support provided for incubators centres, network testbeds and Tasmanian IT industry development.

<ul style="list-style-type: none"> • The Digital Television Consultative Group and the Digital Radio Planning Steering Committee and other key industry and community stakeholders on the introduction of digital TV and radio in Australia. • Industry supplying digital broadcasting products and services on issues relating to industry development. • Industry, regulators and other key stakeholders on issues identified in the performance information in Output 2.1 and 2.4. • The RTIF board, prospective applicants for Networking The Nation Grants, managers of approved projects and stakeholders more broadly. 	<ul style="list-style-type: none"> • Finalisation of agreement on Commonwealth Technology Port and level of funding provided. • Funding support provided under the continuing Technology and Innovations Programs, ie software quality, and testing and conformance. • Level of industry development commitments made under the Partnership for Development program, Endorsed Supplier Arrangement, major Government purchases over \$10m, and IT outsourcing. • Level of industry development activity by carriers licensed under the <i>Telecommunications Act 1997</i>. <p>Finalisation of Telecommunications Carrier Industry Development Plans for companies wishing to participate in the Australian carrier market.</p>
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Table 2.2.2 Performance Information for Outputs affected by Additional Estimates

Outcome 2 (cont.)

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
<p>Quantity (cont.)</p> <ul style="list-style-type: none"> • The Department will participate on bodies such as the Radio Communications Consultative Committee convened by the ACA, the Australian Information Economy Council Advisory Council, information industries export network • The Department will make submissions to relevant reviews by other agencies or Parliamentary Committees. • The Department will consult with consumers and bodies such as 	

Australian Record Industry Association (ARIA) on broadcasting royalties and other copyright matters.

Price

- Total price \$14.283m

Price

- Total price \$14.003m

Output 2.3 Programs which promote access to communications services.

Departmental programs aim to increase access to, and promote use of, communications services by people in regional, rural and remote areas of Australia. Through their demand driven, community based approach, they promote the emergence of diverse services, at the same time encouraging competitive commercial supply of those services where ever feasible. This will be enhanced through funding from the further sale of Telstra for Social Bonus programs (\$670 million over five years).

Table 2.2.3 Performance Information for Outputs affected by Additional Estimates

Outcome 2

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
<p>Quality</p> <ul style="list-style-type: none"> • Client satisfaction with advice, briefing material and statistical information provided to them in terms of: • timeliness; and • professional soundness and policy relevance. • Satisfaction of clients with the quality and timeliness of fee-for-service work as evidenced by further contracts as well as written feedback. 	<p>Quality</p> <ul style="list-style-type: none"> • Programs deliver improved communications services in regional Australia. • New Social Bonus programs funded from the sale of a further 16.6% of Telstra implemented. • High quality applications and advice to the Networking the Nation (NTN) Board and high level of satisfaction by the NTN Board of departmental recommendations. <p>Quantity</p>

<p>Quantity</p> <ul style="list-style-type: none"> Preparation of advice and reports on a range of topic relevant to policy development in the Portfolio. For example, estimates of bandwidth demand and supply, improving digital TV services provided to non-metropolitan areas and technical advice on digital broadcasting. Statistical material on the communications industry to assist in monitoring developments in the industry. Undertaking fee-for-service consultancies for a range of Government agencies on topics of relevance to the Portfolio. <p>Price</p> <ul style="list-style-type: none"> Total price \$6.943m 	<ul style="list-style-type: none"> Grant deeds with the Community Broadcasting Foundation Limited in support for the community broadcasting sector signed by 30 June 2000. The launch of the Community Broadcasting Australian Music Channel by June 2000. Improving access to, and reception of analogue television services in metropolitan, regional and rural areas. Cooma Technology and Call Centre grant finalised under appropriate deed of agreement by 30 September 1999. NTN funding rounds announced in November 1999 and May 2000. Access Ability round announced in September 1999; project grants administered in accordance with deeds. Funding round for the telecommunications consumer representation and social policy research program completed in May 2000. <p>Price</p> <ul style="list-style-type: none"> Total price \$6.859m
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Output 2.4 Research, advice and information on communications and information technology issues.

Good policy advice is dependent on consultation, research and access to technical and statistical information. Consultation with stakeholders ensures that the Department's advice is cognisant of industry developments and community concerns. It also assists industry to better understand Government objectives and policies. A targeted program of research and statistics gathering ensures that the economic and technical implications of policy options are properly identified and explained.

