



# **PORTFOLIO ADDITIONAL ESTIMATES STATEMENTS 2007-08**

## **AGRICULTURE, FISHERIES AND FORESTRY PORTFOLIO**

EXPLANATION OF ADDITIONAL ESTIMATES 2007-08

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The Hon. Tony Burke MP

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Australian Senate  
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Speaker  
House of Representatives  
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CANBERRA ACT 2600

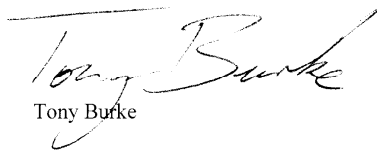
Dear Mr President  
Dear Mr Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2007–08 Additional Estimates for the Agriculture, Fisheries and Forestry Portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the funding requirements being sought for the portfolio.

I present these statements by virtue of my ministerial responsibility for accountability to the Parliament and, through it, the public.

Yours sincerely

  
Tony Burke



# CONTENTS

<b>User Guide</b> .....	<b>ix</b>
Introduction .....	ix
Structure of the Portfolio Additional Estimates Statements .....	x
Styles and conventions used .....	xi
<b>Portfolio Overview</b> .....	<b>1</b>
Additional estimates and variations — Portfolio level .....	3
<b>Agency Additional Estimates Statements</b> .....	<b>5</b>
Department of Agriculture, Fisheries and Forestry .....	7
Australian Pesticides and Veterinary Medicines Authority .....	43
<b>Glossary</b> .....	<b>57</b>



**USER GUIDE  
TO THE  
PORTFOLIO ADDITIONAL  
ESTIMATES STATEMENTS**





# USER GUIDE

## INTRODUCTION

The purpose of the Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements, is to inform Senators and Members of Parliament and the public of the proposed allocation of resources to government outcomes by agencies within the portfolio. However, unlike the Portfolio Budget Statements, the PAES summarise only the *changes* in resourcing by outcome since the Budget; that is, they do not include a complete resourcing table for the agency. The PAES include new measures, summarise the changes by Appropriation Bill, and, where relevant, by Special Appropriation and Special Account. The 2007–08 PAES also cover any significant changes to the portfolio that may have arisen from the change in government and the subsequent Administrative Arrangements Order of 3 December 2007.

The PAES facilitate understanding of the proposed appropriations in Appropriation Bills (No. 3 and No. 4) 2007–08. In this sense, the PAES document is declared by the Additional Estimates Appropriation Bills to be a ‘relevant document’ to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the *Mid-Year Economic and Fiscal Outlook 2007–08* is a mid-year budget report which provides updated information to allow the assessment of the government’s fiscal performance against its fiscal strategy, the PAESs update the most recent budget appropriations for agencies within the portfolio.

## STRUCTURE OF THE PORTFOLIO ADDITIONAL ESTIMATES STATEMENTS

The PAES are presented in three parts with subsections.

### User guide

Provides an introduction explaining the purpose of the PAES as well as information in relation to the styles and conventions used.

### Portfolio overview

Provides an overview of the portfolio, including a chart that outlines the outcomes for agencies in the portfolio.

### Agency additional estimates statements

A statement (under the name of the agency) for each agency affected by Additional Estimates.

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#### Section 1: Agency overview, variations and measures

This section details the link between the resources appropriated, the impact of any post-Budget measures, and their application to the outputs and administered items (usually programmes) that contribute to the achievement of outcomes. This section also reports changes to receipts from independent sources, changes to estimates of expenses from Special Appropriations, and changes to estimated Special Account flows.

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#### Section 2: Revisions to outcomes, administered items and outputs

This section details changes to planned government outcomes and/or to the contributing administered items and agency outputs.

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#### Section 3: Budgeted financial statements

This section contains revisions to the budgeted financial statements in accrual format covering Budget year, previous year and the three out-years for each agency.

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#### Glossary

Explains key terms.

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## **STYLES AND CONVENTIONS USED**

- The following notations may be used:

NEC/nec	not elsewhere classified
AEST	Australian Eastern Standard Time
-	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million

- Figures in tables and in the text may be rounded. Discrepancies in tables between totals and sums of components are due to rounding.

## **ENQUIRIES**

Should you have any enquiries regarding this publication, please contact the Chief Finance Officer of the Department of Agriculture, Fisheries and Forestry on (02) 6272 4398.

A copy of this document can be located on the Australian Government Budget website at <http://www.budget.gov.au>.



# **PORTFOLIO OVERVIEW**



## **PORTFOLIO OVERVIEW**

The Agriculture, Fisheries and Forestry portfolio consists of the Australian Government Department of Agriculture, Fisheries and Forestry (the Department) and 13 portfolio bodies.

This is one fewer than at the time of the publication of the 2007–08 Portfolio Budget Statements, due to the privatisation of the Forest and Wood Products Research and Development Corporation to form a new industry-owned company called Forest and Wood Products Australia.

The portfolio structure and roles and responsibilities are otherwise unchanged since the publication of the 2007–08 Portfolio Budget Statements.

The portfolio was not affected by the Administrative Arrangements Order of 3 December 2007.

### **ADDITIONAL ESTIMATES AND VARIATIONS — PORTFOLIO LEVEL**

The Department is subject to an extensive range of measures and variations since the 2007–08 Budget.

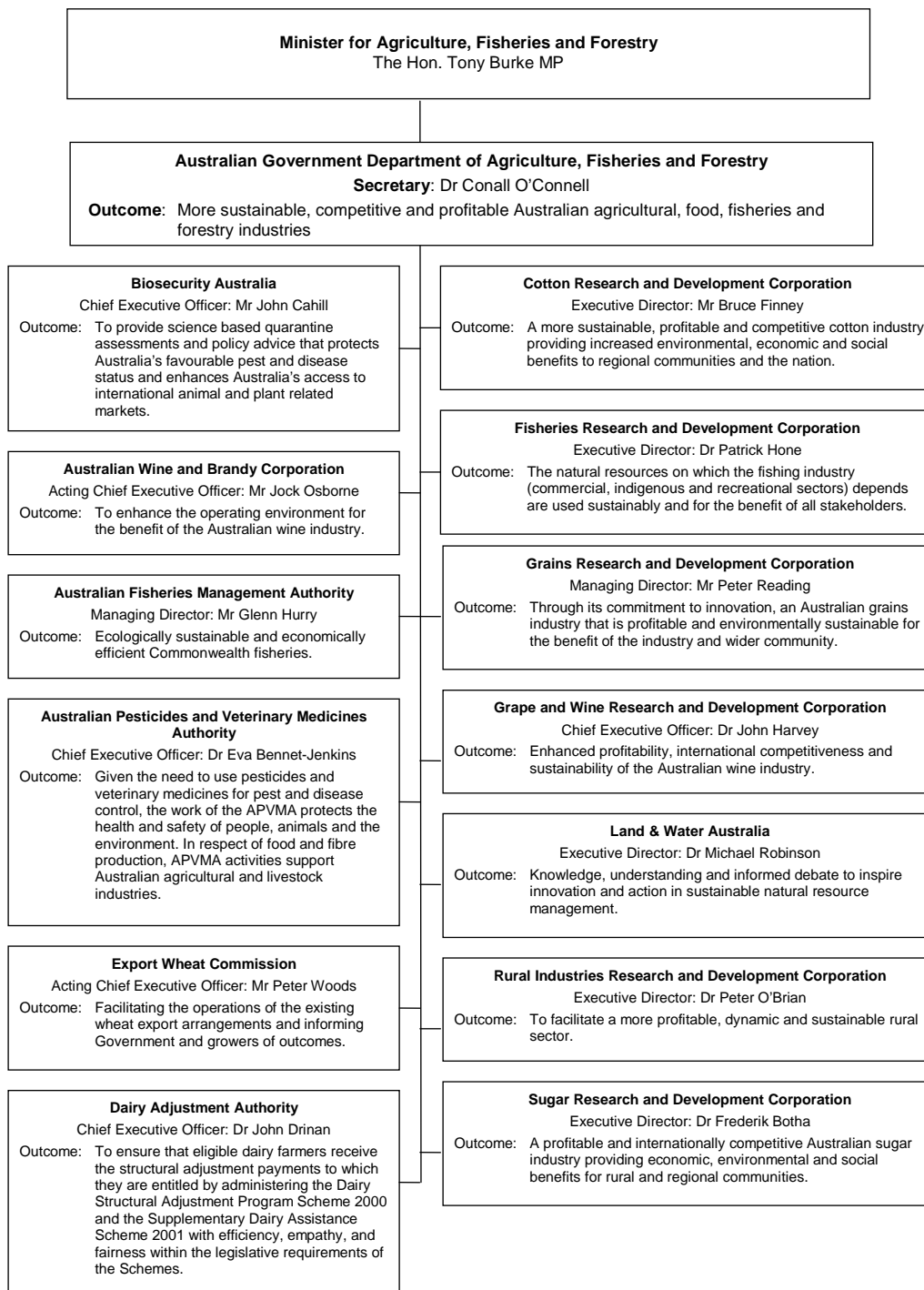
The majority of these relate to new and expanded drought and equine influenza assistance measures. The additional funding for these is being provided through Appropriation (Drought and Equine Influenza Assistance) Bills (No. 1) and (No. 2).

The remaining non-drought and equine influenza measures are being funded through the 2007–08 Additional Estimates process and are detailed in Section 1 in this document.

The Australian Pesticides and Veterinary Medicines Authority is also receiving additional funding through the Additional Estimates process to compensate it for loss of interest following its move to Financial Management and Accountability Act agency status from 1 July 2007.

The remaining portfolio agencies are not participating in the Additional Estimates process.

**Figure 1: Portfolio structure and outcomes**





# **AGENCY ADDITIONAL ESTIMATES STATEMENTS**

<b>Department of Agriculture, Fisheries and Forestry.....</b>	<b>7</b>
<b>Australian Pesticides and Veterinary Medicines Authority .....</b>	<b>43</b>



# DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY

<b>Section 1: Agency overview and resources; variations and measures .....</b>	<b>9</b>
Overview .....	9
Additional estimates and variations to outcomes.....	11
Measures — Agency summary .....	14
Breakdown of additional estimates by appropriation bill.....	17
Summary of staffing changes.....	18
Other receipts available to be used.....	19
Estimates of expenses from special appropriations.....	21
Estimates of special account flows .....	23
Estimates of expenses from annual appropriations .....	24
<b>Section 2: Revisions to agency outcomes .....</b>	<b>27</b>
Outcomes, administered items and outputs.....	27
<b>Section 3: Budgeted financial statements.....</b>	<b>29</b>
Analysis of budgeted financial statements.....	29
Budgeted financial statements .....	30
Notes to the financial statements .....	41



## **DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY**

### ***Section 1: Agency overview and resources; variations and measures***

#### **OVERVIEW**

The Department of Agriculture, Fisheries and Forestry is receiving a significant increase in funding due to a range of new measures approved since the 2007-08 Budget. The majority of these are in response to drought conditions and the emergency response to the outbreak of equine influenza in August 2007.

