

Australian Capital Territory



**ACT**  
Government

# Budget

## 2011-2012

**BUDGET PAPER NO 2:**

**Working Smarter. Delivering More.**

# Budget Paper No 2

## Guide to the Budget Papers

### Structure and content of the 2011-2012 Budget Papers

The 2011-2012 Budget is presented in four papers plus a reader's guide.

#### **BUDGET PAPER NO. 1: Speech**

The Treasurer's speech to the Legislative Assembly highlights the Government's Budget strategies and key features of the Budget.

#### **BUDGET PAPER NO. 2: Working Smarter. Delivering More.**

A summary of the overall budgetary position together with information on the Government's expenditure priorities in key service delivery areas.

#### **BUDGET PAPER NO. 3: Budget Overview**

Summarises the 2011-2012 Budget and forward estimates for the general government sector, the public trading enterprise sector and the total Territory Government. Details of the projected 2011-2012 Budget results are provided, as well as background information on the development of the 2011-2012 Budget, including economic conditions and federal financial relations.

Also provides an overview of the Territory's infrastructure investment program and details of the 2011-2012 expenditure, revenue and capital initiatives.

The Appropriation Bill 2011-2012 is appended.

#### **BUDGET PAPER NO. 4: Budget Estimates**

Information on each directorate and Territory authority and corporation is provided. This includes output classes (where relevant), descriptions of functions, roles and responsibilities, together with major strategic priorities. Full accrual financial statements and notes are provided for the general government sector as well as details of the Territory's public trading enterprises.

### Reader's Guide to the Budget

The guide provides readers of the Budget Papers with useful information to assist in understanding and interpreting the Budget.

ISSN 1327-581X

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Enquiries about this publication should be directed to the Treasury Directorate GPO Box 158, Canberra City 2601.

Publication No 11/0263

<http://www.treasury.act.gov.au>

Telephone: Canberra 13ACT1 or 132281



Printed on 50% recycled paper (15% post-consumer waste paper, 35% fibre from plantation pulp, elemental chlorine free, oxygen bleached, using vegetable-based inks.)

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# Budget Paper No 2



## Treasurer's Message

The 2011-12 Budget is a focused disciplined budget that allows for growth in essential government services whilst continuing our budget recovery strategy.

This Budget delivers on the Government's commitment to return the Territory to surplus and it continues the implementation of commitments made to the community.

It has been a difficult Budget to finalise. Balancing the financial and social objectives has not been easy.

The Territory's strong economic performance, a plus on the one hand, has adversely impacted on our share of the national GST Revenue Pool. Other jurisdictions' needs have been assessed as higher.

We have had to balance our Budget, as well as make investments in services and infrastructure for the community in an environment of below trend Commonwealth revenues.

The Territory is returned to surplus in 2013-14, as we committed in the last Budget, and two years ahead of our original target.

The Budget includes major investments in services and in assistance to those most in need in our community. New spending initiatives are targeted to providing additional services in high need areas, such as health care, education, ambulance services, disability services and support for low income families and total around \$266 million over four years.

In the current Budget environment savings have had to be found. New spending is largely offset by savings of around \$217 million over four years.

The Budget continues to progress major investments in the Territory's infrastructure to deliver better services to the community, to increase the capacity of our economy, and to support the growth of the city with additional allocations of around \$885 million over four years.

Some of the infrastructure investment will be funded from borrowing.

The strength of the Territory's financial position allows for debt financing, and it is appropriate to fund high quality assets from borrowing.

There are no new taxes in this Budget.

This is a measured and sensible Budget that continues this Government's record of disciplined financial management whilst continuing to invest in the services that our community needs and supporting those Canberrans who need it most.

A handwritten signature in black ink that reads "Katy Gallagher".

**Katy Gallagher, MLA**

Treasurer  
May 2011

# Budget Paper No 2

## Budget Overview

The 2011-12 Budget returns the Territory to surplus in 2013-14 as targeted in the Budget Plan in response to the global financial crisis.

Modest improvement in revenues, along with fiscal restraint exercised in this and the previous Budgets, have supported the Territory's return to surplus.

The Budget reflects a significant reprioritisation, and a major reallocation of resources from the operating costs of public service to increasing services to the community in areas of high need.

It provides for new policy initiatives totalling \$266 million over four years. The new expenditure commitments are largely funded by savings, to be achieved through improvement in the efficiency of the public service. The Budget incorporates savings of around \$217 million over four years.

Net increase in the size of the public service is estimated at around 110 Full Time Equivalent (FTE) staff. Without the efficiencies, new initiatives would result in an increase of around 320 FTEs.

The resource reallocation task will be measured, and largely dependent on the normal staff turnover. Targeted redundancies will be available.

There will be no involuntary redundancies.

New policy initiatives in this Budget mainly target areas of high need – health, education, services for the disabled, ambulance services, and supporting low income families for increasing utility costs.

Achievement of the goals of *Affordable Housing Action Plan* is a key element of Government's social and economic strategy. The residential land supply program sets a target of 18,500 dwelling sites for release across the Budget and forward estimates period. The commercial and industrial programs each target releases in excess of 100,000 m<sup>2</sup> per annum.

The Budget has significantly increased investment in the Territory's infrastructure, with new investment of \$885 million over four years, to deliver high quality assets in order to improve the efficiency and increase the productive capacity of the economy, and support effective service delivery to the community.

The Budget includes borrowings of \$650 million – \$200 million more than the previous forecast.

There are no new taxes. The Budget provides targeted tax subsidies to achieve environmental and social policy objectives, and assistance to the industry for transition through the reform of the lease variation charge system.

## Budget Context

The context of the 2011-12 Budget remains the global financial crisis, and its effects on the economies and budgets, both for the Territory as well as nationally.

The fiscal stimulus measures by the Federal Government, and the local initiatives by the ACT Government, supported confidence and activity in the economy. While both the national as well as the Territory's economies performed better than envisaged, structural budget deficits emerged.

They were accepted on a temporary basis. The Federal Government committed to fiscal consolidation once the national economic growth reaches trend. The ACT Government had adopted a target of returning the Territory budget to surplus in 2015-16. In view of the earlier recovery of revenues, the target was advanced by two years to 2013-14.

The expenditure by the Commonwealth Government has quite a significant impact on the Territory's economy. Its commitment to returning the national budget to surplus in 2012-13 is a significant context for the Territory's Budget and its forecasts.

The ACT Government's commitment to return the Territory to surplus is also an important context for the Budget. Returning to surplus is but one of the objectives of the Plan the Government adopted in response to the global financial crisis. Meeting the service needs of the community is an equally important objective and context for this Budget.

The Territory's economy has performed remarkably well through the global financial crisis. While the Federal Government's fiscal consolidation is expected to have an impact on the economic activity in the Territory, the prospects for the economy remain positive.

The forecast for output as measured by the Gross State Product (GSP) for 2010-11 is now growth of 2¾ per cent, compared to the 2010-11 Budget forecast of 1 per cent. Likewise, consumption, as measured by State Final demand (SFD) has shown considerable improvement, estimated at 4 per cent for the year compared to the original budget forecast of 1 per cent.

The Government has maintained its target of returning the budget to surplus in 2013-14.

## Budget Highlights

### The 2011-12 Budget includes:

- A forecast General Government Sector Headline Net Operating Deficit of \$36.9 million in 2011-12.
- The Budget is forecast to return to surplus in 2013-14, largely due to the savings measures incorporated in this and past budgets, along with revenue recovery to longer run growth.
- The 2011-12 Budget incorporates savings of around \$217 million over four years, including:
  - the efficiency dividend introduced in the 2010-11 Budget comes into effect on 1 July 2011. This will deliver savings of \$66.6 million over four years; and
  - further savings of \$150.7 million in agency expenditures. These savings will be achieved through a mix of administrative and employee costs, improving the efficiency of back office functions, and leveraging commercial operations.
- A strong General Government Balance Sheet, with:
  - Net Worth of \$17.1 billion;
  - Net Financial Worth of \$3.2 billion;
  - Net Financial Liabilities of \$2.5 billion; and
  - Net Debt of *negative* \$104.6 million (excluding superannuation related investments).
- Maintenance of Operating Cash Surpluses across all years.
- The Budget provides for new policy initiatives with a net impact of \$266.5 million across 2011-12 and the forward estimates.
- Significant capital investment capacity with new infrastructure programs and projects of \$884.9 million over four years. Specifically, the new capital works program and projects include:
  - new construction works of \$745.1 million across the Budget and forward estimates;
  - feasibility and forward design projects of \$92.5 million;
  - capital upgrades expenditure of \$46.3 million in 2011-12; and
  - capital grants totalling \$1 million in 2011-12.
- New information and communication technology (ICT) initiatives of \$34.8 million.
- New plant and equipment of \$8.8 million.
- An estimated \$668 million of capital works achieved in 2010-11, exceeding the record expenditure in 2009-10 of \$580 million.
- Estimated general government borrowings for capital of \$350 million in 2011-12 and a further \$300 million in 2012-13; an increase of \$200 million from the previous budget.