Table 2.2.4 Performance Information for Outputs affected by Additional Estimates

Outcome 2

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
<p>Quality</p> <ul style="list-style-type: none"> • Programs deliver improved communications services in regional Australia and improved industry development activity. <p>Quantity</p> <ul style="list-style-type: none"> • Cooma Technology and Call Centre grant finalised under appropriate deed of agreement by 30 September 1999. • RTIF funding rounds announced in November 1999 and May 2000; Access Ability round announced in September 1999; project grants administered in accordance with deeds. • Level of commitments made under the Partnership for Development and Fixed Term Agreement programs and the industry development aspects of the Endorsed Supplier Arrangement and major Government purchases over \$10m and IT outsourcing. • Level of industry development activity by carriers licensed by the <i>Telecommunications Act 1997</i>. • Finalisation of Telecommunications Carrier Industry Development Plans for companies wishing to participate in the Australian carrier market. • Funding rounds for the continuing Technology and Innovations Programs finalise by November 1999 for software quality and by February 2000 for testing and conformance. • Grant deeds with the Community Broadcasting Foundation Limited in support of the community broadcasting sector signed by 30 June 2000. • The launch of the Community Broadcasting Australian Music Channel by August 1999. • Funding round for the 	<p>Quality</p> <ul style="list-style-type: none"> • Client satisfaction with advice, briefing material and statistical information provided to them in terms of: <ul style="list-style-type: none"> • timeliness; and • professional soundness and policy relevance. • Satisfaction of clients with the quality and timeliness of fee-for-service work as evidenced by further contracts as well as written feedback. <p>Quantity</p> <ul style="list-style-type: none"> • Preparation of advice and reports on a range of topics relevant to policy development in the Portfolio. For example, estimates of bandwidth demand and supply, improving digital TV services provided to non-metropolitan areas and technical advice on digital broadcasting. • Provision of statistics on the communications, information technology and the arts industry sectors to assist in monitoring developments in the sectors. • Undertaking fee-for-service consultancies for a range of Government agencies on topic of relevance to the Portfolio.

telecommunications consumer representation and social policy research program completed in May 2000.

Price

- Total price \$2.409m

Price

- Total price \$2.361m

OUTCOME 3

AUSTRALIANS HAVE ELECTRONIC ACCESS TO GOVERNMENT INFORMATION AND SERVICES

The Government is committed to showing leadership in the information economy through adopting online technologies to provide better services and improve its own business practices.

It has undertaken to deliver all appropriate services electronically on the Internet by 2001; establish a Government Information Centre as a single point of access to information about Government services; and establish electronic payments as the norm for Government by 2000.

MAP OF OUTPUTS STRUCTURE*

PBS OUTPUTS 1999-00		PAES OUTPUTS 1999-00
Output 3.1		Output 3.1
Output 3.2		Output 3.2

*There is no change to Output structure of Outcome 3

OUTCOME/OUTPUT STRUCTURE FOR OUTCOME 3

OUTCOME	OUTPUTS

<p>OUTCOME 3</p> <p>Australians have electronic access to government information and services.</p> <p>Total Price \$13.291m</p> <p>Dept. Output \$13.291m</p> <p>Administered Exp. \$nil</p> <p>Special Approp. \$nil</p>	<p>Output 3.1</p> <p>Government initiatives and programs which promote electronic commerce and online services.</p> <p>Total Price \$10.969m</p>
	<p>Output 3.2</p> <p>Increased awareness of potential impact of the Year 2000 problem and of necessary rectification measures.</p> <p>Total Price \$2.322m</p>

CONTRIBUTION OF OUTPUTS TO OUTCOME 3

The Office for Government Online (OGO) works with agencies in meeting the Government's commitment to have all appropriate services for online by 2001. While each agency is responsible for the electronic service delivery, OGO provides common infrastructure and management arrangements to enable and support electronic services across government.

OGO also has responsibility for the Commonwealth Government's response to the Year 2000 date issue and for promoting awareness about Year 2000 to the wider community.

RESOURCES FOR OUTCOME 3

Table 2.3.0 Resources for Outcome 3

	Budget Expenses 1999-00	Variation to Expenses	Revised Expenses	Estimated Expenses 2000-01	Estimated Expense 2001-02	Estimated Expenses 2002-03
	\$ 000	\$ 000	1999-00	\$ 000	\$ 000	\$ 000
ADMINISTERED EXPENSES						
Total Administered Expenses	-	-	-	-	-	-

SPECIAL APPROPRIATIONS						
Total Special appropriations	-	-	-	-	-	-
PRICE OF DEPARTMENTAL OUTPUTS						
Output 3.1	13,513	(2,544)	10,969	11,980	17,368	13,015
Output 3.2	11,327	(9,005)	2,322	-	-	-
Subtotal outputs	24,840	(11,549)	13,291	11,980	17,368	13,015
Revenue from Government (appropriation) for Departmental outputs	24,840	(11,549)	13,291	11,980	17,368	13,015
Revenue from other sources	-	-	-	-	-	-
Total price of outputs	24,840	(11,549)	13,291	11,980	17,368	13,015
TOTAL FOR OUTCOME 3	24,840	(11,549)	13,291	11,980	17,368	13,015

OUTCOME 3 Australians have electronic access to Government information and services.