The Department has been meeting these new measures from its 2007-08 Budget funding and is in urgent need of funding prior to the passage of the 2007-08 Additional Estimates. This additional funding is being provided through Appropriation (Drought and Equine Influenza Assistance) Bill (No. 1) and Appropriation (Drought and Equine Influenza Assistance) Bill (No. 2).

Due to the cessation or reduction in a number of administered programs and the impact of the efficiency dividend, the Department's 2007-08 administered and departmental funding will be reduced through the Additional Estimates process by \$46.1 million and \$2.7 million, respectively.

The resourcing tables and financial statements in this document are based on the total resourcing available to the Department, including funding being provided through the Additional Estimates Appropriation Bills (No. 1) and (No. 2) and Appropriation (Drought and Equine Influenza Assistance) Bills (No. 1) and (No. 2).

The appropriations and measures relating to the Appropriation (Drought and Equine Influenza Assistance) Bills (No. 1) and (No. 2) are separately identified in the Portfolio Supplementary Additional Estimate Statements 2007-08 (PSAES). The PSAES should be read in conjunction with the PSAES to provide a complete picture of the impact of all measures and variations since the 2007-08 Budget.

The Department was not affected by the Administrative Arrangements Order of 3 December 2007, and its role remains unchanged since the publication of the 2007-08 Portfolio Budget Statements.

The outcome and outputs of the Department are shown in Table 1.1.

**Table 1.1: Agency outcomes and output groups**

Outcome	Description	Output groups
<p>Australian agricultural, fisheries, food and forestry industries that are based on sustainable management of and access to natural resources, are more competitive, self-reliant and innovative, have increased access to markets, are protected from diseases and are underpinned by scientific advice and economic research.</p>	<p>The primary role of the Department is to help increase the profitability, competitiveness and sustainability of Australian agricultural, fisheries, food and forestry industries and enhance the natural resource base to achieve greater national wealth and stronger rural and regional communities.</p>	<ol style="list-style-type: none"> <li>1. Natural resources access and management</li> <li>2. Rural policy and innovation</li> <li>3. Industry development</li> <li>4. International Food and Agriculture Service</li> <li>5. Product integrity, animal (including aquatic animal) and plant health</li> <li>6. Quarantine and export services</li> <li>7. Scientific advice</li> <li>8. Economic research</li> </ol>

## ADDITIONAL ESTIMATES AND VARIATIONS TO OUTCOMES

**Table 1.2: Additional estimates and variations to outcomes – measures**

	2007–08 (\$'000)	2008–09 (\$'000)	2009–10 (\$'000)	2010–11 (\$'000)
<b>Outcome 1</b>				
<b>Increase in estimates (administered)</b>				
Integrated Forest Products timber mill support	4,000	-	-	-
Wheat Export Authority – additional funding	2,000	-	-	-
Australia's Forestry Industry – preparing for the future	300	5,900	6,900	6,900
Regional Food Productivity and Innovation Program	1,200	6,000	7,000	8,000
Quarantine Research and Preparedness Program	500	1,800	1,900	1,200
Tasmanian Community Forest Agreement – additional funding	12,300	4,500	-	-
<b>Increase in administered appropriations</b>	<b>20,300</b>	<b>18,200</b>	<b>15,800</b>	<b>16,100</b>
<b>Increase in estimates (departmental)</b>				
AQIS – compliance and investigations enhancements	2,787	3,525	3,599	3,671
AQIS – additional funding for the international mail program	3,571	3,609	-	-
ABARE – Enhanced Economic Modelling for Climate Change	774	762	-	-
<b>Increase in departmental appropriations</b>	<b>7,132</b>	<b>7,896</b>	<b>3,599</b>	<b>3,671</b>
<b>Decrease in estimates (administered)</b>				
Advancing Australia – FarmBis – saving	(3,198)	(7,134)	(7,204)	(7,378)
Advancing Australia – Farm Help – saving	(22,165)	(19,485)	(19,541)	(17,984)
Advancing Australia – Advancing Agricultural Industries – saving	(400)	(6,400)	(8,600)	(8,800)
National Food Industry Strategy – Food Innovation Grants – saving	(11,692)	(12,410)	(12,659)	(12,925)
Onshore Assistance of Fisheries Adjustment Package – saving	(5,500)	-	-	-
Defeating the Weed Menace – saving	(300)	-	-	-
New Industries Development Program – saving	(200)	(2,400)	(2,680)	(1,290)
Fishing Structural Adjustment Package – Onshore Assistance	(750)	-	-	-
<b>Decrease in administered appropriations</b>	<b>(44,205)</b>	<b>(47,829)</b>	<b>(50,684)</b>	<b>(48,377)</b>

**Table 1.2: Additional estimates and variations to outcomes – measures (continued)**

	2007–08 (\$'000)	2008–09 (\$'000)	2009–10 (\$'000)	2010–11 (\$'000)
<b>Decrease in estimates (departmental)</b>				
Efficiency Dividend – Increase from 1 per cent to 1.25 per cent	-	(860)	(677)	(647)
Advancing Australia – FarmBis – saving <sup>a</sup>	(900)	(900)	(757)	(690)
Savings for Labor's Better Priorities: Australia–China Free Trade Agreement – continuation of negotiations	(200)	(414)	-	-
Revision to measure – Australia–Japan Free Trade Agreement – commencement of negotiations	-	(207)	-	-
Election Commitment Savings: 2 per cent Efficiency Dividend	(1,676)	(6,699)	(5,258)	(5,021)
<b>Decrease in departmental appropriations</b>	<b>(2,776)</b>	<b>(8,220)</b>	<b>(6,015)</b>	<b>(5,711)</b>

a Savings taken from departmental due to movement of funds granted in the 2007–08 Mid-Year Economic and Fiscal Outlook (MYEFO) and in the 2007 Pre-Election and Fiscal Outlook (PEFO).



**Table 1.3: Additional estimates and variations to outcomes – other variations**

	2007–08 (\$'000)	2008–09 (\$'000)	2009–10 (\$'000)	2010–11 (\$'000)
<b>Outcome 1</b>				
<b>Variations (administered)</b>				
AAA – FarmBis	(900)	(900)	(757)	(690)
Sugar Industry Reform Package 2004 – Regional and Community Projects	(1,000)	-	-	-
Torres Strait Prawn Fisheries – Contingency Reserve	13,096	-	-	-
Other variations	-	-	(2,538)	(2,536)
Re-forecast of Special Appropriation estimates	(14,524)	(14,329)	(27,114)	(24,828)
Movement of funds	4,615	23,785	-	-
Price adjustment of estimates	-	495	646	812
<b>Total</b>	<b>1,287</b>	<b>9,051</b>	<b>(29,763)</b>	<b>(27,242)</b>
<b>Variations (departmental)</b>				
Price adjustment of estimates	-	934	963	1,145
AAA – FarmBis	900	900	757	690
Sugar Industry Reform Package 2004 – Regional and Community Projects	1,000	-	-	-
Christmas Island Transfer from DoTARS to AQIS	112	114	117	119
<b>Total</b>	<b>2,012</b>	<b>1,948</b>	<b>1,837</b>	<b>1,954</b>

**MEASURES — AGENCY SUMMARY**

**Table 1.4: Summary of measures since the 2007–08 Budget**

Measure	Outcome	Output groups affected	2007–08 (\$'000)			2008–09 (\$'000)			2009–10 (\$'000)			2010–11 (\$'000)		
			Admin items		Total	Admin items		Total	Admin items		Total	Admin items		Total
			Dept outputs		Dept outputs		Dept outputs		Dept outputs		Dept outputs		Dept outputs	
<b>Expense measures</b>														
Australia's Forestry Industry – preparing for the future		3	300	-	300	5,900	-	5,900	6,900	-	6,900	6,900	-	6,900
Integrated Forest Products timber mill support		3	4,000	-	4,000	-	-	-	-	-	-	-	-	-
Tasmanian Community Forest Agreement – additional funding		3	12,300	-	12,300	4,500	-	4,500	-	-	-	-	-	-
Regional Food Productivity and Innovation Program		4	1,200	-	1,200	6,000	-	6,000	7,000	-	7,000	8,000	-	8,000
Quarantine Research and Preparedness Program		5	500	-	500	1,800	-	1,800	1,900	-	1,900	1,200	-	1,200
AQIS – compliance and investigations enhancements		6	-	2,787	2,787	-	3,525	3,525	-	3,599	3,599	-	3,671	3,671
AQIS – additional funding for the international mail program		6	-	3,571	3,571	-	3,609	3,609	-	-	-	-	-	-
ABARE – Enhanced Economic Modelling for Climate Change <sup>a</sup>		8	-	774	774	-	762	762	-	-	-	-	-	-
Wheat Export Authority – additional funding		-	2,000	-	2,000	-	-	-	-	-	-	-	-	-
Defeating the Weed Menace – saving		1	(300)	-	(300)	-	-	-	-	-	-	-	-	-

Continued on next page.