# Net Operating Balance

	2010-11 Est. Out. \$'m	2011-12 Budget \$'m	2012-13 Estimate \$'m	2013-14 Estimate \$'m	2014-15 Estimate \$'m
Headline Net Operating Balance	19.7	-36.9	-23.9	1.6	56.6
<i>Less: Impact of Stimulus Initiatives</i>	-95.9	16	0	0	0
<b>Underlying Net Operating Balance</b>	<b>-76.2</b>	<b>-52.9</b>	<b>-23.8</b>	<b>1.6</b>	<b>56.6</b>

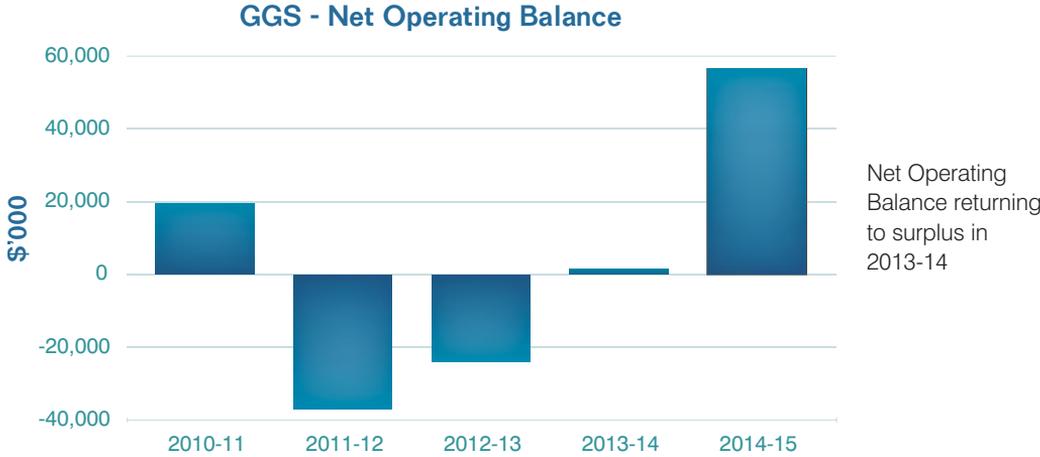
Note: Table may not add due to rounding.

The Headline Net Operating Balance returns to surplus by 2013-14 due in part to the saving measures and revenue recovery to longer run growth.

The saving measures in this Budget along with the measures adopted in the previous Budget lower the aggregate expenditure trajectory by around  $\frac{3}{4}$  per cent per annum (compound) over the budget and forward estimates period.

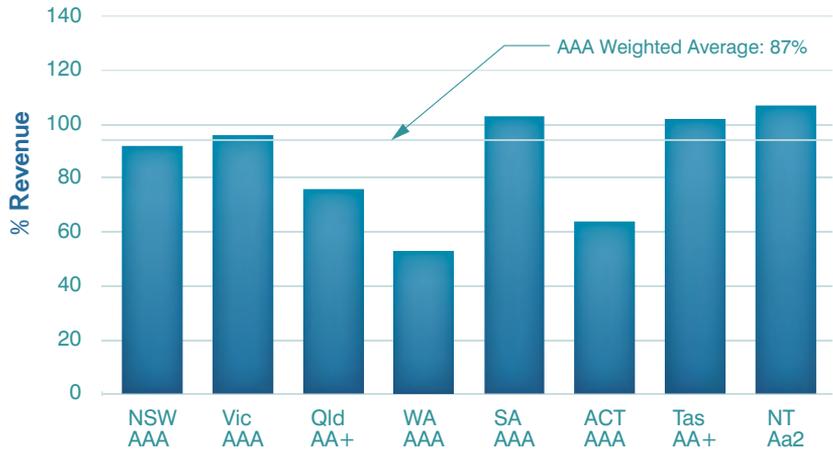
The compound annual average growth rates of aggregate revenue and expenditure are 5.3 per cent and 4.4 per cent respectively, in line with the Budget Plan parameters of  $5\frac{1}{4}$  per cent and  $4\frac{1}{2}$  per cent respectively.

# Budget Paper No 2



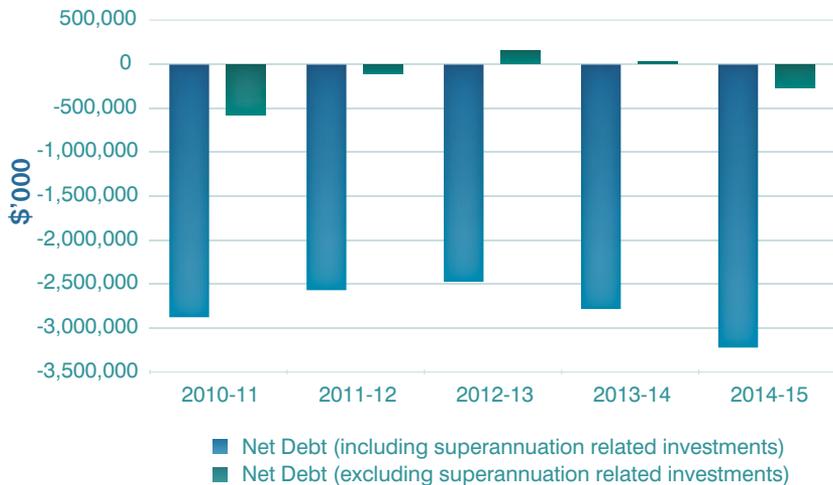
### General Government Sector - Net Financial Liabilities to Revenue Ratio

Net Financial Liabilities to Revenue Ratio remains below the average of other AAA rated jurisdictions



### General Government Sector - Net Debt

Balance sheet remains strong with low Net Debt levels



# Budget Paper No 2

## Economic Outlook

The prospects for the ACT Economy in 2011-12 are generally positive. The Territory has recently experienced some of the highest levels of economic growth in the country.

The ACT economy is expected to continue to grow, due to the strong labour market conditions, solid population growth and a robust housing market.

Economic and employment growth in the ACT, however, is forecast to moderate in 2011-12.

A moderation in the Territory's State Final Demand (SFD) growth is expected in 2011-12, as the Commonwealth repairs its budget position and possibly diverts expenditure to re-building efforts in other jurisdictions following the recent natural disasters.

Trends in Commonwealth Government consumption expenditure are expected to continue to play a key role in the Territory's economic performance in the medium term.

- The Commonwealth Government has committed to restore its budget to surplus by 2012-13. This fiscal tightening, combined with an anticipated increase in interest rates is expected to weigh on economic activity in the ACT.
- Private demand is nevertheless expected to strengthen, albeit at a slower pace compared to its long-run average growth rate.
- Growth in the housing market is forecast to moderate. Turnover is expected to broadly remain at current levels. Marginal real growth in prices is expected in an environment of increased supply and increasing interest rates.

The medium-term outlook for national Gross Domestic Product (GDP) growth remains positive, underpinned by prospects of strong growth in mining investment and continuing high commodity prices. However, recent natural disasters will slow this growth in 2010-11, with stronger growth expected in 2011-12 as rebuilding gets underway.

### Economic Forecasts Year-Average Percentage Change

	Actual	Forecasts	
	2009-10	2010-11	2011-12
<b>ACT</b>			
Gross State Product	<b>0.9</b>	<b>2<sup>3</sup>/<sub>4</sub></b>	<b>2<sup>1</sup>/<sub>4</sub></b>
Employment	<b>1.2</b>	<b>2<sup>1</sup>/<sub>2</sub></b>	<b><sup>3</sup>/<sub>4</sub></b>
State Final Demand	<b>1.4</b>	<b>4</b>	<b>1<sup>3</sup>/<sub>4</sub></b>
Consumer Price Index	<b>2.1</b>	<b>2<sup>1</sup>/<sub>2</sub></b>	<b>3</b>
Wage Price Index	<b>3.5</b>	<b>3<sup>3</sup>/<sub>4</sub></b>	<b>3<sup>1</sup>/<sub>2</sub></b>
Population	<b>1.8</b>	<b>1<sup>1</sup>/<sub>2</sub></b>	<b>1<sup>1</sup>/<sub>2</sub></b>
<b>Australia</b>			
Gross Domestic Product	<b>2.3</b>	<b>3<sup>1</sup>/<sub>4</sub></b>	<b>3<sup>3</sup>/<sub>4</sub></b>

# The Fiscal Strategy

The Government remains committed to the principles of responsible financial management.

In the 2011-12 Budget, the Government will meet its plan of returning the Budget to surplus by 2013-14 alongside the delivery of services in priority areas, to meet the needs of Canberrans.

The Government continues to maintain its fiscal strategy, which has successfully cushioned the effects of economic shocks experienced in preceding years.