Explanation of Variations

Price of Departmental Outputs

The Variation for Outcome 3 relates to:

- o Additional Estimate Measure relating to Telstra Social Bonus Initiative TIGERS (\$3.000m).
- o Internal administrative adjustments between Outputs within the Department (-\$0.629m).
- o Revision to the allocation of corporate overheads across outcomes following a reassessment of corporate services used by policy divisions. Elements affected include property operating expenses, financial and human resource services, and other indirect costs (-\$4.074m).
- o Effect of departmental carryover recorded as expenses in the Budget but now treated as capital injections due to revised accounting treatment as advised by DoFA (-\$9.846m).

Total Variation for Outcome 3 (-\$11.549m).

Output 3.1 Government initiatives and programs which promote electronic commerce and online services.

OGO The Government of Online Services works with agencies in meeting the Government's commitment to have all appropriate services online by 2001.

The Office for Government Online has a coordinating and facilitating role in assisting agencies to deliver services electronically by:

- o reporting on the range of online initiatives delivered by Government;
- o identifying inhibitors to take-up of electronic services; and
- o providing Whole-of-Government enablers for the delivery of electronic services.

Table 2.3.1 Performance Information for Outputs affected by Additional Estimates

Outcome 3

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
<p>Quality</p> <ul style="list-style-type: none"> • Agencies are satisfied that frameworks are in place for the electronic delivery of information and services. <p>Quantity</p> <ul style="list-style-type: none"> • A baseline inventory of Commonwealth online initiatives established by August 1999. • An online authentication framework operating by November 1999 to facilitate secure online transactions and 	<p>No change as per budget</p>

protect individual privacy.

- Australian Government Locator Service is promoted as the consistent method for the description and indexing of Government information and services.
- Government Information Centre pilots completed in Tasmania and Western Australia.
- A secure environment established for the exchange of information in the Commonwealth Government.
- An endorsed framework is in place for electronic purchasing by October 1999 and development of an electronic payments system is completed by January 2000.
- Savings of \$35m and increased interoperability through coordinating Commonwealth telecommunications purchasing and maintenance of a panel of prequalified suppliers of administrative systems.

Price

- Total price of outputs \$13.513m

Price

- Total price \$10.969m

Output 3.2 Increased awareness of the potential impact of the Year 2000 problem and of necessary rectification measures.

OGO have been monitoring and reporting the Y2K progress of Commonwealth agencies and entities.

In addition, the Office is responsible for arrangements for the exchange of information on the Year 2000 problem to assist Government agencies and key sectors in their

remediation work.

Table 2.3.2 Performance Information for Outputs affected by Additional Estimates**Outcome 3**

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
<p>Quality</p> <ul style="list-style-type: none"> • Ministers are satisfied with the level and timeliness of advice on compliance issues. • The community has access to Government information on compliance. <p>Quantity</p> <ul style="list-style-type: none"> • Ministers receive timely, up to date advice about the remediation progress of Commonwealth bodies and in key sectors. • Arrangements are in place to facilitate increased information sharing on Year 2000 (Y2K) issues through development of legislation and liaison with States/Territories and industry. • A strategy is in place to inform the public about progress towards Y2K compliance. • Progress towards Y2K compliance of Commonwealth agencies is assisted through administration of a seed-funding program, third party audits and provision of remediation information to Commonwealth bodies. • Arrangements are in place, in 	<p>No change as per budget</p>

conjunction with the Department of Foreign Affairs & Trade, to provide information and advice to other countries concerning Australia's approach to Y2K remediation and to obtain advice about progress in other countries

Price

- Total price \$11.327m

Price

- Total price \$2.322m

OUTCOME 4

COMPETITIVE ADVANTAGE IN THE GLOBAL INFORMATION ECONOMY TO ENHANCE AUSTRALIAN SOCIAL WELL BEING

The information economy is developing at a rapid pace and is generating opportunities across all sectors in terms of employment, in both cities and regional Australia, wealth creation through ready access to global markets and reductions in the cost of information and transactions.

To develop a competitive advantage and enhance Australian social wellbeing, all Australians need to have open and equitable access to the online economy and to be equipped with the necessary skills and knowledge to contribute to and participate in the information economy. The private sector must also continue to take the lead supported by the implementation of effective legal and regulatory frameworks (both nationally and internationally) and other Government policies to build business and consumer confidence and growth in electronic commerce and online services.

MAP OF REVISED OUTPUTS STRUCTURE

PBS OUTPUTS 1999-00		PAES OUTPUTS 1999-00
Output 4.1		Output 4.1
Output 4.2		
Output 4.3		

OUTCOME/OUTPUT STRUCTURE FOR OUTCOME 4

OUTCOME		OUTPUT
OUTCOME 4		Output 4.1
Improved access and competitive advantage in the global information economy to enhance Australian social well-being.		Strategic advice, programs and policy and regulatory framework to advance Australia's participation in the global information economy.
		Total Price \$11.557m
Total Price \$16.813m		
Dept. output \$11.557m		
Administered Exp. \$5.256m		
Special Approp. \$nil		

CONTRIBUTION OF OUTPUTS TO OUTCOME 4

The National Office for the Information Economy (NOIE) develops, coordinates and overviews broad policy relating to:

- o the regulatory, legal and physical infrastructure environment for online services;
- o the implications of the information economy for Australian society, the economy and government administration;
- o ensuring consistent Commonwealth positions in international fora; and
- o raising awareness of information economy issues.