**Table 1.4: Summary of measures since the 2007–08 Budget (continued)**

Measure	Outcome	Output groups affected	2007–08 (\$'000)			2008–09 (\$'000)			2009–10 (\$'000)			2010–11 (\$'000)		
			Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total
Advancing Australia – FarmBis – saving		2	(3,198)	(900)	(4,098)	(7,134)	(900)	(8,034)	(7,204)	(757)	(7,961)	(7,378)	(690)	(8,068)
Advancing Australia – Farm Help – saving		2	(22,165)	-	(22,165)	(19,485)	-	(19,485)	(19,541)	-	(19,541)	(17,984)	-	(17,984)
Advancing Australia – Advancing Agricultural Industries – saving		2	(400)	-	(400)	(6,400)	-	(6,400)	(8,600)	-	(8,600)	(8,800)	-	(8,800)
Onshore Assistance of Fisheries Adjustment Package – saving		3	(5,500)	-	(5,500)	-	-	-	-	-	-	-	-	-
National Food Industry Strategy – Food Innovation Grants – saving		3	(11,692)	-	(11,692)	(12,410)	-	(12,410)	(12,659)	-	(12,659)	(12,925)	-	(12,925)
New Industries Development Program – saving		3	(200)	-	(200)	(2,400)	-	(2,400)	(2,680)	-	(2,680)	(1,290)	-	(1,290)
Revision to measure – Australia–Japan Free Trade Agreement – commencement of negotiations <sup>b</sup>		4	-	-	-	-	(207)	(207)	-	-	-	-	-	-
Savings for Labor's Better Priorities: Australia–China Free Trade Agreement – continuation of negotiations <sup>b</sup>		4	-	(200)	(200)	-	(414)	(414)	-	-	-	-	-	-

Continued on next page.

**Table 1.4: Summary of measures since the 2007–08 Budget (continued)**

Measure	Outcome	Output groups affected	2007–08 (\$'000)			2008–09 (\$'000)			2009–10 (\$'000)			2010–11 (\$'000)		
			Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total
Fishing Structural Adjustment Package – Onshore Assistance – saving		3	(750)	-	(750)	-	-	-	-	-	-	-	-	-
Election Commitment Savings: 2 per cent Efficiency Dividend		All	-	(1,676)	(1,676)	-	(6,699)	(6,699)	-	(5,258)	(5,258)	-	(5,021)	(5,021)
Efficiency Dividend – Increase from 1 per cent to 1.25 per cent		All	-	-	-	-	(860)	(860)	-	(677)	(677)	-	(647)	(647)
<b>Total expense measures</b>			(23,905)	4,356	(19,549)	(29,629)	(1,184)	(30,813)	(34,884)	(3,093)	(37,977)	(32,277)	(2,687)	(34,964)
<b>Summary of measures</b>			(23,905)	4,356		(29,629)	(1,184)		(34,884)	(3,093)		(32,277)	(2,687)	
Appropriation Bill (No. 3)			-	-	-	-	-	-	-	-	-	-	-	-
Appropriation Bill (No. 4)			-	-	-	-	-	-	-	-	-	-	-	-
Special Appropriations			-	-	-	-	-	-	-	-	-	-	-	-
<b>Administered appropriations</b>			(23,905)		(29,629)			(34,884)			(3,093)		(2,687)	
<b>Departmental appropriations</b>				4,356			(1,184)							
<b>Total of all measures</b>					(19,549)			(30,813)			(37,977)			(34,964)

Note: The government is not proceeding with the measure announced by the previous government in the 2007–08 Mid-Year Economic and Fiscal Outlook (MYEFO)—Flemington Racecourse – funding for alternative water strategy.

Funding for the measure announced by the previous government in the 2007–08 MYEFO, Asia–Pacific Forestry Skills and Capacity Building, will be provided from the existing measure, Climate Change – Global Initiative on Forests and Climates.

a Cross-portfolio measure. Lead agency is the Department of Climate Change.

b Cross-portfolio measure. Lead agency is the Department of Foreign Affairs and Trade.

**BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL**

**Table 1.5: Appropriation Bill (No. 3) 2007–08**

	2006–07 available <sup>a</sup> (\$'000)	2007–08 Budget (\$'000)	2007–08 revised (\$'000)	Additional estimates (\$'000)	Reduced estimates (\$'000)
<b>ADMINISTERED ITEMS</b>					
<b>Outcome 1</b>					
More sustainable, competitive and profitable Australian agricultural, food, fisheries and forestry industries.	617,000	392,012	-	38,011	(46,105)
<b>Total</b>	<b>617,000</b>	<b>392,012</b>	<b>-</b>	<b>38,011</b>	<b>(46,105)</b>
<b>DEPARTMENTAL OUTPUTS</b>					
<b>Outcome 1</b>					
More sustainable, competitive and profitable Australian agricultural, food, fisheries and forestry industries.	489,382	332,437	338,805	9,144	(2,776)
<b>Total</b>	<b>489,382</b>	<b>332,437</b>	<b>338,805</b>	<b>9,144</b>	<b>(2,776)</b>
<b>Total administered and departmental</b>	<b>1,106,382</b>	<b>724,449</b>	<b>338,805</b>	<b>47,155</b>	<b>(48,881)</b>

Note: No appropriation is provided in Appropriation Bill No. 3 for the agency where the total funding change across outcomes for departmental outputs is negative.

- a 2006–07 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year. Available appropriation is the amount available to be drawn down, and is equal to: Budget Appropriation + Additional Estimates Appropriation + DIAB + AFM – Savings – Rephasings – Other Reductions +/- Section 32.

**Table 1.6: Appropriation Bill (No. 4) 2007–08**

	2006–07 available <sup>a</sup> (\$'000)	2007–08 Budget (\$'000)	2007–08 revised (\$'000)	Additional estimates (\$'000)	Reduced estimates (\$'000)
<b>PAYMENTS TO STATES, ACT, NT AND LOCAL GOVERNMENT</b>					
<b>Outcome 1</b>					
More sustainable, competitive and profitable Australian agricultural, food, fisheries and forestry industries.	636,597	489,495	489,495	-	-
<b>Total</b>	636,597	489,495	489,495	-	-
<b>Non-operating</b>					
Equity injections	13,000	-	-	-	-
Loans					
Previous years' outputs	2,390	662	662	-	-
Administered assets and liabilities					
<b>Total non-operating</b>	15,390	662	662	-	-
<b>Total</b>	651,987	490,157	490,157	-	-

a 2006–07 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year. Available appropriation is the amount available to be drawn down, and is equal to: Budget Appropriation + Additional Estimates Appropriation + DIAB + AFM – Savings – Rephasings – Other Reductions +/- Section 32.

## SUMMARY OF STAFFING CHANGES

**Table 1.7: Average staffing level**

	2007–08 Budget	2007–08 Revised	Variation
<b>Outcome 1</b>			
More sustainable, competitive and profitable Australian agricultural, food, fisheries and forestry industries.	4,362	4,345	(17)
<b>Total</b>	4,362	4,345	(17)

**OTHER RECEIPTS AVAILABLE TO BE USED**

Table 1.8 provides details of other receipts available to be used and includes *Financial Management and Accountability Act 1997* section 31 receipts, *Commonwealth Authorities and Companies Act 1997* body receipts that are available to be spent, special accounts (non-appropriation receipts) and resources received free of charge.

**Table 1.8: Other receipts available to be used**

	Budget estimate 2007–08 (\$'000)	Revised estimate 2007–08 (\$'000)	Variation 2007–08 (\$'000)
<b>Departmental other receipts</b>			
Sales of goods and services	263,779	259,867	(3,912)
Interest	720	720	-
Other	13,667	9,930	(3,737)
<b>Total departmental other receipts available to be used</b>	<b>278,166</b>	<b>270,517</b>	<b>(7,649)</b>
<b>Administered other receipts</b>			
<b>Levies, fees and charges</b>			
AFMA Fishing Management Levy	10,796	9,161	(1,635)
Agricultural and Veterinary Chemical Levy, Fees and Charges	22,851	1,454	(21,397)
All Milk Levy	33,346	28,400	(4,946)
Beef Production Levy	8,933	8,933	-
Buffalo Slaughter Export Charge	44	44	-
Buffalo Slaughter Levy	6	3	(3)
Cattle and Livestock Exporters Charge	2,700	2,970	270
Cattle Producers Export Charge	217	239	22
Cattle Transaction Levy	68,400	68,400	-
Coarse Grains Levy	14,170	14,170	-
Cotton Research Levy	2,250	1,725	(525)
Dairy Industry Restructure Package Levy	232,756	232,756	-
Deer Export Charge	7	7	-
Deer Slaughter Levy	110	110	-
Deer Velvet Export Charge	25	25	-
Deer Velvet Levy	5	5	-
Egg Promotion Levy	3,252	3,252	-
Farmed Prawns Export Charge	7	7	-
Farmed Prawns Levy	123	123	-
Fishing Levy – Commonwealth	1,400	1,400	-
Fishing Levy – Domestic	235	235	-
Forest Growers Levy	567	567	-
Forestry Import Charge	697	697	-
Forestry Levy	3,075	3,075	-
Goat Fibre Levy	46	46	-
Grain Legumes Levy	4,916	4,916	-
Grape Research Levy	2,333	2,795	462
Honey Export Charge	145	145	-
Honey Levy	305	305	-

Continued on next page.

**Table 1.8: Other receipts available to be used (continued)**

	Budget estimate 2007–08 (\$'000)	Revised estimate 2007–08 (\$'000)	Variation 2007–08 (\$'000)
Horticultural Export Charge	2,406	2,406	-
Horticultural Levy	27,500	27,500	-
Laying Chicken Levy	800	903	103
Live Animal Export Charge	508	325	(183)
Live Bee Levy	14	14	-
Livestock Export Charge – Disease Eradication	1	3	2
Livestock Slaughter Levy – Eradication of Disease	3,171	3,171	-
Livestock Transactions Levy	31,000	31,000	-
Macropod Levy	130	130	-
Meat Chicken Levy	1,403	1,403	-
NRS Game Pigs Levy	30	30	-
NRS Horse Levy	75	75	-
NRS Ratite Slaughter Levy	20	20	-
Oilseeds Levy	3,694	3,195	(499)
Pasture Seeds Levy	220	220	-
Pig Slaughter Levy	13,423	13,423	-
Rice Levy	1,200	501	(699)
Sugar Cane Research Levy	5,100	5,100	-
Sugar Levy	-	-	-
Wheat Export Charge	3,420	726	(2,694)
Wheat Levy	39,800	39,800	-
Wine Export Charge	2,750	3,025	275
Wine Grapes Levy	11,230	9,465	(1,765)
Wool Levy and Export Charge	39,700	40,400	700
	<b>601,312</b>	<b>568,800</b>	<b>(32,512)</b>
<b>Interest on state and territory debt</b>			
Adelaide Northern Town Water	887	887	-
	<b>887</b>	<b>887</b>	<b>-</b>
<b>Other non-taxation revenue</b>			
War Service Land Settlement – Rent	343	334	(9)
<i>Australian Animal Health Council (Live-stock Industries) Funding Act 1996</i>	168	168	-
	<b>511</b>	<b>502</b>	<b>(9)</b>
<b>Total administered other resources</b>	<b>880,876</b>	<b>840,706</b>	<b>(40,170)</b>