The Government's financial objectives and key measures are:

- to achieve a General Government Sector Net Operating Surplus;
- to maintain operating cash surpluses;
- to maintain a AAA credit rating;
- to manage debt prudently and maintain net financial liabilities within the range of all AAA rated jurisdictions;
- to fully fund the Territory's unfunded superannuation liability by 2030;
- to maintain quality services and infrastructure;
- to make targeted investments to achieve strategic objectives of economic growth, reducing future costs and addressing chronic disadvantage; and
- to maintain taxation revenues at sustainable levels.

With the assistance of savings measures incorporated in this and past Budgets, the underlying expenditure trajectory has been lowered, with the compound annual average growth rate over the Budget and forward estimates period reduced by around  $\frac{3}{4}$  per cent per annum.

# Budget Paper No 2

## The Budget Plan

In the 2009-10 Budget, the Government developed its Budget Plan in response to the impact of the global financial crisis on the Territory's finances. The objective of the Budget Plan was to return the budget to surplus over a longer time frame, with flexibility to respond to changing circumstances.

The 2009-10 Budget Plan foreshadowed savings commencing in 2010-11 to return the Budget to surplus in 2015-16. In the 2010-11 Budget, this target was advanced by two years to 2013-14.

The target is met in this Budget.

The underlying expenditure trajectory has been lowered, with compound annual average growth rate over the Budget and forward estimates period being reduced by around ¾ per cent per annum.

The gradual and sustained adjustment is a key feature of the Government's Plan which ensures that no sharp and unnecessary adjustments are made, and that priority services to the community are preserved and in fact enhanced where necessary.

The Government will continue to adhere to the key principles adopted in the development of the Budget Plan.

### The Objectives of the Budget Plan are to:

- adopt a measured approach to addressing the deficit;
- achieve a balanced budget by the target year of 2013-14 (original target 2015-16);
- identify annual saving targets over the forward estimates period that set the aggregate revenue and expenditure trajectories to meet over the planning period;
- ensure that in restoring the surplus, core services, community safety, risk mitigation and protection are maintained to the high standard the community expects; and
- plan for adequate growth in expenditures to meet the needs of a growing population, and in particular, in the priority service areas such as health and education.

### 2011-12 Budget Measures

Under the Plan, the savings task was to be progressively undertaken and completed by 2012-13. Beyond the forward estimates period, the expenditure and revenue trajectories were projected to converge through expenditure growth being constrained below the revenue growth rate.

The 2011-12 Budget incorporates savings of around \$217 million over four years.

- The efficiency dividend introduced in the 2010-11 Budget which comes into effect on 1 July 2011, will deliver savings of \$66.6 million over four years.
- Savings in agency expenditures, achieved through a mix of administrative and employee costs, improving the efficiency of back office functions, and efficiency in land development – will deliver savings of \$150.7 million over four years.

## 2011-12 Budget Savings Initiatives

Saving measures implemented since the 2009-10 Budget include:

	2011-12 \$'m	2012-13 \$'m	2013-14 \$'m	2014-15 \$'m
<b>2009-10 Budget</b>				
Wages Policy	25	35	35	35
Efficiency Dividend (commencing 1 July 2010)	18	19	19	19
<b>2010-11 Budget</b>				
Efficiency Dividend <sup>(1)</sup> (commencing 1 July 2011)	8	14	22	22
Treasurer's Advance Reduction	9	8	8	8
Deferral of Tree Planting	4	4	0	0
<b>2011-12 Budget</b>				
Savings Initiative	33	39	38	41
<b>TOTAL SAVINGS</b>	<b>97</b>	<b>119</b>	<b>122</b>	<b>125</b>

Table may not add due to rounding

<sup>1</sup> Revised in the 2011-12 Budget

The savings introduced in this Budget (totalling \$150.7 million) broadly involve:

- reducing administrative inputs consumed in delivering outputs and services;
- further streamlining business processes, and improving back office efficiency;
- improving efficiency in land development; and
- limiting growth in staffing numbers.

The savings measures incorporated in the 2009-10 the subsequent Budgets have resulted in the expenditure trajectory being gradually lowered with the compound annual average growth rate over the Budget and forward estimates period being reduced by around ¾ per cent per annum.

# Budget Paper No 2

## One ACT Public Service

The Report on the review of the ACT Public Service (ACTPS) by Dr. Allan Hawke, AC was released in February 2011. The Report made wide ranging recommendations on the structure and operations of the ACTPS.

The key recommendations of the report related to abolishing all the administration units and establishing the ACTPS as a single entity reporting to a single Chief Executive, and the establishment of a Strategic Board comprising the Directors-General of all the Directorates and the head of the public service.

The review called for the reinforcement of a “One ACT Public Service” culture and ways of working, and proposed structural and procedural arrangements to enhance coordination, cohesion and alignment of officials’ effort. The Report also recommended the rebasing of Government priorities, together with recalibration of a more meaningful, and manageable framework of performance indicators, reporting and evaluation.

The 2011-12 Budget provides funding to implement some of the key initiatives recommended in the ACT Public Service Review. These initiatives include:

- The establishment of the ACT Government Strategic Board;
- Across government implementation of the *Performance and Accountability Framework*;
- A new Government Information Office (GIO), established within the Chief Minister’s Directorate;
- A scoping study on ACT Government 2.0 to explore electronic service delivery opportunities;
- Enhance, build and maintain ACTPS capacity and capability, with a focus on increasing the representation of Aboriginal and Torres Strait Islander people and people with a disability;
- Research and development for the next Canberra Plan, due for release in 2013; and
- A more proactive injury prevention service for ACTPS workers and increased casework activity to enable better outcomes related to injury management of ACTPS workers.

In addition to these new funding initiatives, recurrent budget funding for the 2011-12 Budget will enable the Strategic Board to progress reform in relation to:

- Modernising the *Public Sector Management Act 1996*;
- Implementing the *Respect, Equity and Diversity Framework* across the ACTPS as part of enhancing our workplace culture;
- Building and maintaining the leadership and management capability of the ACTPS;
- Exploring the development of tools such as a Pulse survey to strengthen employee engagement within the ACTPS;
- Reinforcing the use and application of a single ACT Government logo, with the introduction of standard guidelines for use;
- Streamlining existing government websites to improve accessibility and ordering of information;
- Streamlining existing intranet sites to improve accessibility and information sharing capability across Directorates;
- Undertaking a review of Boards, Committees and Statutory Office Holders, as needed;
- Improving economic modelling tools and streamlining Budget processes; and
- Introducing Communities of Practice and embedding innovation into our ways of working.

## New Administrative Arrangements

The single agency model will formally commence on 1 July 2011, with the nine directorates reporting to the Head of the Public Service. Each directorate will be headed by a Director-General. The Head of the Service will also serve as the Director-General of the Chief Minister's Directorate.

The Budget Papers reflect this new administrative composition.

### The New Directorates are:

- Chief Minister's;
- Territory and Municipal Services;
- Economic Development;
- Treasury;
- Health;
- Education and Training;
- Justice and Community Safety;
- Sustainable Development; and
- Community Services.

The most significant changes relate to the creation of the Economic Development and Sustainable Development Directorates.

## Enhancing Health Services

The 2011-12 Budget provides over \$1.1 billion for the planning, purchasing and delivery of community based, hospital and extended health care services to the community. This includes managing public health risks, promoting health and undertaking early care interventions.

### In 2011-12 the Health Directorate will deliver or achieve:

#### Acute Services

- › 91,600 cost weighted patient separations
- › 95% of category one elective surgery patients will receive surgery within 30 days of listing
- › 75% of patients admitted to hospital wait less than 8 hours

#### Mental Health and Justice Health

- › 4,030 cost weighted patient separations
- › 175,100 adult services
- › 56,000 child and youth services
- › 75% of clients will be seen at community facilities within 7 days of discharge from inpatient services

#### Public Health

- › 7,600 samples will be analysed

#### Cancer Services

- › 5,040 cost weighted admitted patient separations
- › 100 per cent of women will receive results of breast screen within 28 days

#### Rehabilitation, Aged and Community Care

- › 80,000 nursing occasions of service
- › 22,000 allied health regional occasions of service

#### Early Intervention and Prevention

- › 92% immunisation coverage at one year of age

## New Expenditure Initiatives

New initiatives in this Budget totalling \$84.8 million over four years continue to address the growth in demand for emergency and acute care, obstetrics services, cancer treatment, mental health, critical care services and aged care.

### The 2011-12 Budget includes:

- \$8.3 million over four years to increase the Canberra Hospital's Intensive Care Unit by up to two beds and ten nurses;
- \$17.4 million over four years for growth in demand for inpatient services and a new nursing service for patients with Parkinson's disease;
- \$7.7 million over four years to further enhance obstetrics and gynaecology services;
- \$10.4 million over four years for an additional 400 surgical operations;
- \$4.2 million over four years to meet the continuing growth in demand for cancer services;
- \$6.7 million over four years for a fourth linear accelerator in Radiation Oncology;
- \$4.2 million over four years to assist the Rehabilitation, Aged and Community Care service meet the increase in demand;
- \$2.9 million over four years to reduce risk factors and complications in preventable disease;
- \$1.4 million over four years to analyse samples from roadside drug testing;
- \$13.8 million over four years for the new Adult Mental Health Inpatient Unit;
- \$4.2 million to meet growth in mental health services; and
- \$1.2 million over four years to provide mental health training for teachers, police and ambulance workers.