RESOURCES FOR OUTCOME 4

Table 2.4.0 Resources for Outcome 4

	Budget Expenses 1999-00 \$ 000	Variation To Expenses \$ 000	Revised Expenses 1999-00 \$ 000	Estimated Expenses 2000-01 \$ 000	Estimated Expenses 2001-02 \$ 000	Estimated Expenses 2002-03 \$ 000
ADMINISTERED EXPENSES						
International Organisations Contributions*	5,256	-	5,256	5,256	5,256	5,256
Total Administered Expenses	5,256	-	5,256	5,256	5,256	5,256
SPECIAL APPROPRIATIONS						
Total special appropriations	-	-	-	-	-	-
PRICE OF DEPARTMENTAL OUTPUTS						
Output 4.1	12,469	(912)	11,557	9,690	7,904	5,126
Subtotal outputs	12,469	(912)	11,557	9,690	7,904	5,126
Revenue from Government (appropriation) for Departmental outputs	12,469	(912)	11,557	9,690	7,904	5,126
Revenue from other sources	-	-	-	-	-	-
Total price of outputs	12,469	(912)	11,557	9,690	7,904	5,126
TOTAL FOR OUTCOME 4	17,725	(912)	16,813	14,946	13,160	10,382

*reported against Outcome 2 at Budget.

OUTCOME 4 Competitive advantage in the global information economy to enhance Australian social well being.

Explanation of Variations

Price of Departmental Outputs

The Variation for Outcome 4 relates to:

- o Additional Estimate Measure relating to Telstra Social Bonus Initiative Netwatch (\$2.000m).
- o Internal administrative adjustments between Outputs within the Department (\$1.038m).
- o Revision to the allocation of corporate overheads across outcomes following a reassessment of corporate services used by policy divisions. Elements affected include property operating expenses, financial and human resource services, and other indirect costs (\$2.158m).
- o Effect of departmental carryover recorded as expenses in the Budget but now treated as capital injections due to revised accounting treatment as advised by DoFA (-\$6.108m).

Total Variation for Outcome 4 (-\$0.912m).

Output 4.1 Strategic advice, programs, and policy and regulatory framework to advance Australia s participation in the global information economy.

The Department s policy advice assists the Government to develop a regulatory framework for the information economy, which encourages industry self-regulation, accords with Australia s national interests, increases the confidence of business and consumers in online transactions and protects the security and legality of transactions.

Increased e-commerce and online activity by both business and consumers has the potential to have significant flow on benefits in terms of improved competitiveness of business from implementation of changed business practices and lower cost structures. Policy advice is also directed towards achieving access for all Australians to a diverse range of communications services and for providing them with the necessary skills to contribute and participate in the information economy.

Good policy advice is dependent on consultation, research, and access to technical and statistical information and benchmarking of Australia s performance with our trading partners.

Consultation with stakeholders ensures that the Department s advice is cognisant of broader Government, industry, consumer and community considerations. It enables all Governments to coordinate policy objectives and pursue national approaches in a more timely manner. It also assists industry and the community to better understand Government policy and objectives.

The Government s awareness raising programs (including Online Australia Year) and programs which promote electronic commerce (eg. Information Technology On-line) assist in enabling Australians to gain confidence to participate in and contribute to the development of the information economy. This includes not only consumers but also small and medium enterprises and Chief Executive Officers of organisations.

To assist Australia to be competitive in the global information economy, it is important that Australia play a strong role in influencing the rules being developed now to guide the international market place. Australia is represented at relevant multilateral and bilateral forums. Positions promoted by Australia in those forums such as World Trade Organisation (WTO), Asia-Pacific Economic Cooperation (APEC), International Telecommunications Union (ITU) and Government Advisory Committee (on Internet names and

numbers) are developed in consultation with Australian industry.

Table 2.4.1 Performance Information for Outputs affected by Additional Estimates

Outcome 4

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
<p>Quality</p> <ul style="list-style-type: none"> • Extent of consultation with community and stakeholders. • Ministerial satisfaction with quality and timeliness of advice and draft legislation. • Contribution of Online Council to policy processes. • Contribution of Australian Information Advisory Council to policy processes. • Extent of public and stakeholder involvement and feedback on Online Australia Year. • Extent of consultation within the Commonwealth Government, with State, Territory and local Governments and with community and other stakeholders. • Ministerial satisfaction with quality and timeliness of advice. • Extent of consultation with stakeholders. • Ministerial satisfaction with quality and timeliness of advice. • Effectiveness of Australia's contribution to report to APEC Ministers in 2000 on international internet bandwidth charging arrangements. • ITU processes move towards 	<p>Quality</p> <ul style="list-style-type: none"> • Ministerial satisfaction with quality and timeliness of advice and draft legislation. • Extent of consultation with community and stakeholders. • Contribution of Online Council and AIEAC to policy processes. • Effectiveness of Australia's contribution to report to APEC Ministers in 2000 on international internet bandwidth charging arrangements. • ITU processes move towards multilateral agreement to reform international governance for telecommunications infrastructure. <p>Quantity</p> <ul style="list-style-type: none"> • Report to Government on progress against strategic action plans identified in "A Strategic Framework for the Information Economy". • Provision of continuing advice on policy, legal and regulatory issues as relevant. • Level of access and use of information technologies by segments of the population. • Completion and submission of a report from the National