**ESTIMATES OF EXPENSES FROM SPECIAL APPROPRIATIONS****Table 1.9: Estimates of expenses from special appropriations**

	Budget estimate 2007–08 (\$'000)	Revised estimate 2007–08 (\$'000)	Variation 2007–08 (\$'000)
<b>Estimated expenses</b>			
<b>Output 2: Rural policy and innovation</b>			
<i>Australian Meat and Live-stock Industry Act 1997, s. 63(2) – payments to the industry marketing body</i>	73,104	68,646	(4,458)
<i>Australian Meat and Live-stock Industry Act 1997, s. 64(2) – payments to the industry research body</i>	22,428	19,755	(2,673)
<i>Australian Meat and Live-stock Industry Act 1997, s. 64A(2) – payments to livestock export marketing body</i>	2,430	2,376	(54)
<i>Australian Meat and Live-stock Industry Act 1997, s. 64B(2) – payments to the livestock export research body</i>	580	594	14
<i>Australian Meat and Live-stock Industry Act 1997, s. 64C(2) – payments to the marketing body (LRS)</i>	-	4,842	4,842
<i>Australian Meat and Live-stock Industry Act 1997, s. 64D(2) – payments to the research body (LRS)</i>	-	7,262	7,262
<i>Australian Meat and Live-stock Industry Act 1997, s. 66(1) – Commonwealth contribution to industry research body</i>	40,370	45,000	4,630
<i>Australian Meat and Livestock Corporation (Repeals And Consequential Provisions) Act 1997, s. 12(2)</i>	-	381	381
<i>Australian Wine and Brandy Corporation Act 1980, s. 32</i>	5,209	5,400	191
<i>Dairy Produce Act 1986, s. 6(1)</i>	48,428	43,975	(4,453)
<i>Egg Industry Service Provision Act 2002, s. 8(1)</i>	4,221	4,791	570
<i>Farm Household Support Act 1992, s. 57(3) – Exceptional Circumstances Relief Payments</i>	308,061	471,868	163,807
<i>Financial Management and Accountability Act 1997, s. 28(2) – payments to refunds not elsewhere appropriated</i>	2,725	2,725	-
<i>Fisheries Administration Act 1991, s. 80(2)</i>	10,986	9,396	(1,590)
<i>Forestry Marketing and Research &amp; Development Services Act 2007, s. 9(1) – payments and matching payments to industry services body and Commonwealth administration expenses (LRS)</i>	-	8,678	8,678
<i>Horticulture Marketing and Research and Development Services Act 2000, s. 16(9)</i>	63,600	65,725	2,125
<i>Pig Industry Act 2001, s. 10(1)</i>	17,421	16,481	(940)
<i>Plant Health Australia (Plant Industries) Funding Act 2002, s. 6</i>	982	982	-
<i>Primary Industries and Energy Research and Development Act 1989, s. 30(3) – Cotton R&amp;D Corporation</i>	5,359	4,677	(682)

Continued on next page.

**Table 1.9: Estimates of expenses from special appropriations (continued)**

	Budget estimate 2007–08 (\$'000)	Revised estimate 2007–08 (\$'000)	Variation 2007–08 (\$'000)
<i>Primary Industries and Energy Research and Development Act 1989, s. 30(3) – Forest and Wood Products R&amp;D Corporation</i>	7,055	792	(6,263)
<i>Primary Industries and Energy Research and Development Act 1989, s. 30(3) – Grains R&amp;D Corporation – Other Grains</i>	38,329	36,937	(1,392)
<i>Primary Industries and Energy Research and Development Act 1989, s. 30(3) – Grains R&amp;D Corporation – Wheat</i>	62,280	61,212	(1,068)
<i>Primary Industries and Energy Research and Development Act 1989, s. 30(3) – Grape and Wine R&amp;D Corporation</i>	27,219	23,743	(3,476)
<i>Primary Industries and Energy Research and Development Act 1989, s. 30(3) – Rural Industries R&amp;D Corporation</i>	3,320	3,825	505
<i>Primary Industries and Energy Research and Development Act 1989, s. 30(3) – Sugar R&amp;D Corporation</i>	10,069	9,813	(256)
<i>Primary Industries and Energy Research and Development Act 1989, s. 30A(3) – Fisheries R&amp;D Corporation</i>	16,415	16,415	-
<i>Wheat Marketing Act 1989, s. 10A(2)</i>	2,860	715	(2,145)
<i>Wool Services Privatisation Act 2000, s. 31(4)</i>	51,500	52,500	1,000
	<b>824,951</b>	<b>989,506</b>	<b>164,555</b>
<b>Output 3: Industry development</b>			
<i>Dairy Produce Act 1986, Schedule 2, 83(2) – Dairy Industry Restructure Package</i>	228,756	232,756	4,000
	<b>228,756</b>	<b>232,756</b>	<b>4,000</b>
<b>Output 5: Product integrity, animal (including aquatic animal) and plant health</b>			
<i>Agriculture and Veterinary Chemicals Administration Act 1992, s. 58(3)</i>	22,851	1,454	(21,397)
<i>Australian Animal Health Council (Live-stock Industries) Funding Act 1996, s. 5</i>	6,325	5,707	(618)
<i>National Cattle Disease Eradication Trust Account Act 1991, Schedule 5, 21(6)</i>	6	6	-
<i>National Residue Survey Administration Act 1992, s. 6</i>	6,083	8,826	2,743
	<b>35,265</b>	<b>15,993</b>	<b>(19,272)</b>
<b>Total estimated expenses</b>	<b>1,088,972</b>	<b>1,238,255</b>	<b>149,283</b>

## ESTIMATES OF SPECIAL ACCOUNT FLOWS

**Table 1.10: Estimates of special account flows**

	Outcome No.	Opening balance	Receipts	Payments	Adjustments	Closing balance
		<b>2007–08<sup>a</sup></b>	<b>2007–08</b>	<b>2007–08</b>	<b>2007–08</b>	<b>2007–08</b>
		<i>2006–07</i>	<i>2006–07</i>	<i>2006–07</i>	<i>2006–07</i>	<i>2006–07</i>
		(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Australian Quarantine Inspection Service Account – s. 20, FMA Act 1997 (D)		<b>50,996</b> 44,233	<b>353,374</b> 342,828	<b>360,489</b> 291,832	- -	<b>43,881</b> 50,996
National Residue Survey Account – s. 6, <i>National Residue Survey Administration Act 1992</i> (D)		<b>14,124</b> 12,373	<b>8,961</b> 23,546	<b>7,829</b> 9,422	- -	<b>15,256</b> 14,124
Services for Other Government and Non-Agency Bodies Account – s. 20, FMA Act (D)		<b>118</b> 400	<b>903</b> 1,536	<b>944</b> 1,418	- -	<b>77</b> 118
National Action Plan for Salinity and Water Quality (National Activities) Special Account – s. 20, FMA Act (A)		<b>2,484</b> 1,617	<b>2,044</b> 3,854	<b>4,209</b> 1,370	- -	<b>319</b> 2,484
Natural Resources Management Account – s. 11, <i>Natural Resources Management (Financial Assistance) Act 1992</i> (A)		<b>6,706</b> 5,368	<b>9,022</b> 17,893	<b>13,710</b> 11,187	- -	<b>2,018</b> 6,706
National Cattle Disease Eradication Account – s. 4, <i>National Cattle Disease Eradication Account Act 1991</i> (A)		<b>14</b> 13,182	<b>1</b> 14,883	- 14,869	- -	<b>15</b> 14
Other Trust Monies Account – FMA Act 1997 (D)		<b>11</b> -	- 218	- 207	- -	<b>11</b> 11
<b>Total special accounts</b>						
<b>2007–08 Budget estimate</b>		<b>74,453</b>	<b>374,305</b>	<b>387,181</b>	-	<b>61,577</b>
Total special accounts 2006–07 estimate actual		77,173	404,758	330,305	-	74,453

D = departmental; A = administered; FMA Act = *Financial Management and Accountability Act 1997*

a The revised opening balance for 2007–08 is the same as the final closing balance for 2006–07. This balance may have changed from that shown in the 2007–08 Portfolio Budget Statements, as the actual for 2006–07 may have been updated to reflect the final budget outcome for that year.

## ESTIMATES OF EXPENSES FROM ANNUAL APPROPRIATIONS

**Table 1.11: Estimates of administered expenses from Appropriation Bills (Nos. 1 and 3)**

	Budget estimate 2007–08 (\$'000)	Revised estimate 2007–08 (\$'000)	Variation 2007–08 (\$'000)
<b>Output 1: Natural resources access and management</b>			
Defeating the Weed Menace	7,495	7,195	(300)
National Action Plan for Salinity and Water Quality	6,035	6,035	-
National Landcare Programme – (for payment to NRM special account)	9,022	9,022	-
	<b>22,552</b>	<b>22,252</b>	<b>(300)</b>
<b>Output 2: Rural policy and innovation</b>			
AAA – FarmBis	5,300	1,202	(4,098)
AAA – Farm Help	26,956	4,791	(22,165)
AAA – Advancing Agricultural Industries Programme	8,650	8,250	(400)
AAA – Rural Financial Counselling Service	13,778	14,152	374
Drought Assistance – Murray Darling Basin Grants to Irrigators	-	199,100	199,100
Drought Assistance – Professional Advice	12,200	24,469	12,269
Drought Assistance – Re-establishment Assistance	-	13,500	13,500
Drought Assistance – Technical Information Workshop	-	5,000	5,000
Drought Assistance – Communication Strategy	-	3,000	3,000
Equine Influenza	-	252,899	252,899
FedLink Supplementation for RIRDC	83	83	-
Interim Income Support Payments	12,782	16,083	3,301
Land and Water Resources R&D Corporation	13,019	13,019	-
Rural Industries R&D Corporation	13,332	13,332	-
	<b>106,100</b>	<b>568,880</b>	<b>462,780</b>
<b>Output 3: Industry development</b>			
Assistance to the Vegetable Industry	1,640	1,640	-
Australian HomeGrown Campaign	890	890	-
Australia's Forestry Industry – preparing for the future	-	300	300
Australian Seafood Industry Council	200	200	-
Fisheries Resources Research	3,121	3,121	-
Fishing Structural Adjustment Package	53,298	38,284	(15,014)
Food Processing in Regional Australia	2,654	2,654	-
For expenditure under the <i>Fisheries Administration Act 1991</i>	41,386	41,386	-
Horticulture Code of Conduct	528	528	-
Integrated Forest Products Grant	-	4,000	4,000
International Organisations Contributions	1,647	1,647	-
National Food Industry Strategy – Food Innovation Grants	12,093	1,041	(11,052)

Continued on next page.