# New Health Infrastructure

The 2011-12 Budget invests in new health infrastructure with \$129 million over four years to improve Canberra's hospital, cancer and other health facilities and systems.

## New Capital Initiatives

- \$15.1 million for Phase 2 of the Integrated Cancer Centre to construct an additional floor that will provide up to ten additional treatment spaces, a cytotoxic pharmacy and pathology space.
- \$17.3 million for a new sterilising facility at the Canberra Hospital, replacing the Mitchell facility.
- \$4 million for the development of specifications and documentation for the proposed Northside Hospital.
- \$3.1 million for the delivery of an electronic Identity and Access Management system which will contribute to automating and managing access to the Health Directorate's information systems.

## Capital Asset Development Plan

The Government continues to implement its comprehensive Capital Asset Development Plan to build a sustainable and modern health system, to ensure the safety, availability and ongoing viability of quality health care now and into the future.

- Design work to enhance the Canberra Hospital campus including the redevelopment and replacement of infrastructure needed to support a sustainable health system, to ensure the safety, availability and viability of quality health care in the ACT - \$41 million.
- An upgrade to campus wide infrastructure such as campus ring mains, and the replacement of plant and equipment is being provided for the Canberra Hospital - \$25.7 million.
- Support is provided for the relocation of health services at the Canberra Hospital as new facilities are completed and others are refurbished to meet growth demands. Preliminary design work is also being undertaken for additional car parking at Calvary Hospital - \$19.4 million.
- The new Women and Children's Hospital is being expanded with the inclusion of a burns bath in the Paediatric Unit and increased beds in the Women and Baby Inpatient Unit - \$3.5 million.

# Budget Paper No 2

## Community Services

The 2011-12 Budget provides \$346 million to deliver social housing and community services, addressing the needs of those with disabilities, children and young people, families, people from culturally diverse backgrounds, Aboriginal and Torres Strait Islanders, women and older persons.

### In 2011-12 Community Services will deliver or achieve:

#### Disability and Therapy Services

- › 500 accommodation support places
- › 980 people access community support
- › 8,100 nights of respite care
- › 66,400 hours of therapy services

#### Early Intervention

- › 350 parenting sessions through the Child and Family Centre Program
- › 1,300 families accessing services

#### Community Services and Affairs

- › 80 per cent satisfaction with management of community facilities
- › 240 groups participating in the Multicultural Festival

#### Children, Youth and Family Services

- › 116 children and young people receiving targeted intervention services

#### Care and Protection Services

- › 560 children and young people in the care of the Chief Executive
- › 68 per cent of children exiting care having experienced no more than two placements in care

#### Housing

- › 96 per cent of allocations for public housing will be to tenants in the priority and high needs categories
- › 91 per cent of public housing tenants assisted to live in affordable housing and sustain their tenancy through receipt of a rental subsidy

## New Expenditure Initiatives

New initiatives in this Budget totalling \$41.1 million over four years will expand services for people with disabilities, support children in out of home care, improve services for young people at the Bimberi Youth Justice Centre, assist childcare workers and those on low incomes with cost of living pressures and further support people from a range of diverse cultures, Aboriginal and Torres Strait Islanders and those who are homeless.

### The 2011-12 Budget includes:

- \$10.3 million over four years to address demand for various disability services;
- \$0.6 million to provide therapy assistance for students with disabilities in ACT schools;
- \$2.2 million over four years to support children and young people in out of home care arrangements;
- \$2.1 million over four years to support young people transitioning from out of home care to independent living;
- \$1.7 million over four years to support children in kinship care and their carers;
- \$3.9 million over four years to enhance services for young people at the Bimberi Youth Justice Centre, improve the after hours response capacity for young people at risk of remand and divert them from custody;
- \$1.9 million to further support people from a range of diverse cultures through the Office of Multicultural and Aboriginal and Torres Strait Islander Affairs, the Multicultural Festival, and the Work Experience and Support Program; and
- \$0.5 million for the Street to Home Program to assist homeless people gain and sustain a tenancy.

# New Community Services Infrastructure

The 2011-12 Budget invests \$42 million over four years in infrastructure to support the delivery of community services including early childhood facilities, youth justice facilities and public housing.

## New Capital Initiatives:

- \$9 million for the refurbishment of early childhood facilities;
- \$7.5 million for the construction of a new childcare centre at Holder;
- \$4.5 million to complete refurbishments of the Flynn Community Hub and the former Holt Preschool to establish an early childhood centre;
- \$1.6 million to upgrade security at the Bimberi Youth Justice Centre;
- \$9.4 million for the expansion of social housing, including a pilot intentional community at Phillip which will provide a housing option for people with disabilities who need family and other support nearby and additional social housing dwellings on former community land in Chisholm.

## Targeted Assistance to those in Need

In this Budget the Government is assisting people on low incomes who are struggling to make ends meet due to cost of living pressures.

- The number of taxi vouchers and subsidy per trip, for people with disabilities and in wheelchairs, is being increased under the Taxi Subsidy Scheme - \$2.3 million over four years.
- Low income households will be supported to improve energy and water efficiency to reduce living costs - \$4.4 million over four years.
- Eligible households will be provided with an additional \$131 per annum in recognition of increased utility costs - \$12.4 million over four years.
- Older public housing properties will be retrofitted to improve their energy efficiency and reduce tenants' utilities costs - \$8.0 million over four years.
- A Legal Aid Help Desk will assist people on low incomes to resolve their legal problems - \$1.7 million over four years.

## Economic Development

The 2011-12 Budget provides \$101 million to deliver land and housing affordability programs, economic and business support services, tourism, events and marketing activities and sport and recreation programs.

### In 2011-12 Economic Development will:

#### Land and Property

- › release 5,500 residential dwelling sites
- › release over 100,000 m2 of both commercial and industrial land
- › release over 100,000 m2 of community and non-urban land, including aged care sites
- › ensure 20% residential dwellings in greenfield sites are affordable releases

#### Business and Industry Development

- › establish and deliver collaboration-based industry development strategies
- › deliver information and advisory services to the general small business community

#### Tourism

- › increase the awareness of and the preference for the Capital Region as a tourist destination

#### Sport and Recreation

- › achieve 92% customer satisfaction with the management of sportsgrounds
- › achieve 93% customer satisfaction with the management of aquatic centres

## New Expenditure Initiatives

New initiatives in this Budget of \$22.4 million over four years provide further support to small businesses, housing affordability and land release, skill shortages, improvements to Manuka Oval and the Canberra Stadium, and promotion of Canberra as a tourist destination.

### The 2011-12 Budget includes:

- \$1.6 million for the Innovation Connect Program to support small and medium enterprises developing innovative products and commercialisation opportunities;
- \$0.8 million for advisory services' support for high growth potential firms to assist with attracting external development finance;
- \$1.1 million for the Skilled and Business Migration Program to assist in attracting migrants to the Territory to address skill shortages and business needs;
- \$0.2 million for the implementation of the Education Services' Export Sector Strategy;
- \$1.8 million for a national marketing campaign to promote the Centenary of Canberra;
- \$1.0 million to the Canberra Convention Bureau to assist in attracting business events;
- \$2.0 million for a major events strategy or "blockbuster fund" to assist Canberra's major cultural institutions acquire large scale exhibitions;
- \$1.4 million for the creation of an entity to manage the National Arboretum Canberra;
- \$1.2 million for premiership AFL games at Manuka Oval, first class cricket, enhancing facilities and a Precinct planning study; and
- \$4.7 million for the Canberra Stadium to host seven games in the Asian cup and improve facilities.

# New Infrastructure for a Growing City

The 2011-12 Budget invests \$276 million over four years in infrastructure to support economic growth, including land release, roads for new suburbs, office accommodation, sporting, tourist facilities and city amenities.

## New Capital Initiatives

- \$432 million for a new Government Office Building in the City, which will commence development in 2013-14;
- \$11 million for design and infrastructure, including water and stormwater, for initial land releases in Stage 2 of Molonglo;
- \$34 million over two years for the extension of the John Gorton Drive to Molonglo, and \$24 million for the extension of Horse Park Drive to the proposed Moncrieff Group Centre;
- \$1 million to support the development plan and infrastructure for the West Basin Precinct incorporating the proposed Australia Forum;
- \$4.3 million for Canberra CBD Upgrade Stage 2, including improvements to Veterans' Park, Petrie Plaza, City Walk and the Civic Merry-go-round;
- \$26.3 million for the construction of the Gungahlin Pool;
- \$2.1 million for the redevelopment of Kippax District playing fields;
- \$2.2 million for upgrades to the Canberra Stadium including ticket gates;
- \$20 million for the National Arboretum Canberra (Commonwealth Contribution), consisting of \$18.6 million for capital projects and \$1.4 million for operational requirements; and
- \$3 million for Stromlo Forest Park for planning and infrastructure including soil conservation.