multilateral agreement to reform international governance for telecommunications infrastructure.

Quantity

- Completion and submission of a report from the National Bandwidth Enquiry by 30 September 1999 and development of a Government response within 4 months.
- Report to Government on progress against strategic action plans identified in "A Strategic Framework for the Information Economy".
- Development and endorsement of access and opportunity, and cultural strategic action plans by November 1999.

Bandwidth Enquiry by 30 December 1999 and development of a Government response within 4 months.

- Successful implementation of new administration arrangements for internet domain names.
- Enhanced supply of IT and T skills.
- Favourable benchmarking of online outcomes and regulatory regimes with comparable countries.
- Level of activities related to Online Australia Year.
- Representation of Australia's interest at World Trade Organisations (WTO), Asia Pacific Economic Community (APEC), General Agreement on Tariffs and Trade (GATT) etc.

Table 2.4.1 Performance Information for Outputs affected by Additional Estimates

Outcome 4 (cont.)

Performance Information 1999-2000 BUDGET	Performance Information 1999-2000 REVISED
<p>Quantity (cont.)</p> <ul style="list-style-type: none"> • Implementation of Government policies for online content (which are not the responsibility of the Australian Broadcasting Authority). • Successful transfer of responsibility for administration of internet domain names to industry self-regulatory regime. • Provision of continuing advice on authentication, internet domain name system, data protection/privacy, online content, consumer 	<p>Quantity (cont.)</p> <ul style="list-style-type: none"> • Participation in and Government response to the Productivity Commission review of international telecommunications regulation. • Progress made in bilateral discussions and agreements with trading partners on e-commerce issues.

protection, Information Technology and Telecommunications (IT and T) skills, regional communication issues, e-commerce issues and other regulatory issues as relevant.

- Level of access and use of information technologies by segments of the population.
- Enhanced supply of IT and T skills.
- Benchmarking of online outcomes and regulatory regimes with comparable countries.

- Level of activities related to Online Australia Year.
- Representation of Australia's interest at World Trade Organisations (WTO), Asia Pacific Economic Community (APEC), General Agreement on Tariffs and Trade (GATT) etc.
- WTO and GATT negotiations proceed on basis of service definitions that reflect Australia's policies.
- Participation in and Government response to the Productivity Commission review of international telecommunications regulation.
- Progress made in bilateral discussions and agreements with trading partners on e-commerce issues.

Price

- Total price \$ 12.469m

Price

- Total price \$11.557m

SECTION 3

BUDGETED FINANCIAL STATEMENTS

The budgeted financial statements for the Department are presented in this section. These statements will form the basis of the financial statements that will appear in the Department's 1999-2000 Annual Report and for input into the Whole-of-Government Accounts.

Budgeted Statement of Revenues and Expenses (Budgeted Operating Statement)

This statement provides a picture of the expected financial results for the Department by identifying full accrual expenses and revenues, which highlights whether the Department is operating at a sustainable level in the short run.

Budgeted Statement of Assets and Liabilities (Budgeted Balance Sheet)

Shows the expected financial position of the Department, which enables decision-makers to track the management of the Department's assets and liabilities.

Budgeted Cash Flow Statement

Budgeted cash flows, as reflected in the statement of cash flows, provides important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

Capital Budget

Shows all proposed capital expenditure funded either through the Budget as Appropriation by equity injections or as loans, and/or Appropriations for administered capital, or as funds from internal sources or as funds from other sources.

Non-financial Assets - Summary of Movement

This statement shows only the Budget year 1999-2000.

"Departmental" and "Administered" Statements

The statements are divided into two categories, "Departmental" and "Administered". Departmental statements refer to resources under the control of the Department. The major component is operating costs ("running costs"). Administered statements provide information on transactions undertaken to implement programs on behalf of the Government, rather than the Department in its own right. The main administered components relate to grant payments, licence fees and buildings such as Old Parliament House.