**Table 1.11: Estimates of administered expenses from Appropriation Bills (Nos. 1 and 3) (continued)**

	Budget estimate 2007–08 (\$'000)	Revised estimate 2007–08 (\$'000)	Variation 2007–08 (\$'000)
<b>Output 3: Industry development (continued)</b>			
New Industries Development Programme	2,530	2,330	(200)
RecFish Australia	100	100	-
Recreational Fishing Community Grants	8,300	6,800	(1,500)
Regional Food Productivity and Innovation Program	-	1,200	1,200
Sugar Industry Reform Programme 2004	51,403	54,008	2,605
Tasmanian Community Forest Agreement	45,584	45,667	83
Tobacco Grower Adjustment Assistance 2006	6,590	15,393	8,803
Torres Strait Prawn Fisheries	700	16,140	15,440
Wheat Export Authority Supplementation	-	2,000	2,000
	<b>232,664</b>	<b>239,329</b>	<b>6,665</b>
<b>Output 4: International food and agriculture service</b>			
AAA – International Agricultural Cooperation	742	742	-
International Agricultural Cooperation – Live Animal Trade Programme	1,290	1,750	460
United Nations Food and Agriculture Organisation (FAO)	8,500	8,500	-
	<b>10,532</b>	<b>10,992</b>	<b>460</b>
<b>Output 5: Product integrity, animal (including aquatic animal) and plant health</b>			
Agricultural and Veterinary Chemicals Minor Use Programme	133	133	-
Australian Animal Welfare Strategy	1,232	1,307	75
Commonwealth contribution to the operating costs of Animal Health Australia	1,120	1,120	-
FedLink Supplementation for APVMA	94	94	-
International Organisations Contributions	226	226	-
National Livestock Identification System	5,000	5,000	-
Other Exotic Disease Preparedness Programme	560	560	-
Payment to CSIRO – Contribution to the operating costs of the AAHL	7,145	7,145	-
Securing the Future: Protecting our Industries from Biological, Chemical and Physical Risks	2,970	2,970	-
Quarantine Research and Preparedness Plan	-	500	500
	<b>18,480</b>	<b>19,055</b>	<b>575</b>
<b>Output 7: Scientific advice</b>			
Centre of Excellence for Biosecurity Risk Analysis and Research	1,684	1,684	-
	<b>1,684</b>	<b>1,684</b>	<b>-</b>
Total estimated expenses from Appropriation Bill No. 3	<b>392,012</b>	<b>862,192</b>	<b>470,180</b>

**Table 1.12: Estimates of administered expenses from Appropriation Bills (Nos. 2 and 4)**

	Budget estimate 2007–08 (\$'000)	Revised estimate 2007–08 (\$'000)	Variation 2007–08 (\$'000)
<b>Output 1: Natural resources access and management</b>			
National Action Plan for Salinity and Water Quality	91,745	91,745	-
National Landcare Program – Payments to States	26,822	26,822	-
	<b>118,567</b>	<b>118,567</b>	-
<b>Output 2: Rural policy and innovation</b>			
AAA – FarmBis	8,050	8,050	-
Exceptional Circumstances	335,502	783,429	447,927
Regional Assistance	259	259	-
	<b>343,811</b>	<b>791,738</b>	<b>447,927</b>
<b>Output 3: Industry development</b>			
Tasmanian Community Forest Agreement	19,000	19,000	-
	<b>19,000</b>	<b>19,000</b>	-
<b>Output 5: Product integrity, animal (including aquatic animal) and plant health</b>			
Citrus Canker Eradication Program	730	730	-
EADRA – Equine Influenza	-	97,200	97,200
Eradication of the Red Imported Fire Ant	7,000	7,000	-
Exotic Disease Preparedness Programme	303	303	-
Other Exotic Disease Preparedness Programme	84	84	-
	<b>8,117</b>	<b>105,317</b>	<b>97,200</b>
Total estimated expenses from Appropriation Bill No. 4	<b>489,495</b>	<b>1,034,622</b>	<b>545,127</b>

## **Section 2: Revisions to agency outcomes**

### **OUTCOMES, ADMINISTERED ITEMS AND OUTPUTS**

The outcome statement and output groups for the Department have not changed since the Budget.

**Figure 2: Revised price of outputs information**

<p><b>Australian Government Department of Agriculture, Fisheries and Forestry</b>                  Secretary: Dr Conall O’Connell                  Total price of outputs \$638.253 million                  Departmental outcomes appropriation \$367.436 million                  Total admin expenses \$3,135.069 million</p>			
<p><b>Portfolio Outcome</b>                  More sustainable, competitive and profitable Australian agricultural, food, fisheries and forestry industries.</p>			
<p><b>Departmental Outcome</b>                  Australian agricultural, fisheries, food and forestry industries that are based on the sustainable management of and access to natural resources, are more competitive, self-reliant and innovative, have increased access to markets, are protected from diseases and are underpinned by scientific advice and economic research.</p>			
<p><b>Departmental Outputs</b></p>			
<p><b>1. Natural resources access and management</b></p> <p>Total price: \$39.987 m                  Appropriation: \$23.580 m                  Admin expenses: \$140.819 m</p>	<p><b>2. Rural policy and innovation</b></p> <p>Total price: \$82.206 m                  Appropriation: \$74.524 m                  Admin expenses: \$2,350.124 m</p>	<p><b>3. Industry development</b></p> <p>Total price: \$39.029 m                  Appropriation: \$29.710 m                  Admin expenses: \$491.085 m</p>	<p><b>4. International Food and Agriculture Service</b></p> <p>Total price: \$35.941 m                  Appropriation: \$33.814 m                  Admin expenses: \$10.992 m</p>
<p><b>5. Product integrity, animal (including aquatic animal) and plant health</b></p> <p>Total price: \$36.675 m                  Appropriation: \$22.852 m                  Admin expenses: \$140.365 m</p>	<p><b>6. Quarantine and export services</b></p> <p>Total price: \$378.820 m                  Appropriation: \$180.053 m                  Admin expenses: Nil</p>	<p><b>7. Scientific advice</b></p> <p>Total price: \$12.288 m                  Appropriation: \$0.596 m                  Admin expenses: \$1.684 m</p>	<p><b>8. Economic research</b></p> <p>Total price: \$13.307 m                  Appropriation: \$2.307 m                  Admin expenses: Nil</p>



### **Section 3: Budgeted financial statements**

#### **ANALYSIS OF BUDGETED FINANCIAL STATEMENTS**

The financial statements incorporate the combined impacts of the Additional Estimates Bills and Drought and Equine Influenza Assistance Bills to provide a single overall picture.

#### **Departmental statements**

Departmental funding is being reduced through the Additional Estimates Bills by \$2.7 million, but this is offset by an increase of \$28.6 million through the Drought and Equine Influenza Assistance Bills. This is predominantly to meet the increase in operating expenses associated with delivering the drought and equine influenza measures.

This increase in appropriation revenue is offset by matching increases in expenses and, as these offset each other, there is no change to the Department's operating result from that published in the 2007-08 Portfolio Budget Statements.

There are also matching increases in cash flows in the cash flow statement across the relevant revenue and expense lines.

There is no impact on the balance sheet, as the operating result remains unchanged.

#### **Administered statements**

Administered funding is being reduced by \$46.1 million through the Additional Estimates Bills but is being increased by \$1,052 million through the Drought and Equine Influenza Assistance Bills. This increase is reflected in the increase in expenses in the schedule of budgeted income and expenses administered on behalf of government. There is no impact on the other administered statements other than the cash flow statement, which reflects the increased payments to suppliers and payment of personal benefits and grants.

## BUDGETED FINANCIAL STATEMENTS

### Departmental financial statements

**Table 3.1: Budgeted departmental income statement (for the period ended 30 June)**

	Actual 2006–07 \$'000	Revised budget 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from government	350,627	367,436	335,851	264,611	252,962
Goods and services	262,460	259,867	263,457	276,911	281,326
Interest	923	720	720	720	720
Other	5,227	9,930	10,930	10,930	10,930
<b>Total revenue</b>	<b>619,237</b>	<b>637,953</b>	<b>610,958</b>	<b>553,172</b>	<b>545,938</b>
<b>Gains</b>					
Net gains from sale of assets	73	-	-	-	-
Other	742	300	300	300	300
<b>Total gains</b>	<b>815</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>
<b>Total income</b>	<b>620,052</b>	<b>638,253</b>	<b>611,258</b>	<b>553,472</b>	<b>546,238</b>
<b>EXPENSE</b>					
Employees	357,766	372,928	374,314	360,862	356,775
Suppliers	247,317	248,272	216,510	171,794	168,868
Grants	11,775	9,006	8,999	9,000	9,000
Depreciation and amortisation	9,936	10,854	10,852	10,852	10,847
Finance costs	471	-	-	-	-
Write-down of assets and impairment of assets	493	-	-	-	-
Other	6,549	15,206	211	216	-
<b>Total expenses</b>	<b>634,307</b>	<b>656,266</b>	<b>610,886</b>	<b>552,724</b>	<b>545,490</b>
<b>Operating result from continuing operations</b>	<b>(14,255)</b>	<b>(18,013)</b>	<b>372</b>	<b>748</b>	<b>748</b>
<b>Net surplus or (deficit) attributable to the Australian Government</b>	<b>(14,255)</b>	<b>(18,013)</b>	<b>372</b>	<b>748</b>	<b>748</b>