## Housing Affordability

The Government is continuing to implement its Affordable Housing Action Plan, recognised across Australia and internationally. In this Budget the Government provides more practical measures to improve affordability.

- The design and delivery of the indicative land release program is being enhanced. This will assist with the provision of affordable housing in greenfield areas - \$1.6 million over four years.
- Land is being released in Ngunnawal for aged care, a pressing area of housing need - \$2.4 million.
- Further policies and programs connected with the Affordable Housing Action Plan will improve housing affordability - \$1.4 million.
- An additional \$20 million loan is being provided to Community Housing Canberra for 90 properties for affordable rental in Crace, Bonner and Bruce.
- A \$23 million loan and a \$6 million grant over nine years is being made to the University of Canberra for the purchase of Wing 5, Cameron Offices in Belconnen for 212 student accommodation places.
- Narrabundah Long Stay Caravan Park is being upgraded, with 25 new mobile homes being constructed and financial assistance provided for eligible park residents \$5 million.

# Budget Paper No 2

## Education and Training

The 2011-12 Budget provides \$621 million for the delivery of public school education services, preschool and early intervention programs, and the planning and coordination of vocational education and training.

### In 2011-12 Education and Training will achieve:

- › Literacy and Numeracy results amongst the best in the nation (NAPLAN)
- › 94% of young people attaining year 12 certificate or equivalent

### The School environment

- › 92.9% school attendance in public schools
- › 87.5% overall parents and carers satisfaction with the education provided at their public school
- › 82.3% overall student satisfaction with education at their public school

### Disability Education

- › Individual Learning Plans for all students

### Secondary Schools

- › 85% of Year 10 students proceeding to secondary college
- › 50% of Year 12 students who received a Tertiary Entrance Statement
- › 89.5% of Year 12 students to receive a Year 12 certificate

### Student Pathways and Transitions

- › 91.6% of Year 12 public school graduates employed or studying six months after completing year 12

### Vocational Education and Training

- › 1.8 million total hours of programs
- › 6,800 reported number of training commencements
- › 2,405 enrolments of existing workers in training

## New Expenditure Initiatives

New initiatives in this Budget totalling \$34.8 million over four years will support students with disabilities, reward high performing teachers, strengthen administration and accountability in primary schools, encourage secondary school innovation and sporting excellence and increase access to the arts.

### The 2011-12 Budget includes:

- \$20 million over four years for students with disabilities' educational programs to give them similar opportunities to other students;
- \$11.8 million over four years to support reforms to the teacher salary structure enhancing career paths for teachers and school leaders;
- \$1.6 million over four years to strengthen administrative support and accountability in primary schools;
- \$0.8 million over two years for a Secondary Schools' Innovation Fund to support projects that improve students' learning and attainment;
- \$0.5 million over three years to support sporting excellence;
- \$0.2 million over three years to enable students to participate in the Canberra Symphony Orchestra's Noteworthy Program; and
- \$1.2 million to support the CIT's expanded footprint of buildings and increased complexity of information technology systems.

# New Education Infrastructure

The 2011-12 Budget invests \$159.4 million over four years upgrading existing school facilities, building new schools, expanding others and replacing information technology hardware and systems.

## New Capital Initiatives:

- \$2.6 million to upgrade fire emergency management systems in public schools;
- \$2.3 million for the installation of artificial grass playground areas at public schools;
- \$1.8 million for the refurbishment of the hydrotherapy pool at Malkara School;
- \$2.8 million for the roof replacement program for public schools;
- \$2.6 million for additional digital learning tools and resources in public schools;
- \$1.4 million for the design of a new facility to support young pregnant and parenting students at Canberra College;
- \$1.8 million for replacement of the Vocational Education Management System; and
- \$6 million for a new pedestrian bridge providing safe access to students crossing Drakeford Drive to attend the new Namadgi P-10 School at Kambah.

## Building Better Schools and Training Facilities

The Government considers quality public school facilities are integral to effective student learning.

- A new Bonner Primary School will cater for students in the emerging suburbs of Bonner and Forde - \$60.3 million.
- The Franklin Early Childhood School will include education for Preschool to Year 2, and a 120 place child care centre - \$42.7 million.
- Completion of new schools, Namadgi P-10 School, Gungahlin College and Harrison Secondary School - \$9.2 million.
- Macgregor Primary School is being expanded to meet the student demand created by the West Macgregor development - \$5.7 million.
- Majura Primary school is being expanded to meet the student demand created by the North Watson development - \$4.4 million.
- Preschool facilities are being upgraded to meet new National standards - \$6.2 million.
- Forward design is being undertaken for a new CIT Learning Centre in Tuggeranong to better support vocational education and training - \$0.7 million.

## Justice and Community Safety

The 2011-12 Budget provides \$427 million for the delivery of policing, courts, legal, emergency and regulatory services across Canberra and for the protection of human rights of the community.

### In 2011-12 the Justice and Community Safety Directorate Targets:

#### Accessible Civil Justice System

- › 2.7% reduction in the backlog of civil cases in the Magistrates Court and 4.8% reduction in the Supreme Court
- › 6% reduction in the number of ACAT cases not finalised within 12 months

#### Safe Community

- › 91.3% of people feel 'safe' or 'very safe' at home
- › 62.1% of people feel 'safe' or 'very safe' in public places

#### Emergency Services

- › No lives lost in fire related deaths per 100,000 people
- › 100% of bushfires kept below five hectares of damage, within bushfire abatement zones and built up areas
- › 100% of storm damage incidents responded to within ESA time standards

#### Effective Regulation and Enforcement

- › 80% of workplaces comply with OHS legislation; and workers' compensation policy
- › 95% of the Registrar General's data is accurate
- › 100% of new government laws are compatible with human rights legislation at the time of introduction

### New Expenditure Initiatives

New initiatives in this Budget totalling \$55 million over four years will allow for responsiveness in emergency services and the capacity of the Office of Regulatory Services, improving court security, administering roadside drug testing, and providing greater support to the Alexander Maconochie Centre.

#### The 2011-12 Budget includes:

- \$21.7 million for ESA Services (see over);
- \$5.1 million to the Office of Regulatory Services to better support compliance and licensing services;
- \$5.1 million to the Alexander Maconochie Centre to assist in addressing resourcing issues identified in the independent review completed earlier this year;
- \$3.3 million over two years for the enhancement of the Road Transport Authority's computer system;
- \$2.2 million to establish a centralised Wheelchair Accessible Taxi booking service;
- \$2.9 million for ACT Policing to implement roadside random drug testing;
- \$1.5 million to improve coronial services at the new Forensic Medical Centre;
- \$3.6 million to strengthen court security, including provide for additional security officers and Court Transport Unit correctional officers;
- \$0.7 million to provide for a Guidance Partner for Aboriginal and Torres Strait Islander participants in restorative justice, and appropriate remuneration of Galambany Circle Sentencing Court panel members;
- \$3.7 million over four years to improve the capacity of the Government Solicitor's Office to provide advice on industrial relations, human rights, and child protection issues; and
- \$0.2 million for Street Law, a pilot legal service for homeless people.

# New Justice and Community Safety Infrastructure

The 2011-12 Budget invests \$13.5 million over four years in justice and community safety infrastructure including court, prison, emergency services and the Office of Regulatory Services' facilities and equipment.

## New Capital Initiatives include:

- \$9 million investment in Emergency Services facilities, vehicles and equipment (see below);
- \$1 million in facility upgrades to improve security at the Magistrates and Supreme Courts and \$0.6 million for a feasibility study for an improved Courts and Tribunal Case Management System;
- \$2.1 million for additional security measures and system upgrades at the Alexander Maconochie Centre and a feasibility study for future correctional facilities; and
- \$0.3 million for equipment at the new Forensic Medical Centre.

## Responsive Emergency Services

In this Budget the Government is increasing the capacity of ambulance, fire and emergency services, to better support Canberra's growing population and respond to critical incidents.

- An additional 30 frontline ambulance service paramedics, five ambulances and updated equipment are provided to address increased demand for services. Ambulance Service structures are also being strengthened to better support frontline services and address patient safety, clinical and operational risk and quality assurance - \$22.5 million over four years.
- Two Fire Brigade Recruit Colleges to train 32 new fire-fighters - \$1.1 million.
- Protective equipment for the Fire Brigade is being upgraded, including safety and breathing apparatus and equipment to respond to hazardous materials - \$2 million over four years.
- Phase one of the Emergency Services Agency station upgrades and relocation to facilitate timely ambulance and fire response, undertaking due diligence, initial consultation and forward design - \$4 million.
- The communications consoles used by Emergency Services Agency's communication centre are being replaced, to ensure timely response to critical incidents - \$1.5 million.
- Flood diversion and high capacity pumping equipment will improve the State Emergency Services' response to flooding - \$0.1 million.

## Sustainable Development

The 2011-12 Budget provides over \$87 million for the delivery of planning and environment protection, heritage, nature conservation, water and energy security services to the community.