Table 3.1a Budgeted Statement of Revenue and Expenses - Departmental

	ESTIMATED	REVISED			
	ACTUAL	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED
	1998-99	1999-2000	2000-01	2001-02	2002-03
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
DEPARTMENTAL REVENUES AND EXPENSES					
REVENUE					
Revenue from Government					
Ordinary Annual Appropriations	(268,879)	(201,810)	(209,225)	(201,843)	(192,189)
Resources received free of charge	(168)	(4,831)	(5,167)	(5,167)	(5,167)
Sales of goods and services	(8,365)	(8,911)	(8,449)	(8,519)	(8,560)
Interest from bank/investments	(70)	(1,150)	(2,239)	(2,373)	(2,497)
Other revenues from independent source	(2,955)	(1,791)	(1,828)	(1,865)	(1,903)
TOTAL REVENUE	(280,437)	(218,493)	(226,908)	(219,767)	(210,316)
EXPENSES					
Employees	61,127	62,141	63,700	60,081	57,441
Suppliers	218,219	100,984	109,783	105,426	98,287
Interest on leases, borrowings etc	54	656	1,053	980	902
Write down of assets	47	0	0	0	0
Losses from sales of assets	743	0	0	0	0
Depreciation and amortisation	6,322	21,803	19,137	19,817	20,134

Movement in LSL and annual leave balances		2,758	1,016	1,065	1,116	1,173
TOTAL OPERATING EXPENSES		289,270	186,601	194,738	187,420	177,937
Operating result before capital use charge		(8,833)	31,892	32,170	32,347	32,379
Capital Use Charge		0	(31,699)	(31,931)	(32,107)	(32,140)
Operating surplus/(Deficit)		(8,833)	193	239	240	239
Change in accounting policy		(191,943)	0	0	0	0
Accumulated results at year end		196,740	196,933	197,172	197,412	197,651

Table 3.1b Budgeted Statement of Revenue and Expenses - Administered

	ESTIMATED	REVISED			
	ACTUAL	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED
	1998-99	1999-2000	2000-01	2001-02	2002-03
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
REVENUES AND EXPENSES					
REVENUES					
Licence fees, fines and charges	393,583	409,717	425,023	436,343	448,243
Other Revenue	1,483	1,483	1,483	1,483	1,483
Appropriations	340,144	640,478	239,953	250,398	178,538
TOTAL REVENUE	735,210	1,051,678	666,459	688,224	628,264
EXPENSES					

Depreciation & Amortisation		1,267	1,419	1,607	1,742	1,742
Subsidies		1,500	1,500	1,500	1,500	0
Grants		349,229	497,612	436,301	398,916	228,555
Other		1,483	1,483	1,483	1,483	1,483
TOTAL EXPENSES		353,479	502,014	440,891	403,641	231,780
CASH TO CPA		386,539	393,325	413,823	426,417	439,068
OPERATING RESULT		(4,808)	156,339	(188,255)	(141,834)	(42,584)
Accumulated surplus/(deficit) at 1 July		283,512	711,381	867,720	526,914	385,080
Extraordinary items		432,677	0	(152,551)	0	0
Accumulated surplus/ (deficit) at 30 Jun		711,381	867,720	526,914	385,080	342,496

Table 3.2a Budgeted Statement of Assets and Liabilities - Departmental

	ESTIMATED	REVISED			
	ACTUAL	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED
	1998-99	1999- 2000	2000-01	2001-02	2002-03
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
DEBT					
Loans	22,179	20,182	18,863	17,454	15,949
Leases	2,167	1,406	516	1,662	1,160
Other	1,204	956	965	965	964
Total debt	25,550	22,544	20,344	20,081	18,073

PROVISIONS AND PAYABLES						
Employees		20,268	21,284	22,350	23,465	24,638
Suppliers		1,910	1,592	1,534	1,545	1,540
Other		10	10	10	10	10
Total Provisions and Payables		22,188	22,886	23,894	25,020	26,188
EQUITY						
Accumulated Results		196,740	196,933	197,172	197,412	197,651
Asset revaluation reserve		65,266	65,266	65,266	65,266	65,266
Other reserves		0	5,052	8,936	12,212	14,436
Total equity		262,006	267,251	271,374	274,890	277,353
Total liabilities and equity		309,744	312,681	315,612	319,991	321,614
FINANCIAL ASSESTS						
Cash		11,716	25,894	29,298	35,812	43,025
Receivables		940	1,088	940	940	942
Investments		0	0	0	0	0
Total financial assets		12,656	26,982	30,229	36,752	43,967
NON-FINANCIAL ASSETS						
Land and buildings		26,875	25,603	24,499	23,400	22,338

Infrastructure, plant, equipment & exhibitions		262,271	252,757	253,697	252,504	248,132
Inventories		795	800	800	800	800
Intangibles		5,428	5,547	5,540	5,407	5,148
Other		1,719	992	847	1,128	1,299
Total non-financial assets		297,088	285,699	285,383	283,239	277,647
Total assets		309,744	312,681	315,612	319,991	321,614