**Table 3.2: Budgeted departmental balance sheet (as at 30 June)**

	Actual 2006–07 \$'000	Revised budget 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	15,545	1,212	1,217	1,222	1,955
Receivables	157,122	110,394	102,007	104,755	99,307
Investments (s. 39 FMA Act; s. 18 CAC Act; s. 19 CAC Act)	11,900	12,494	12,494	12,494	12,494
Accrued revenues	10,109	10,667	10,667	10,667	10,667
<b>Total financial assets</b>	<b>194,676</b>	<b>134,767</b>	<b>126,385</b>	<b>129,138</b>	<b>124,423</b>
<b>Non-financial assets</b>					
Land and buildings	20,889	52,140	50,140	48,140	46,140
Infrastructure, plant and equipment	4,225	4,220	4,215	4,210	4,225
Inventories	1,769	1,769	1,769	1,769	1,769
Intangibles	11,214	11,214	11,214	11,214	11,214
Other non-financial assets	5,326	5,326	5,326	5,326	5,326
<b>Total non-financial assets</b>	<b>43,423</b>	<b>74,669</b>	<b>72,664</b>	<b>70,659</b>	<b>68,674</b>
<b>Total assets</b>	<b>238,099</b>	<b>209,436</b>	<b>199,049</b>	<b>199,797</b>	<b>193,097</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	24,496	24,526	24,178	24,178	24,178
Other payables	49,250	48,851	48,851	48,851	48,851
<b>Total payables</b>	<b>73,746</b>	<b>73,377</b>	<b>73,029</b>	<b>73,029</b>	<b>73,029</b>
<b>Provisions</b>					
Employees	100,865	103,222	106,111	106,111	106,111
Other provisions	32,653	19,353	6,053	6,053	6,053
<b>Total provisions</b>	<b>133,518</b>	<b>122,575</b>	<b>112,164</b>	<b>112,164</b>	<b>112,164</b>
<b>Total liabilities</b>	<b>207,264</b>	<b>195,952</b>	<b>185,193</b>	<b>185,193</b>	<b>185,193</b>
<b>EQUITY<sup>a</sup></b>					
<b>Parent entity interest</b>					
Contributed equity	13,731	14,393	14,393	14,393	14,393
Reserves	7,944	7,944	7,944	7,944	7,944
Retained surpluses or accumulated deficits	9,160	(8,853)	(8,481)	(7,733)	(14,433)
<b>Total parent entity interest</b>	<b>30,835</b>	<b>13,484</b>	<b>13,856</b>	<b>14,604</b>	<b>7,904</b>
<b>Total equity</b>	<b>30,835</b>	<b>13,484</b>	<b>13,856</b>	<b>14,604</b>	<b>7,904</b>
<b>Current assets</b>	<b>193,915</b>	<b>136,342</b>	<b>128,380</b>	<b>130,995</b>	<b>126,553</b>
<b>Non-current assets</b>	<b>44,184</b>	<b>73,094</b>	<b>70,669</b>	<b>68,802</b>	<b>66,544</b>
<b>Current liabilities</b>	<b>181,802</b>	<b>176,082</b>	<b>170,857</b>	<b>170,857</b>	<b>170,857</b>
<b>Non-current liabilities</b>	<b>25,462</b>	<b>19,870</b>	<b>14,336</b>	<b>14,336</b>	<b>14,336</b>

CAC Act = Commonwealth Authorities and Companies Act 1997

FMA Act = Financial Management and Accountability Act 1997

a 'Equity' is the residual interest in assets after deduction of liabilities.

**Table 3.3: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	Actual 2006–07 \$'000	Revised budget 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	264,439	260,535	263,380	276,911	281,326
Appropriations	349,159	409,162	344,314	261,863	250,962
Interest	890	720	720	720	720
Grants	123	-	-	-	-
Net GST received	24,697	25,294	23,666	21,442	21,515
Other cash received	2,946	13,667	10,930	10,930	10,930
<b>Total cash received</b>	<b>642,254</b>	<b>709,378</b>	<b>643,010</b>	<b>571,866</b>	<b>565,453</b>
<b>Cash used</b>					
Employees	352,425	370,571	371,424	360,848	355,965
Suppliers	216,342	247,102	215,738	170,683	168,568
Grants	11,775	9,006	8,999	9,000	9,000
Cash transferred to the Official Public Account	19,971	-	-	-	-
Net GST paid	24,702	26,109	24,486	22,267	22,340
Other cash used	5,974	28,891	13,511	216	-
<b>Total cash used</b>	<b>631,189</b>	<b>681,679</b>	<b>634,158</b>	<b>563,014</b>	<b>555,873</b>
<b>Net cash from or (used by) operating activities</b>	<b>11,065</b>	<b>27,699</b>	<b>8,852</b>	<b>8,852</b>	<b>9,580</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	223	-	-	-	-
<b>Total cash received</b>	<b>223</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	5,903	42,100	8,847	8,847	8,847
Investments (s. 39 FMA Act; s. 18 CAC Act; s. 19 CAC Act)	-	594	-	-	-
<b>Total cash used</b>	<b>5,903</b>	<b>42,694</b>	<b>8,847</b>	<b>8,847</b>	<b>8,847</b>
<b>Net cash from or (used by) investing activities</b>	<b>(5,680)</b>	<b>(42,694)</b>	<b>(8,847)</b>	<b>(8,847)</b>	<b>(8,847)</b>

Continued on next page.

**Table 3.3: Budgeted departmental statement of cash flows (for the period ended 30 June) (continued)**

	Actual 2006–07 \$'000	Revised budget 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Other cash received	-	662	-	-	-
<b>Total cash received</b>	-	662	-	-	-
<b>Cash used</b>					
Other cash used	-	-	-	-	-
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from or (used by) financing activities</b>	-	662	-	-	-
<b>Net increase or (decrease) in cash held</b>	5,385	(14,333)	5	5	733
Cash at the beginning of the reporting period	10,160	15,545	1,212	1,217	1,222
<b>Cash at the end of the reporting period</b>	15,545	1,212	1,217	1,222	1,955

CAC Act = Commonwealth Authorities and Companies Act 1997  
 FMA Act = Financial Management and Accountability Act 1997

**Table 3.4: Departmental statement of changes in equity — summary of movement (Budget 2007–08)**

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2007</b>					
Balance carried forward from previous period	9,160	7,944	-	13,731	30,835
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>9,160</b>	<b>7,944</b>		<b>13,731</b>	<b>30,835</b>
<b>Income and expense</b>					
Income and expenses recognised directly in equity	-	-	-	-	-
<b>Sub-total income and expense recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net operating result	(18,013)	-	-	-	(18,013)
<b>Total income and expenses</b>	<b>(18,013)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(18,013)</b>
<b>Sub-total income and expense attributable to Australian Government</b>					
<b>attributable to minority interest</b>					
<b>Transactions with owners</b>					
Distributions to owners	-	-	-	-	-
Contribution by owners	-	-	-	662	662
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>662</b>	<b>662</b>
Transfers between equity components	-	-	-	-	-
<b>Closing balance less minority interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>662</b>	<b>662</b>
<b>Estimated closing balance as at 30 June 2008</b>	<b>(8,853)</b>	<b>7,944</b>	<b>-</b>	<b>14,393</b>	<b>13,484</b>

**Table 3.5: Departmental capital budget statement**

	Actual 2006–07 \$'000	Revised budget 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Appropriation of previous year accrued revenue	5,903	662			
<b>Total capital appropriations</b>	5,903	662	-	-	-
<b>Represented by:</b>					
Purchase of non-financial assets					
Other	5,903	662			
<b>Total represented by</b>	5,903	662	-	-	-
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation					
Funded internally by departmental resources		42,100	8,847	8,847	8,847
<b>Total</b>	-	42,100	8,847	8,847	8,847

**Table 3.6: Departmental property, plant, equipment and intangibles — summary of movement (Budget year 2007–08)**

	Land	Buildings	Other infrastructure plant and equipment	Computer software	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2007</b>					
Gross book value	1,870	22,747	4,225	34,536	63,378
Accumulated depreciation	6	3,722	-	23,322	27,050
<b>Opening net book value</b>	<b>1,864</b>	<b>19,025</b>	<b>4,225</b>	<b>11,214</b>	<b>36,328</b>
Additions:					
by purchase	-	36,451	2,149	3,500	42,100
Depreciation/amortisation expense	-	5,200	2,154	3,500	10,854
Disposals:					
other disposals					
<b>As at 30 June 2008</b>	-	-	-	-	-
Gross book value	1,870	59,198	6,374	38,036	105,478
Accumulated depreciation	6	8,922	2,154	26,822	37,904
<b>Estimated closing net book value</b>	<b>1,864</b>	<b>50,276</b>	<b>4,220</b>	<b>11,214</b>	<b>67,574</b>



**Schedule of administered activity**

**Table 3.7: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)**

	Actual 2006–07 \$'000	Revised budget 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Taxation</b>					
Other taxes, fees and fines	608,848	568,800	584,964	382,009	350,148
<b>Total taxation</b>	<b>608,848</b>	<b>568,800</b>	<b>584,964</b>	<b>382,009</b>	<b>350,148</b>
<b>Non-taxation</b>					
Goods and services	3	-	-	-	-
Interest	1,090	887	817	740	653
Other sources of non-taxation revenues	7,313	502	3,027	2,667	2,419
<b>Total non-taxation</b>	<b>8,406</b>	<b>1,389</b>	<b>3,844</b>	<b>3,407</b>	<b>3,072</b>
<b>Total revenues administered on behalf of government</b>	<b>617,254</b>	<b>570,189</b>	<b>588,808</b>	<b>385,416</b>	<b>353,220</b>
<b>Gains</b>					
Other gains	-	-	-	-	-
<b>Total gains administered on behalf of government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total income administered on behalf of government</b>	<b>617,254</b>	<b>570,189</b>	<b>588,808</b>	<b>385,416</b>	<b>353,220</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants	1,862,394	2,562,106	1,621,370	725,614	691,036
Personal benefits	329,872	530,504	238,483	-	-
Suppliers	24,574	42,459	17,575	13,732	13,453
Write-down and impairment of assets	893				
<b>Total expenses administered on behalf of government</b>	<b>2,217,733</b>	<b>3,135,069</b>	<b>1,877,428</b>	<b>739,346</b>	<b>704,489</b>

**Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)**

	Actual 2006–07 \$'000	Revised budget 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Receivables	129,080	128,019	128,761	129,425	129,425
Investments (s. 39 FMA Act)	167,540	161,218	161,218	161,218	161,218
Accrued revenues	38,181	37,761	37,761	37,761	37,761
<b>Total financial assets</b>	<b>334,801</b>	<b>326,998</b>	<b>327,740</b>	<b>328,404</b>	<b>328,404</b>
<b>Non-financial assets</b>					
Other	437	437	437	437	437
<b>Total non-financial assets</b>	<b>437</b>	<b>437</b>	<b>437</b>	<b>437</b>	<b>437</b>
<b>Total assets administered on behalf of government</b>	<b>335,238</b>	<b>327,435</b>	<b>328,177</b>	<b>328,841</b>	<b>328,841</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Interest bearing liabilities</b>					
Loans	17,453	17,453	17,453	17,453	17,453
<b>Total interest bearing liabilities</b>	<b>17,453</b>	<b>17,453</b>	<b>17,453</b>	<b>17,453</b>	<b>17,453</b>
<b>Payables</b>					
Suppliers	6,702	6,702	6,702	6,702	6,702
Grants and subsidies	69,081	66,789	66,789	66,789	66,789
Personal benefits payable	9,129	9,129	9,129	9,129	9,129
Other provisions	4	4	4	4	4
<b>Total payables</b>	<b>84,916</b>	<b>82,624</b>	<b>82,624</b>	<b>82,624</b>	<b>82,624</b>
<b>Liabilities included in disposal groups held for sale</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities administered on behalf of government</b>	<b>102,369</b>	<b>100,077</b>	<b>100,077</b>	<b>100,077</b>	<b>100,077</b>

FMA Act = Financial Management and Accountability Act 1997

**Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)**

	Actual 2006–07 \$'000	Revised budget 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Other taxes, fees and fines	615,850	568,800	584,964	382,009	350,148
Sales of goods	3	-	-	-	-
Interest	1,689	887	817	740	653
Net GST received	56,593	52,100	34,697	24,577	22,676
Other	7,313	502	3,027	2,667	2,419
<b>Total cash received</b>	<b>681,448</b>	<b>622,289</b>	<b>623,505</b>	<b>409,993</b>	<b>375,896</b>
<b>Cash used</b>					
Borrowing costs					
Employees					
Grant payments	1,850,569	2,562,106	1,621,370	725,614	691,036
Interest paid					
Subsidies paid					
Personal benefits	323,879	530,504	238,483	-	-
Suppliers	23,906	43,175	18,291	15,756	13,453
Net GST paid	62,881	52,100	34,697	24,577	22,676
Other					
<b>Total cash used</b>	<b>2,261,235</b>	<b>3,187,885</b>	<b>1,912,841</b>	<b>765,947</b>	<b>727,165</b>
<b>Net cash from operating activities</b>	<b>(1,579,787)</b>	<b>(2,565,596)</b>	<b>(1,289,336)</b>	<b>(355,954)</b>	<b>(351,269)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Repayments of advances	-	3,332	2,155	3,608	-
<b>Total cash received</b>	<b>-</b>	<b>3,332</b>	<b>2,155</b>	<b>3,608</b>	<b>-</b>

Continued on next page.

**Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June) (continued)**

	Actual 2006–07 \$'000	Revised budget 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
<b>Cash used</b>					
Advances and loans made	-	-	-	-	-
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from investing activities</b>	-	3,332	2,155	3,608	-
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Other	12,497	-	-	-	-
<b>Total cash received</b>	12,497	-	-	-	-
<b>Cash used</b>					
Other	-	-	-	-	-
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from financing activities</b>	12,497	-	-	-	-
<b>Net increase or (decrease) in cash held</b>	(1,567,290)	(2,536,169)	(1,287,181)	(352,346)	(351,269)
Cash at beginning of reporting period	-	-	2,119	4,300	6,548
Cash from Official Public Account for:					
Account for:					
– appropriations		3,132,453	1,875,989	737,762	704,489
– administered GST annotation	2,228,176	52,100	34,697	24,577	22,676
	2,228,176	3,184,553	1,912,805	766,639	733,713
Cash to Official Public Account for:					
– appropriations	660,886	646,265	621,324	407,745	375,896
– special accounts	-	-	-	-	-
	660,886	646,265	621,324	407,745	375,896
<b>Cash at end of reporting period</b>	-	2,119	4,300	6,548	6,548

**NOTES TO THE FINANCIAL STATEMENTS**

There are no notes to the financial statements.



# AUSTRALIAN PESTICIDES AND VETERINARY MEDICINES AUTHORITY

<b>Section 1: Agency overview and resources; variations and measures .....</b>	<b>45</b>
Overview .....	45
Summary of agency contributions to outcomes .....	45
Breakdown of additional estimates by appropriation bill .....	46
<b>Section 2: Revisions to agency outcomes .....</b>	<b>47</b>
Outcomes and outputs .....	47
<b>Section 3: Budgeted financial statements.....</b>	<b>48</b>
Analysis of budgeted financial statements.....	48
Budgeted financial statements .....	49





## AUSTRALIAN PESTICIDES AND VETERINARY MEDICINES AUTHORITY

### **Section 1: Agency overview and resources; variations and measures**

#### **OVERVIEW**

The Australian Pesticides and Veterinary Medicines Authority (APVMA) is receiving an additional \$0.63 million in appropriation funding through the Additional Estimates process to compensate it for loss of interest following its move to Financial Management and Accountability Act agency status from 1 July 2007.

This funding does not change the overall resourcing for the APVMA, which remains unchanged from that published in the 2007–08 Portfolio Budget Statements.

#### **SUMMARY OF AGENCY CONTRIBUTIONS TO OUTCOMES**

The products and services delivered by the APVMA (outputs, products and services) that contribute to achievement of its outcome are summarised in Table 1.1.

**Table 1.1: Contribution to outcomes**

Outcome	Output group
<b>Outcome</b>	
Given the need to use pesticides and veterinary medicines for pest and disease control, the work of the APVMA protects the health and safety of people, animals and the environment. In respect of food and fibre production, APVMA activities support Australian agricultural and livestock industries.	Efficient and effective systems of regulation of pesticides and veterinary medicines up to, and including, the point of retail sale.

**BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL**

**Table 1.2: Appropriation Bill (No. 3) 2007–08**

	2006–07 available <sup>a</sup> (\$'000)	2007–08 Budget (\$'000)	2007–08 revised (\$'000)	Additional estimates (\$'000)	Reduced estimates (\$'000)
<b>ADMINISTERED ITEMS</b>					
Given the need to use pesticides and veterinary medicines for pest and disease control, the work of the APVMA protects the health and safety of people, animals and the environment. In respect of food and fibre production, APVMA activities support Australian agricultural and livestock industries.	-	-	-	-	-
<b>DEPARTMENTAL OUTPUTS</b>					
<b>Outcome 1</b>					
Given the need to use pesticides and veterinary medicines for pest and disease control, the work of the APVMA protects the health and safety of people, animals and the environment. In respect of food and fibre production, APVMA activities support Australian agricultural and livestock industries.	-	-	630	630	-
<b>Total</b>	-	-	630	630	-
<b>Total administered and departmental</b>	-	-	630	630	-

a 2006–07 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year. Available appropriation is the amount available to be drawn down, and is equal to: Budget Appropriation + Additional Estimates Appropriation + DIAB + AFM – Savings – Rephasings – Other Reductions +/- Section 32.

## **Section 2: Revisions to agency outcomes**

### **OUTCOMES AND OUTPUTS**

There have been no changes to the APVMA's outcome, outputs or performance information since the 2007-08 Budget.

### **Section 3: Budgeted financial statements**

#### **ANALYSIS OF BUDGETED FINANCIAL STATEMENTS**

The APVMA is receiving appropriation funding from 2007–08 to compensate it for loss of interest following its move to Financial Management and Accountability Act agency status from 1 July 2007.

This is reflected in the income statement through the removal of interest from 2007–08 and a corresponding increase in revenue from government. There is no other impact on the income statement, as total revenue and expenses remain unchanged.

A similar impact is recorded in the cash flow statement. The other statements are unaffected by this change in funding source.

## BUDGETED FINANCIAL STATEMENTS

**Table 3.1: Budgeted departmental income statement (for the period ended 30 June)**

	Actual 2006–07 \$'000	Revised budget 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from government	24,521	23,650	24,018	24,467	25,273
Interest	588	-	-	-	-
Other	221	32	24	25	25
<b>Total income</b>	<b>25,330</b>	<b>23,682</b>	<b>24,042</b>	<b>24,492</b>	<b>25,298</b>
<b>EXPENSE</b>					
Employees	12,982	14,424	14,856	15,321	15,886
Suppliers	9,481	8,996	9,220	9,617	9,801
Depreciation and amortisation	553	535	544	551	511
Other	226	-	-	-	-
<b>Total expenses</b>	<b>23,242</b>	<b>23,955</b>	<b>24,620</b>	<b>25,489</b>	<b>26,198</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>2,088</b>	<b>(273)</b>	<b>(578)</b>	<b>(997)</b>	<b>(900)</b>

**Table 3.2: Budgeted departmental balance sheet (as at 30 June)**

	Actual 2006–07 \$'000	Revised budget 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	4,165	500	500	500	500
Receivables	11,050	14,499	14,503	14,064	13,928
Investments accounted for under the equity method	-	-	-	-	-
Investments (s. 39 FMA Act; s.18 CAC Act; s.19 CAC Act)	-	-	-	-	-
Other investments	-	-	-	-	-
Other financial assets	-	-	-	-	-
<b>Total financial assets</b>	<b>15,215</b>	<b>14,999</b>	<b>15,003</b>	<b>14,564</b>	<b>14,428</b>
<b>Non-financial assets</b>					
Land and buildings	-	-	-	-	-
Infrastructure, plant and equipment	2,612	2,491	2,371	2,253	2,011
Investment properties	-	-	-	-	-
Heritage and cultural assets	-	-	-	-	-
Inventories	-	-	-	-	-
Intangibles	510	516	512	499	526
Deferred tax asset	-	-	-	-	-
Biological assets	-	-	-	-	-
Assets held for sale	-	-	-	-	-
Other non-financial assets	212	200	200	200	200
<b>Total non-financial assets</b>	<b>3,334</b>	<b>3,207</b>	<b>3,083</b>	<b>2,952</b>	<b>2,737</b>
<b>Total assets</b>	<b>18,549</b>	<b>18,206</b>	<b>18,086</b>	<b>17,516</b>	<b>17,165</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	2,519	2,367	2,462	2,549	2,620
Other payables	3,924	3,139	3,177	3,177	3,315
<b>Total payables</b>	<b>6,443</b>	<b>5,506</b>	<b>5,639</b>	<b>5,726</b>	<b>5,935</b>
<b>Interest bearing liabilities</b>					
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Overdraft	-	-	-	-	-
Other interest bearing liabilities	-	-	-	-	-
<b>Total interest bearing liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>					
Employees	3,533	4,278	4,603	4,943	5,283
Other provisions	278	400	400	400	400
<b>Total provisions</b>	<b>3,811</b>	<b>4,678</b>	<b>5,003</b>	<b>5,343</b>	<b>5,683</b>
Liabilities included in disposal groups held for sale	-	-	-	-	-
<b>Total liabilities</b>	<b>10,254</b>	<b>10,184</b>	<b>10,642</b>	<b>11,069</b>	<b>11,618</b>

Continued on next page.