### In 2011-12 Sustainable Development will:

#### Environment Protection and Water

- › Ensure 100% of Environment Protection Authorisations administered according to statutory timeframes
- › Undertake water resources trading requirements administered within agreed national timeframes

#### Water Energy and Waste

- › Release the ACT Sustainable Energy Policy

#### Climate Change and Natural Environment

- › Lead the community towards making Canberra a zero-net carbon emitter
- › Finalise legislation arising from the review of the *Nature Conservation Act 1980*
- › Complete the Valley Ponds and associated infrastructure project

#### Sustainable Planning

- › Deliver spatial planning outcomes for the Territory that contribute to a sustainable community
- › Ensure 90% of Class 1 buildings inspected to ensure electrical, sewerage and gas connections are within industry agreed service standards
- › Provide 8,400 greenfield residential dwelling sites ready for Estate Development Plan preparation
- › Ensure 80% customer satisfaction with planning services

## New Expenditure Initiatives

New initiatives in this Budget of \$20.4 million over 4 years will invest in energy efficiency for low income households, land planning, building quality, nature conservation and resource management and urban waterways.

### The 2011-12 Budget includes:

- \$4.4 million over four years for assisting low income and disadvantaged households to improve their energy efficiency;
- \$4.2 million over four years for Master Planning for group centres, transport corridors and rural villages;
- \$0.6 million over two years for the accelerated development of unused leased land in established areas;
- \$0.2 million over two years for the Government Architect to provide advice on architecture and urban design;
- \$6.7 million over four years to provide for additional building inspectors to ensure that new dwellings meet expectations of quality, safety and environmental sustainability;
- \$1.4 million over four years for dedicated inspectors to better regulate residential properties' energy efficiency ratings;
- \$0.6 million over four years for the enhanced technical regulation of utilities, including power and water;
- \$0.6 million over three years for nature conservation and resource management, including an adaption plan for biodiversity and the creation a register of landowners interested in conservation management;
- \$0.9 million over four years for the Urban Waterways Program to assist in reducing the use of potable water; and
- \$0.2 million for a review of Environmental Noise Standards.

# Infrastructure Support to Sustainable Development

The 2011-12 Budget invests \$16.2 million over four years in infrastructure that supports the sustainable development of the Territory, addresses climate change and recognises our heritage, as well as undertaking feasibility for land planning projects.

## New Capital Initiatives

- \$7.5 million for the Inner North Reticulation Network, which allows for a trial of the use of stormwater from Flemington Road, Dickson and Lyneham Ponds to replace the use of potable water.
- \$1.5 million for infill development infrastructure feasibility studies to support urban intensification.
- \$1.4 million for the urban development sequence for affordable housing feasibility to support planning and infrastructure in new greenfield areas.
- \$1.3 million for land planning feasibility studies for Kenny and Throsby, including environmental assessments, and land suitable for future employment needs.
- \$0.4 million to support ACT's heritage through signage, restoration of Gudgenby Homestead and further acquisition of historic collections.

## Leading by Example

The Government is meeting the challenges of climate change and sustainability, leading the way in addressing their impacts.

- The Government is reducing its carbon footprint by increasing its uptake of Green Power from 32.5% to 37.5% from 2011-12 - \$2.9 million.
- A Resource Management Fund will provide an incentive for the ACT Public Service to improve resource and energy efficiency - \$2 million.
- Planning is underway for a new Government Office Building which will showcase environmental sustainability.
- A Sustainability Data Management System will provide better information on the ACT's energy and water usage, recycling and green house gas emissions. Additional electricity gas and water sub meters will be installed and data collection centralised - \$0.8 million.

## Territory and Municipal Services

The 2011-12 Budget provides \$527 million for the administration of Canberra's municipal infrastructure and delivering essential services to the community to maintain and improve the urban amenity of the Territory, including collecting and recycling rubbish, maintaining roads, footpaths, cycling paths and streetlights, delivering public transport and managing parks, reserves and libraries.

### In 2011-12 Territory and Municipal Services aims to achieve:

#### Municipal Services

- › 0.70 tonnes of waste to landfill per head of population
- › 67% of material recovered from the total waste stream
- › 80% customer satisfaction with the maintenance and pruning of street trees
- › 5.5 Library visits per capita
- › 85% customer satisfaction with library services
- › Less than 12 minute average queue times at the Canberra Connect shopfronts
- › 90% customer satisfaction with the management of town and district and nature parks

#### ACTION

- › 85% customer satisfaction with ACTION services
- › 85% of services operating on scheduled time

#### Road Services

- › 5% of Territorial roads resurfaced
- › Over 88% of Territorial roads in good condition
- › Over 70% of customers satisfied with the public road network

### New Expenditure Initiatives

New initiatives in this Budget of \$38.7 million over 4 years will invest in public transport, roads and Canberra's urban tree program, increase nature conservation efforts and further support delivery of RSPCA services.

#### The 2011-12 Budget includes:

- \$4.3 million over four years for the ongoing maintenance of municipal assets in new suburbs, including roads, paths and stormwater, parks and trees;
- \$6.2 million over four years to maintain over 700,000 trees within the public urban spaces of Canberra;
- \$1 million over four years to assist the natural regeneration of Box-Gum woodlands;
- \$1.8 million over four years for pest plant management in reserve environments;
- \$0.5 million over three years for rabbit control in high priority nature reserves;
- \$0.3 million over three years for conservation measures for threatened species and communities;
- \$0.150 million to support the delivery of RSPCA services to the community; and
- \$0.175 million for the remediation of asbestos at Jerrabomberra Wetlands.

# New Municipal Infrastructure

The 2011-12 Budget invests \$220 million over four years in new municipal infrastructure, including public transport, roads, waste and stormwater management and other local facilities.

## New Capital Initiatives:

- \$144 million over three years for the construction of the Majura Parkway;
- \$1.5 million to improve intersections in West Belconnen;
- \$11.2 million to address problem and stockpiled building waste, construct workshop spaces at Hume Resource Recovery Estate and upgrade landfill cells at Resource Management Centres to meet environmental standards and undertake New Landfill Studies;
- \$6.4 million to complete the revitalisation of the Eastern Valley Way Inlet, including pedestrian access and wetland planting, and preparatory design work on the Molonglo Riverside Park;
- \$20 million for the North Weston Pond and Bridge, which will provide a source of non-potable water for irrigation, address water quality, flood retardation and stormwater reuse;
- \$1.8 million for restoration of waterways by removal of willows and other weeds and control of invasive weeds in Lake Burley Griffin;
- \$4.1 million for storm water augmentation at Fyshwick and Deakin;
- \$1.9 million to improve walking and cycling infrastructure, including community paths and City Path lighting; and
- \$3.3 million for a Centenary Trail for walkers and cyclists that features the ACT's iconic sites and notable landmarks.

## Better Public Transport

The Government considers that fast and reliable public transport is the foundation of a well functioning city. In this Budget, further investments are made in an efficient and sustainable public transport system.

- Bus services to Gungahlin, and the inner North, Fyshwick, Kippax and the Canberra Hospital are being improved - \$10.3 million over four years.
- Additional funding is provided for ACTION to maintain services to the community and make public transport more accessible - \$9 million.
- Measures to inform the public about bus routes, frequency and accessibility are being strengthened - \$2.1 million over four years.
- Public transport infrastructure is being improved with bus stops and depots being upgraded and a feasibility study conducted for a Northbourne Avenue Transit Way - \$15.3 million.
- The ACTION radio system is being replaced to improve communications - \$4.5 million.

# Budget Paper No 2

## Investing In Infrastructure

The 2011-12 Budget invests an additional \$928.5 million in new infrastructure over four years to support and enhance the delivery of services to the community, support jobs, growth of the economy and boost the productive capacity of the Territory.

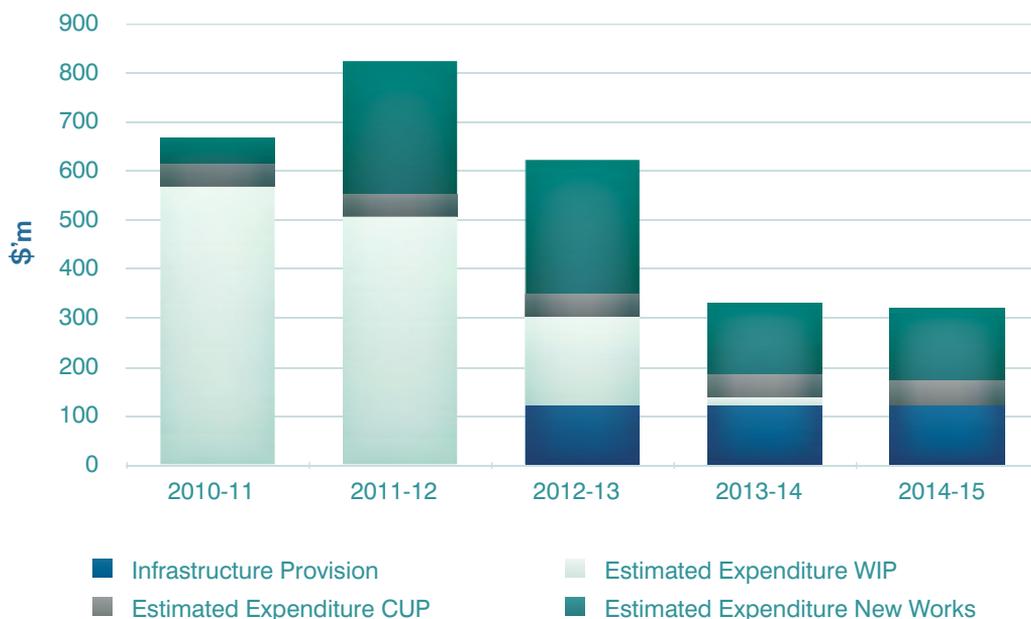
The 2011-12 Budget includes a range of projects that allow for smarter, innovative and sustainable infrastructure solutions to promote the efficient and effective delivery of services.