Table 3.2b Budgeted Statement of Assets and Liabilities - Administered

	ESTIMATED	REVISED			
	ACTUAL	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED
	1998-99	1999-2000	2000-01	2001-02	2002-03
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
ASSETS AND LIABILITIES					
Equity					
Accumulated results	711,381	867,720	526,914	385,808	342,496
Equity in statutory authorities at 30 June	846,090	846,090	846,090	846,090	846,090
Other reserves	10,179	10,194	10,194	10,194	10,194
Total equity	1,567,650	1,724,004	1,383,198	1,241,364	1,198,780
Total liabilities and equity	1,567,650	1,724,004	1,383,198	1,241,364	1,198,780
Financial assets					
Receivables	426,663	467,224	234,349	85,014	35,939
Investments	846,090	846,090	846,090	846,090	846,090

Accrued Revenues		201,147	217,371	228,479	238,390	247,627
Total financial assets		1,473,900	1,530,685	1,308,918	1,169,494	1,129,656
Non-financial assets						
Land and buildings		91,919	191,535	72,543	70,180	67,481
Infrastructure, plant and equipment		1,831	1,784	1,737	1,690	1,643
Other		0	0	0	0	0
Total non-financial assets		93,750	193,319	74,280	71,870	69,124
Total assets		1,567,650	1,724,004	1,383,198	1,241,364	1,198,780

Table 3.3a Budgeted Cash Flow Statement - Departmental

	ESTIMATED	REVISED			
	ACTUAL	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED
	1998-99	1999-2000	2000-01	2001-02	2002-03
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and services	11,323	15,368	15,279	15,386	15,465
Interest	70	1,150	2,239	2,373	2,497
Appropriations	277,876	201,808	209,223	201,841	192,187
Total Cash received	289,269	218,326	226,741	219,600	210,149

Cash used						
Payments to employees		61,085	62,142	63,700	60,081	57,441
Payments to suppliers		217,251	101,138	109,692	105,250	98,127
Interest and other financing costs		54	656	1,053	980	902
Total cash used		278,390	163,936	174,445	166,311	156,470
Net cash from operating activities		10,879	54,390	52,296	53,289	53,679
INVESTING ACTIVITIES						
Cash received						
Proceeds from sales of property, etc		505	1,035	35	35	35
Equity		0	5,052	3,884	3,276	2,224
Other		0	0	167	0	0
Total Cash received		505	6,087	4,086	3,311	2,259
Cash Used						
Purchase of property, etc		27,826	12,171	19,001	17,427	14,476
Other		0	(577)	(145)	281	101
Total cash used		27,826	11,594	18,856	17,708	14,577
Net cash from investing activities		(27,321)	(5,507)	(14,770)	(14,397)	(12,318)

FINANCING ACTIVITIES						
Cash received						
Proceeds from borrowings (inc leases)		23,900	0	0	1,646	0
Total cash received		23,900	291	291	1,937	291
Cash used						
Repayments of borrowings		590	3,006	2,200	1,908	2,0008
CUC paid		0	31,990	32,222	32,398	32,431
Total cash used		590	34,996	34,422	34,306	34,439
Net cash from financing activities		23,310	(34,705)	(34,131)	(32,369)	(34,148)
Net increase (decrease) in cash held		6,868	14,178	3,395	6,523	7,213
Add cash at 1 July		4,848	11,716	25,894	29,289	35,812
Cash at 30 June		11,716	25,894	29,289	35,812	43,025

Table 3.3b Budgeted Cash Flow Statement - Administered

	ESTIMATED	REVISED			
	ACTUAL	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED
	1998-99	1999-2000	2000-01	2001-02	2002-03
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
OPERATING ACTIVITIES					

Cash received						
Taxes, fees and fines		386,810	393,493	413,915	426,432	439,006
Appropriations		338,877	389,059	339,346	349,656	200,796
Cash from CRF		15,197	111,536	99,938	52,243	1,483
Other		1,483	1,483	1,483	1,483	1,483
Total Cash received		742,367	895,571	854,682	829,814	642,768
Cash used						
Subsidies		1,500	1,500	1,500	1,500	0
Grants		349,229	500,530	436,301	398,916	228,555
Cash to CRF		388,022	394,808	415,306	427,900	440,551
Cash other		2,415	1,483	1,483	1,483	1,483
Total cash used		741,166	898,321	854,590	829,799	670,589
Net cash from operating activities		1,201	-2,750	92	15	-27,821
INVESTING ACTIVITIES						
Cash received						
Equity		6,611	9,419	0	0	0
Cash from CRF		19,188	97,736	35,450	0	27,759
Other		0	0	0	0	62
Total Cash received		25,799	107,155	35,450	0	27,821
Cash Used						

Purchase of property, P & E		27,661	104,237	35,450	0	0
Purchase of investments		271	168	92	15	0
Total cash used		27,932	104,405	35,542	15	0
Net cash from investing activities		(2,133)	2,750	(92)	(15)	27,821
FINANCING ACTIVITIES						
Net cash from financing activities		0	0	0	0	0
Net increase (decrease) in cash held		(932)	0	0	0	0
Add cash at 1 July		932	0	0	0	0
Cash at 30 June		0	0	0	0	0