**Table 3.2: Budgeted departmental balance sheet (as at 30 June) (continued)**

	Actual 2006–07 \$'000	Revised budget 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
<b>EQUITY<sup>a</sup></b>					
<b>Parent entity interest</b>					
Contributed equity	-	-	-	-	-
Reserves	25	25	25	25	25
Statutory funds	-	-	-	-	-
Retained surpluses or accumulated deficits	8,270	7,997	7,419	6,422	5,522
<b>Total parent entity interest</b>	<b>8,295</b>	<b>8,022</b>	<b>7,444</b>	<b>6,447</b>	<b>5,547</b>
<b>Minority interest</b>					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Statutory funds	-	-	-	-	-
Retained surpluses or accumulated deficits	-	-	-	-	-
<b>Total minority interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>8,295</b>	<b>8,022</b>	<b>7,444</b>	<b>6,447</b>	<b>5,547</b>
<b>Current assets</b>	<b>15,066</b>	<b>14,864</b>	<b>14,896</b>	<b>14,484</b>	<b>14,376</b>
<b>Non-current assets</b>	<b>3,483</b>	<b>3,342</b>	<b>3,190</b>	<b>3,032</b>	<b>2,789</b>
<b>Current liabilities</b>	<b>8,852</b>	<b>7,241</b>	<b>7,591</b>	<b>7,901</b>	<b>8,333</b>
<b>Non-current liabilities</b>	<b>1,402</b>	<b>2,943</b>	<b>3,051</b>	<b>3,168</b>	<b>3,285</b>

CAC Act = Commonwealth Authorities and Companies Act 1997

FMA Act = Financial Management and Accountability Act 1997

a 'Equity' is the residual interest in assets after deduction of liabilities.

**Table 3.3: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	Actual 2006–07 \$'000	Revised budget 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services					
Appropriations	230	857	860	765	766
Interest	632	-	-	-	-
Dividends	-	-	-	-	-
Net GST received	1,177	1,200	1,200	1,200	1,200
Other cash received	23,677	19,785	22,084	23,034	23,798
<b>Total cash received</b>	<b>25,716</b>	<b>21,842</b>	<b>24,144</b>	<b>24,999</b>	<b>25,764</b>
<b>Cash used</b>					
Employees	13,412	13,452	13,985	14,535	15,084
Suppliers	10,093	8,505	8,854	9,131	9,327
Grants	-	-	-	-	-
Financing costs	-	-	-	-	-
Net GST paid	980	850	885	913	933
Other cash used	-	-	-	-	-
<b>Total cash used</b>	<b>24,485</b>	<b>22,807</b>	<b>23,724</b>	<b>24,579</b>	<b>25,344</b>
<b>Net cash from or (used by) operating activities</b>	<b>1,231</b>	<b>(965)</b>	<b>420</b>	<b>420</b>	<b>420</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Proceeds from sales of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Investments (s. 39 FMA Act; s. 18 CAC Act; s. 19 CAC Act)	21,528	-	-	-	-
Other cash received	-	-	-	-	-
<b>Total cash received</b>	<b>21,528</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	2,214	420	420	420	420
Purchase of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Loans made	-	-	-	-	-
Investments (s. 39 FMA Act; s. 18 CAC Act; s. 19 CAC Act)	15,500	-	-	-	-
Other cash used	-	-	-	-	-
<b>Total cash used</b>	<b>17,714</b>	<b>420</b>	<b>420</b>	<b>420</b>	<b>420</b>
<b>Net cash from or (used by) investing activities</b>	<b>3,814</b>	<b>(420)</b>	<b>(420)</b>	<b>(420)</b>	<b>(420)</b>

Continued on next page.



**Table 3.3: Budgeted departmental statement of cash flows (for the period ended 30 June) (continued)**

	Actual 2006–07 \$'000	Revised budget 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations – contributed equity	-	-	-	-	-
Proceeds from issuing financial instruments	-	-	-	-	-
Proceeds from loans	-	-	-	-	-
Other cash received	-	-	-	-	-
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Repayments of debt (including finance lease principal)	-	-	-	-	-
Dividends paid	-	-	-	-	-
Other cash used	9,283	2,280	-	-	-
<b>Total cash used</b>	9,283	2,280	-	-	-
<b>Net cash from or (used by) financing activities</b>	(9,283)	(2,280)	-	-	-
<b>Net increase or (decrease) in cash held</b>	(4,238)	(3,665)	-	-	-
Cash at the beginning of the reporting period	8,403	4,165	500	500	500
Effect of exchange rate movements on cash at the beginning of reporting period	-	-	-	-	-
<b>Cash at the end of the reporting period</b>	4,165	500	500	500	500

CAC Act = Commonwealth Authorities and Companies Act 1997

FMA Act = Financial Management and Accountability Act 1997

**Table 3.4: Departmental statement of changes in equity — summary of movement (Budget year 2007–08)**

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2007</b>					
Balance carried forward from previous period	8,270	25	-	-	8,295
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>8,270</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>8,295</b>
<b>Income and expense</b>					
Income and expenses recognised directly in equity	-	-	-	-	-
<b>Sub-total income and expense recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net operating result	(273)	-	-	-	(273)
<b>Total income and expenses</b>	<b>(273)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(273)</b>
<b>Sub-total income and expense attributable to Australian Government</b>					
attributable to minority interest	-	-	-	-	-
<b>Transactions with owners</b>					
<i>Distributions to owners</i>					
Returns on capital					
Dividends	-	-	-	-	-
Returns of capital					
Restructuring	-	-	-	-	-
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	-	-
Other	-	-	-	-	-
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transfers between equity components	-	-	-	-	-
<b>Closing balance less minority interests</b>	<b>7,997</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>8,022</b>
<b>Estimated closing balance as at 30 June 2008</b>	<b>7,997</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>8,022</b>

**Table 3.5: Departmental capital budget statement**

	Actual 2006–07 \$'000	Revised budget 2007–08 \$'000	Forward estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	-	-	-	-	-
Total loans	-	-	-	-	-
<b>Total capital appropriations</b>	-	-	-	-	-
<b>Represented by:</b>					
Purchase of non-financial assets	-	-	-	-	-
Other	-	-	-	-	-
<b>Total represented by</b>	-	-	-	-	-
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation	-	-	-	-	-
Funded internally by departmental resources	2,314	420	420	420	420
<b>Total</b>	2,314	420	420	420	420

**Table 3.6: Departmental property, plant, equipment and intangibles — summary of movement (Budget year 2007–08)**

	Other infrastructure plant and equipment \$'000	Purchased computer software \$'000	Internally developed computer software \$'000	Total \$'000
<b>As at 1 July 2007</b>				
Gross book value	3,763	1,248	871	5,882
Accumulated depreciation	(1,154)	(1,053)	(509)	(2,716)
<b>Opening net book value</b>	<b>2,609</b>	<b>195</b>	<b>362</b>	<b>3,166</b>
Additions:				
by purchase	250	-	70	320
internally developed	-	100	-	100
Depreciation/amortisation expense	(371)	(54)	(110)	(535)
Other movements	-	-	-	-
Disposals	-	-	-	-
<b>As at 30 June 2008</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Gross book value	4,013	1,348	941	6,302
Accumulated depreciation	(1,525)	(1,107)	(619)	(3,251)
<b>Estimated closing net book value</b>	<b>2,488</b>	<b>241</b>	<b>322</b>	<b>3,051</b>

## GLOSSARY

Accrual accounting	System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.
Accumulated depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Administered	Revenues, expenses, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
Additional estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Appropriation	An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose.
Annual Appropriation	Two appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriations.
Capital expenditure	Expenditure by an agency on capital projects, for example purchasing a building.
Consolidated Revenue Fund	Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund (CRF).
Departmental	Revenue, expenses, assets and liabilities that are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.

## Glossary

Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Effectiveness indicators	Measures the joint or independent contribution of outputs and administered items to the achievement of their specified outcome.
Efficiency indicators	Measures the adequacy of an agency's management of its outputs (and where applicable, administered items). Includes price, quality and quantity indicators. The interrelationship between the three efficiency indicators of any one output should be considered when judging efficiency.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity.
Fair value	Valuation methodology: the amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder.
Intermediate outcomes	More specific medium-term impacts (for example, trend data, targets or milestones) below the level of the planned outcomes specified in the Budget. A combination of several intermediate outcomes can at times be considered as a proxy for determining the achievement of outcomes or progress towards outcomes. ( <i>see outcomes</i> )
Operating result	Equals revenue less expense.
Outcomes	The Government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end-results or impacts actually achieved.

Output groups	A logical aggregation of agency outputs, where useful, and based either on homogeneity, type of product, business line or beneficiary target group. Aggregation of outputs may also be needed for the provision of adequate information for performance monitoring, or based on a materiality test.
Outputs	The goods and services produced by agencies on behalf of government for external organisations or individuals. Outputs also include goods and services for other areas of government external to the agency.
Price	One of the three key efficiency indicators. The amount the government or the community pays for the delivery of agreed outputs.
Quality	One of the three key efficiency indicators. Relates to the characteristics by which customers or stakeholders judge an organisation, product or service. Assessment of quality involves use of information gathered from interested parties to identify differences between user's expectations and experiences.
Quantity	One of the three key efficiency indicators. Examples include: the size of an output; count or volume measures; how many or how much.
Revenue	Total value of resources earned or received to cover the production of goods and services.
Special Account	Balances existing within the Consolidated Revenue Fund (CRF) that are supported by standing appropriations ( <i>Financial Management and Accountability (FMA) Act 1997</i> , subsection 20 and 21). Special accounts allow money in the CRF to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special Accounts can only be established by a written determination of the Finance Minister (section 20 FMA Act) or through an Act of Parliament (referred to in section 21 of the FMA Act).

*Glossary*

Special  
Appropriations  
(including Standing  
Appropriations)

An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year.

Standing appropriations are a sub-category consisting of ongoing special appropriations – the amount appropriated will depend on circumstances specified in the legislation.