These include:

- the six green star Government Office Building which will enable better integration of services to the community;
- Information and Communication Technology (ICT) initiatives including the whole of government data centre program;
- two five green star schools;
- a health system which will have the capacity to deliver services using the latest technologies; and
- transport solutions aimed at encouraging a modal shift away from cars.

The Budget anticipates new general government sector borrowings for capital of up to \$350 million in 2011-12 and \$300 million in 2012-13. This is an increase of \$200 million on the level estimated in the 2010-11 Budget.

### New Capital Works Expenditure



## Capital Infrastructure Investment at a Glance

The Budget makes a total cash allocation of around \$2.3 billion over the next four years.

Summary of 2011-12 Infrastructure Program	2011-12 \$'m	2012-13 \$'m	2013-14 \$'m	2014-15 \$'m	Four Year Investment \$'m	Total Value \$'m
<b>Capital Works</b>						
Feasibility Studies	5.6	1.5	0	0	<b>7.1</b>	<b>7.1</b>
Forward Design	56.2	29.3	0	0	<b>85.5</b>	<b>85.5</b>
Construction Projects	208.4	242.4	144.9	149.4	<b>745.1</b>	<b>1,052.4</b>
Grants	1.0	0	0	0	<b>1.0</b>	<b>1.0</b>
Capital Upgrades	46.3	0	0	0	<b>46.3</b>	<b>46.3</b>
Plant and Equipment	8.5	0.2	0.1	0	<b>8.8</b>	<b>8.8</b>
ICT Projects	31.2	3.7	0	0	<b>34.8</b>	<b>34.8</b>
<b>Sub-Total – 2011-12 New Works Program</b>	<b>357.1</b>	<b>277.0</b>	<b>145.0</b>	<b>149.4</b>	<b>928.5</b>	<b>1,235.8</b>
Works in Progress	605.1	226.5	21.0	4.4	<b>856.9</b>	<b>856.9</b>
<b>Total 2011-12 Budgeted Works</b>	<b>962.2</b>	<b>503.5</b>	<b>165.9</b>	<b>153.8</b>	<b>1,785.4</b>	<b>2,092.7</b>
Unallocated Budget Provisions	0	167.7	168.9	170.2	<b>506.9</b>	<b>506.9</b>
<b>Total Budget Infrastructure Investment Capacity</b>	<b>962.2</b>	<b>671.2</b>	<b>334.9</b>	<b>323.9</b>	<b>2,292.3</b>	<b>2,599.6</b>

Note: Table may not add due to rounding

# Budget Paper No 2

## Land Release

The 2011-12 Budget includes four-year indicative programs for residential, commercial, industrial and community and non urban land release. These programs support the Government's economic and social strategy, the needs of a growing population, changing households and an expanding economy.

### Highlights of the indicative Land Release Programs are:

- › 5,500 residential dwelling sites to be released
- › Over 100,000 square metres of commercial land to be released
- › Over 100,000 square metres of industrial land to be released
- › Over 100,000 square metres of community and non-urban land to be released
- › An additional \$81 million over the next two years for a range of planning and infrastructure studies and new works
- › The Land Development Agency is budgeting for significant infrastructure works in 2011-12, valued at \$48 million

### Projects supporting developments across the Territory include:

- › John Gorton Drive Extension to Molonglo 2 and Group Centre (\$34 million)
- › Molonglo 2 – Water Supply, Trunk Sewer and Stormwater Infrastructure – Stage 1 (\$10 million)
- › Horse Park Drive Extension to Moncrieff Group Centre (\$24 million)

## Land Development with a Commitment to Sustainability

The Government's approach to the new developments in the Molonglo Valley reflects a strong commitment to sustainability. Molonglo will set a new benchmark in environmentally sustainable design and development, building on sustainability actions in the newer suburbs in Gungahlin, such as Bonner and Forde.

The first suburbs in Molonglo, Wright and Coombs, have been accredited as Canberra's first certified EnviroDevelopment project, which is an industry certification scheme led by the Urban Development Institute of Australia.

Wright has received accreditation in the Energy, Waste, Community and Ecosystems categories, and will incorporate a wide range of sustainability initiatives including Solar Envelope Guidelines.

## Land Release Locations

Residential	Commercial	Community & Non-Urban
Molonglo Suburb 3	City	Ngunnawal
Campbell	Campbell	Yarralumla
Kingston	Kingston	Gungahlin Town Centre
Amaroo	Belconnen	Acton
Phillip	Gungahlin	Lyneham
Crace	Dickson	Nicholls
Woden East	Amaroo	Holder
Forde 2	Franklin	Conder
Kingston Foreshore	Harrison	
Flemington Road	Phillip	
Wright	Ngunnawal	
Coombs	Chisholm	
Lawson		
Jacka		
Moncrieff		

## Indicative Residential Land Release

Location	2011-12	2012-13	2013-14	2014-15
<b>Number of Dwelling Sites</b>				
Gungahlin	1,261	1,450	1,400	1,050
Belconnen	560	750	200	200
Central Canberra	943	600	700	800
Molonglo	2,100	1,300	800	800
Woden and Weston	486	500	500	800
Tuggeranong	0	200	250	200
Other	150	200	150	150
<b>Total</b>	<b>5,500</b>	<b>5,000</b>	<b>4,000</b>	<b>4,000</b>

## Indicative Industrial Land Release (site area)

Location	2011-12 m <sup>2</sup>	2012-13 m <sup>2</sup>	2013-14 m <sup>2</sup>	2014-15 m <sup>2</sup>
Fyshwick	0	27,000	38,000	44,000
Hume	100,708	55,632	37,326	40,224
Symonston	0	18,000	25,000	16,000
<b>Total</b>	<b>100,708</b>	<b>100,632</b>	<b>100,326</b>	<b>100,224</b>

# Budget Paper No 2

## Indicative Commercial Land Release (site area)

Location	2011-12 m <sup>2</sup>	2012-13 m <sup>2</sup>	2013-14 m <sup>2</sup>	2014-15 m <sup>2</sup>
Gungahlin	42,084	29,939	17,661	20,000
Belconnen	3,398	13,473	0	0
Central Canberra	50,236	37,167	23,367	0
Molonglo	0	0	5,000	0
Woden and Weston	5,440	8,724	3,030	53,915
Tuggeranong	9,703	4,151	11,480	5,740
Other	0	7,000	40,000	21,000
<b>Total</b>	<b>110,861</b>	<b>100,454</b>	<b>100,538</b>	<b>100,655</b>

## Indicative Community and Non-Urban Land Release Program (site area)

Location	2011-12 m <sup>2</sup>	2012-13 m <sup>2</sup>	2013-14 m <sup>2</sup>	2014-15 m <sup>2</sup>
Gungahlin	69,215	58,090	6,000	2,458
Belconnen	9,407	0	10,000	2,000
Central Canberra	18,598	1,579	15,362	0
Molonglo	0	0	0	0
Woden and Weston	5,747	0	5,000	0
Tuggeranong	3,842	0	0	34,417
<b>Total</b>	<b>106,809</b>	<b>59,669</b>	<b>36,362</b>	<b>38,875</b>

# Nation Building and Jobs Plan – Update

The implementation of the Nation Building and Jobs Plan will be finalised in the first half of 2011-12. The elements of the Territory's activities under the Plan are described below.

## Building the Education Revolution (BER)

The BER component is comprised of two elements.

- Under the *National School Pride (NSP)* program every school in the ACT received an allocation of funding for minor refurbishments. All 84 projects under this program have been completed.
- Under the *Primary Schools for the 21st Century (P21)* program, 68 projects were funded such as libraries, assembly halls, multi purpose facilities and outdoor learning areas. All 68 of the projects under this program have been completed.

## Social Housing

The social housing component of the Plan included the construction of new dwellings and repairs and maintenance to existing Housing ACT properties.

Under Stage 1 of the program, 57 new social housing dwellings were provided across the Territory. All projects under this program are complete.