Table 3.4a Capital Budget - Departmental

CAPITAL APPROPRIATION	ESTIMATED	REVISED			
	ACTUAL	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED
	1998-99	1999-2000	2000-01	2001-02	2002-03
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Equity injections	0	11,619	1,660	1,052	0
Loans	0	0	0	0	0

Appropriation of previous year carried forward	9,000	26,334	0	0	0
Total capital appropriation	9,000	37,953	1,660	1,052	0
Represented by:					
Purchase of non-current assets	0	12,509	1,660	1,052	0
Other items	9,000	25,444	0	0	0
PURCHASE OF NON-CURRENT ASSETS					
Funded by Capital Appropriation	0	12,509	1,660	1,052	0
Funded internally	5,485	10,241	17,341	16,375	14,476
Total	5,485	22,750	19,001	17,427	14,476

Table 3.4b Capital Budget - Administered

CAPITAL APPROPRIATION	ESTIMATED	REVISED			
	ACTUAL	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED
	1998-99	1999-2000	2000-01	2001-02	2002-03
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Equity injections	6,611	2,933	0	0	0
Loans	0	0	0	0	0
Appropriation of previous year carried forward	0	3,568	0	0	0
Total capital appropriation	6,611	6,501	0	0	0

Represented by:						
Purchase of non-current assets		6,611	6,501	0	0	0
PURCHASE OF NON-CURRENT ASSETS						
Funded by Capital Appropriation		6,611	6,501	0	0	0
Funded internally		21,050	97,736	35,450	0	0
Total		27,661	104,237	35,450	0	0

NOTES TO THE FINANCIAL STATEMENTS

The purpose of this section is to provide additional information on significant items to effectively inform the reader. A summary of significant accounting policies adopted by the Department may be found in its annual report. The Statements have been prepared in accordance with directions issued by the Department of Finance and Administration.

"DEPARTMENTAL" STATEMENTS

Change to Accounting Policy

ScreenSound Australia's Heritage Collection was recognised in the Statements for the first time in 1998-99. As the valuation process had not been completed at the time of Budget preparation, an estimate of \$23m was included in the 1999-2000 Portfolio Budget Statement financial statements. Screensound's Heritage Collection was subsequently valued at \$163m.

The National Archives of Australia's Heritage Collection is also being recognised in the Statements for the first time. National Archives Heritage Collection was valued at \$62m.

Identified Variations

Recognising the Heritage Collection held by ScreenSound Australia and the National Archives has resulted in an increase in depreciation funding and expense since Budget of \$8.8m pa for ScreenSound Australia and \$6.6m pa for the National Archives.

Reflecting a revised asset base, the Capital Use Charge (CUC) which is funded through appropriations, has increased from around \$8m pa at Budget time to around \$32m pa. The CUC represents a return to shareholders (the Government) of 12% pa on the Department's net equity.

"ADMINISTERED" STATEMENTS**Accounting Policy**

The Department has been allocated some \$432m for projects associated with the Federation Fund, including \$152m for construction of buildings for the National Museum of Australia (NMA) and the Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS). This allocation is treated as an extraordinary revenue of receipt. Expenditure on grants is expensed as it occurs. Expenditure relating to buildings is transferred to "Land and Buildings" as work in progress. The remaining balance of the allocation at the end of each years is treated as a receivable. Ownership of the buildings is to be transferred to the NMA and AIATSIS on completing in 2001.

Identified Variations

The Social Bonus program for the DOCITA portfolio amounts to \$670m in expenditure over 5 years. \$351m, relating to the Telstra Sale Act which was provided for in the 1999-2000 Budget is treated as appropriation revenue in 1999-2000 and expensed over the 5 year program life as required by the Telstra Sale Act. Revenue for the remaining \$319m Social Bonus funding associated with the sale of further 16.6% of Telstra is recognised in the year in which the administered expense is incurred.

Administered revenues collected on behalf of Government

The Department collects the following revenues on behalf of the Government:

	Estimated Actual 1998-99	Estimated 1999- 2000	Estimated 2000-01	Estimated 2001-02	Estimated 2002-03
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Licence fees, fines and charges	393,583	409,717	425,023	436,343	448,243
Universal service levy	23,124	23,124	23,124	23,124	23,124
Australian Broadcasting Authority licence fees	200,935	217,159	228,267	238,178	247,415
Australian Communications Authority telecommunications numbering fees and charges	168,608	168,621	172,895	174,381	177,121
National Archives of Australia - fees and charges	916	813	737	660	583

APPENDIX 1

Departmental revenue from independent sources has increased by \$4.8m. This is due to inclusion for the first time of donations and gifts received free of charge by ScreenSound Australia.

There has been no change to administered revenues.

APPENDIX 2

Summaries of special appropriations by outcome are provided on page 22. Details of individual programs funded from special appropriations are included in the relevant outcome resources summary. (see pages 26, 43, 53 & 59)

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