Under Stage 2 of the program, a range of new dwellings were built to support older social housing tenants at eight prime locations across the Territory. Each property has been constructed in a tranquil, village like setting, creating a secure, independent atmosphere.

Under this program 228 projects have been completed to date.

## Road Programs

As part of the *Nation Building and Jobs Plan – Roads Program*, the following road projects have been completed:

- 12 Black Spot projects across Canberra;
- the Tharwa Bridge Substructure;
- a Bus Lane on Barry Drive;
- a Bus Lane on Flemington Road; and
- Pavement Rehabilitation on London Circuit and Northbourne Avenue.

The work on the Kings Highway realignment project is due to commence following the completion of final construction approvals. The Lanyon Drive duplication project has recently been completed and approval has been obtained to transfer the funding for the Airport Roads project to the duplication of the Monaro Highway over Canberra Avenue.

## Partnerships With The Commonwealth

The ACT continues to work closely with the Commonwealth, through the Council of Australian Governments (COAG), on a range of national reforms in areas such as health, education and training, early learning and childcare, energy efficiency and response to natural disaster.

In general, the National Partnerships are jointly funded by the Commonwealth and State and Territory Governments to achieve the objectives and specific targets in a particular service area. Participation is voluntary, and over the past twelve months the ACT has signed up to the National Partnership Agreements outlined below.

Newly Introduced National Partnership Agreements	How will Canberrans Benefit
<b>The National Health Reform Agreement – Improving Public Hospital Services</b>	
<p>This agreement will drive major improvements in public hospitals and better health outcomes for Australians.</p> <p>The Commonwealth is contributing \$67 million over four years for this agreement. The ACT is not required to provide any funding under this agreement.</p>	<p>Canberrans will benefit from major improvements in public hospital service delivery and better health outcomes for Australians.</p>
<b>Secure Schools Program</b>	
<p>This agreement aims to assist schools to fund small security upgrade projects.</p> <p>The Commonwealth is contributing \$0.281 million in funding for this agreement. The ACT is not required to provide any funding under this agreement.</p>	<p>Canberrans will benefit from enhanced physical/electronic security of school facilities.</p>
<b>Pre- Apprenticeships Training</b>	
<p>This agreement will deliver training programs for students starting apprenticeships.</p> <p>The Commonwealth is providing \$0.275 million in funding for this agreement. The ACT is not required to provide any funding under this agreement.</p>	<p>Canberrans will benefit from initiatives that will assist in the development of skills and qualifications that will enable them to become effective participants in the labour market.</p>
<b>Off Networks Projects – Local Government</b>	
<p>This agreement will provide funds to states for road and rail projects.</p> <p>The Commonwealth is contributing \$2.35 million over five years for the life of this agreement. The ACT is not required to provide any funding under this agreement.</p>	<p>Canberrans will benefit from improvements from road, rail and intermodal projects not on the National Network.</p>

Newly Introduced National Partnership Agreements	How will Canberrans Benefit
<b>Off Networks Projects - States</b>	
<p>This agreement will provide funds to states for road and rail projects.</p> <p>The Commonwealth is contributing \$37.5 million over five years for the life of this agreement, with the ACT contributing \$34.5 million.</p>	<p>Canberrans will benefit from improvements for road, rail and intermodal projects not on the National Network.</p>
<b>Regional and Local Community Infrastructure</b>	
<p>This agreement will increase the capacity and resilience of local government.</p> <p>The Commonwealth is contributing \$3.630 million for this agreement with the ACT contributing \$5.783 million, ACT Tourism \$0.300m and the NCA \$0.385m.</p>	<p>Canberrans will benefit from improved capacity, resilience and infrastructure in communities and build capacity and resilience of local governments.</p>
<b>National Disaster Resilience Program</b>	
<p>This agreement will maximise mitigate risks from natural disasters posed to the ACT.</p> <p>The Commonwealth is contribution \$4.9 million over four years for this agreement, with the ACT contributing \$4.9 million.</p>	<p>Canberrans will benefit from natural disaster mitigation activities to strengthen communities' resilience to a range of natural disasters in Australia. Canberrans will have appropriate emergency management capability and capacity, and reduced risk from the impact of disasters. Volunteers will also be better supported.</p>
<b>Water for the Future</b>	
<p>This agreement will give effect to the National Framework for Compliance and Enforcement Systems.</p> <p>The Commonwealth is contributing \$1.030 million over five years for this agreement. The ACT is not required to provide any funding under this agreement.</p>	<p>Canberrans will benefit from initiatives that will achieve a more robust, risk-based, compliance and enforcement system for water resource management.</p>

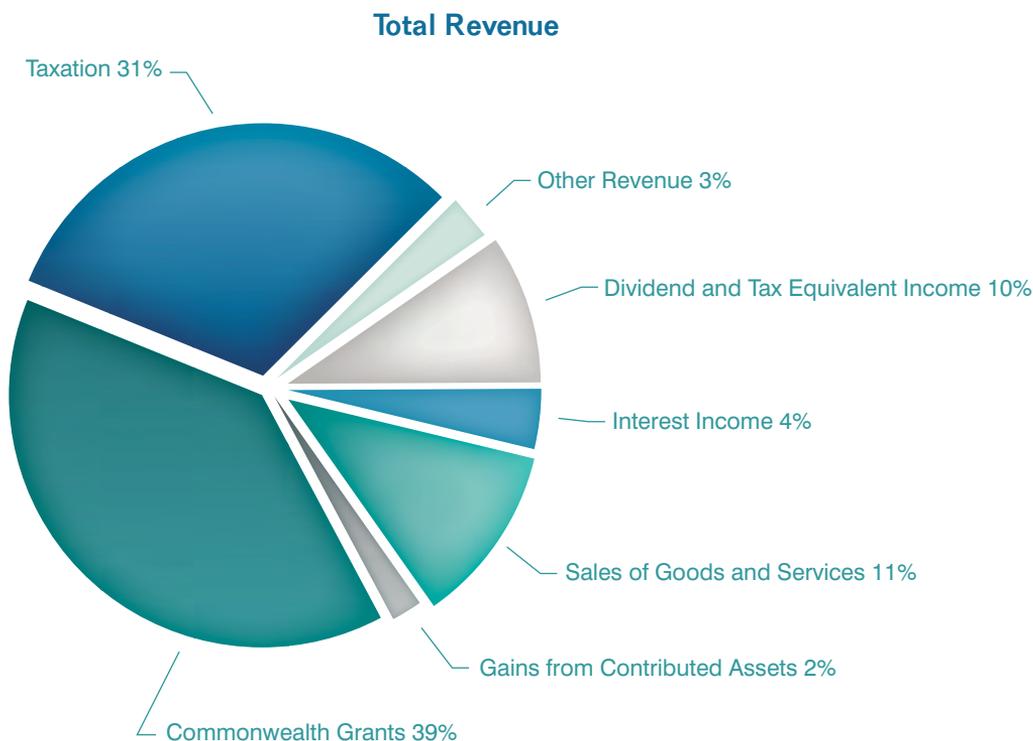
## Where Our Money Comes From

### TOTAL REVENUE (\$3,982.3 million): 2011-12

- General Government Revenue is projected to increase by 2.8 per cent in 2011-12.
- The majority of General Government Sector (GGS) revenue in 2010-11 is from grants from the Commonwealth Government (39 per cent) and own source taxation (31 per cent).
- Commonwealth Government grants revenue will decrease by 1.6 per cent to \$1.550 billion, this decline is mainly attributable to lower funding of the Nation Building and Jobs Plan during 2011, further reductions in GST Revenue associated with the Commonwealth Grants Commission's adjustment to the ACT's GST relativity from 1.15295 in 2010-11 to 1.11647 in 2011-12.
- Taxation revenue in 2011-12 will decrease by 0.3 per cent to \$1.249 billion from the estimated outcome.

There are no new taxes in this budget. However, tax subsidies are provided to support transition through the reform of the lease variation charge system.

A Review of the ACT Taxation System is currently underway, with the final report expected to be delivered by August 2011.



# What Your Money Delivers

## TOTAL EXPENSES (\$4,097.9 million): 2011-12

Approximately 47 per cent of the 2011-12 expenditure relates to employees' wages and superannuation.

Functionally 52 per cent of total expenditure relates to the health and education portfolios (including vocational education).

Area of Expenditure	2011-12 \$ million
Health and Community Care	1,147.10
Government Schooling (including Early Childhood and Preschool Education)	576.6
Territory and Municipal Services	526.6
Disability and Community Services	258.9
Non Government Schooling	200.8
Vocational Education and Training	145.7
Justice and Community Safety	170.1
Housing	142.8
Policing	142.0
Treasury	96.0
Public Transport	118.3
Emergency Services	108.0
Environment, Sustainability and Land Management	103.8
Planning	58.0
Sport and Recreation	42.3
Chief Minister's Department	39.7
Tourism	33.2
Land and Property Service	24.8
Legislative Assembly	14.1
Business and Industry Development	8.3
Executive	6.6
Auditor General	5.8
Other	128.3
<b>Total</b>	<b>4,097.9</b>