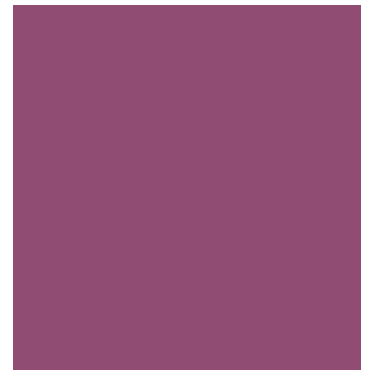
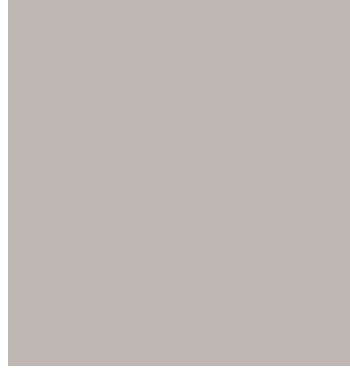


Annual Report 2014–15



Submission to Ministers



Will Hodgman

Premier
Minister for Tourism,
Hospitality and Events



Michael Ferguson

Minister for Information
Technology and Innovation



Dr Vanessa Goodwin

Minister for the Arts



Matthew Groom

Minister for State Growth
Minister for Energy



Peter Gutwein

Minister for Planning and
Local Government



Paul Harriss

Minister for Resources



Rene Hidding

Minister for Infrastructure



Jeremy Rockliff

Minister for Racing

Dear Ministers

In accordance with the requirements of Section 36 of the *State Services Act 2000* and Section 27 of the *Financial Management and Audit Act 1990*, I submit to you, for presentation to Parliament, this report on the affairs and activities of the Department of State Growth for the financial year ended 30 June 2015.

Separate reports will be presented to you by the Tasmania Development and Resources Board and the Board of Trustees of the Tasmanian Museum and Art Gallery in accordance with state legislation.

Yours sincerely

Kim Evans
Secretary
Department of State Growth
October 2015

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An electronic version of this report is available at
www.stategrowth.tas.gov.au

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Message from the Secretary



This is the first annual report for the Department of State Growth which was established to support job creation and growing the economy.

It builds on the strengths of the former Department of Infrastructure, Energy and Resources, the Department of Economic Development Tourism and the Arts, and Skills Tasmania.

State Growth's first year saw a new structure put in place reflecting the strategic direction of the Tasmanian Government.

The focus has been on delivering outcomes for our Ministers and the Tasmanian community, and on the Government's election and budget commitments.

Significant work has occurred in the areas of industry support, job creation, growing the visitor economy, building Tasmania's brand, and managing our infrastructure and transport systems.

Support provided for the 36 500 small businesses in Tasmania included the Small Business Jobs Bonus, Winning Government Business program and New Market Expansion Pilot.

The West Coast Working Group was established in July 2014. Its focus was on creating jobs and rebuilding the economy of that region with Cabinet supporting the delivery of a \$2.471 million economic package for the west coast.

Infrastructure Tasmania was created, tasked with ensuring a coordinated, state wide approach to the planning and delivery of infrastructure in Tasmania to attract investment and create jobs.

State Growth also provided support to the Office of the Coordinator-General which has taken an active role in investment attraction and major project facilitation.

Chinese investment attraction has been a major focus for the department with the historic visit of the Chinese President Xi Jinping and Madam Peng coinciding with the highly successful TasInvest forum.

Key road strategies were released that define how we will manage and develop our state road network, and work commenced on the \$500 million, 10 year action plan to improve safety on the Midland Highway.

The department provided more than \$100 million in the 2014-15 budget to be invested over five financial years for the Roads for Our Future program funding projects designed to improve safety and freight efficiency. This year these have included the completion of the \$23 million Tarkine Drive project, the \$26.7 million South Arm Highway safety improvements and the \$5.4 million upgrade of Strahan roads to help support the growing aquaculture industry.

A number of milestones were reached in road safety, including reducing barriers to driver licensing, safer cycling initiatives and continuing to implement national heavy vehicle reforms.

The Road Safety Levy continues to fund key road safety initiatives, with \$20 million allocated from the levy towards Tasmania's commitment to the Midland Highway by implementing flexible safety barriers, road widening, overtaking lanes and junction improvements.

Bringing Skills Tasmania into the Department of State Growth has seen better alignment of our job creation strategies and this year saw the release of the Tasmanian Government's Investing in Skills for Growth policy.



Skills Tasmania allocated over \$900 000 for funding to support industry's need for world-class skills, greater collaboration across the state and a partnership between industry, government and the training sector.

In April 2015 the Tasmanian Energy Strategy – Restoring Tasmania's Energy Advantage was released, informed by the advice of the Energy Working Group, which represented a range of consumer groups.

In accordance with the Government's election commitments, the department supported the development of the Forestry (Rebuilding the Forest Industry) Act 2014, working towards rebuilding the forestry industry as well as coordinating the third five-yearly review of the Tasmanian Regional Forest Agreement.

Over the past year, the department has consulted extensively with the Tasmanian community, key stakeholders and specialists to inform the development of a Population Strategy, which was finalised in September 2015.

Mineral Resources Tasmania (MRT) continued to ensure sustainable and fair management of the state's natural mineral resources and to commence the relocation of MRT to Burnie this year.

With Tourism Tasmania focussing on marketing and access to generate demand, a tourism and hospitality supply unit has been established in State Growth to take the lead role in developing an integrated approach to tourism and hospitality industry product and workforce development.

In June 2015, the Tasmanian Government released its Events Strategy 2015–2020, with the aim of supporting events such as Dark MOFO to increase visitation and make us the boutique events capital of Australia.

Visitors to the state also enjoyed exhibitions and programs at the Tasmanian Museum and Art Gallery (TMAG) including *The Suspense is Awful: Tasmania and the Great War*. Our creative industries continued to grow as an employer with filming of the major television series *The Kettering Incident* an industry highlight.

To articulate the synergies that exist across State Growth's broad range of activities, work has been undertaken on a new three year corporate plan. This plan will identify our objectives and priorities from 2015–2018.

I must sincerely thank our employees for their efforts and commitment particularly through a period of significant change whilst we bed down our new department.

I would also like to thank the department's Ministers for their strong support throughout the year

I also acknowledge the work of the Chairpersons and members of all of our different boards whom I thank for their time and dedication throughout the year.



Kim Evans
Secretary
Department of State Growth



Who we are

The Department of State Growth was formed on 1 July 2014, bringing together the strengths and key services that were previously housed in:

- » the Department of Infrastructure, Energy and Resources
- » the Department of Economic Development, Tourism and the Arts, and
- » Skills Tasmania.

Combining the key services and capabilities to form the Department of State Growth has brought together our technical and specialist expertise, government and industry connections and knowledge, and strategic capacity across a range of areas to drive growth, and the creation of jobs and opportunities in Tasmania.

We recognise and build on synergies that exist across government and work collaboratively to create opportunities for all Tasmanians.

Our structure includes the following groups / divisional areas:

Industry and Business Development – a client-centric group that focuses on driving the development of industry capability and regional development for growth including small business support, workforce development, develop our cultural and creative industries, trade and resources.

Policy and Strategy – a whole of agency role focusing on growth strategy, infrastructure, industry, resources, energy and reform policy and cross-agency coordination of input into whole-of-government and policy matters.

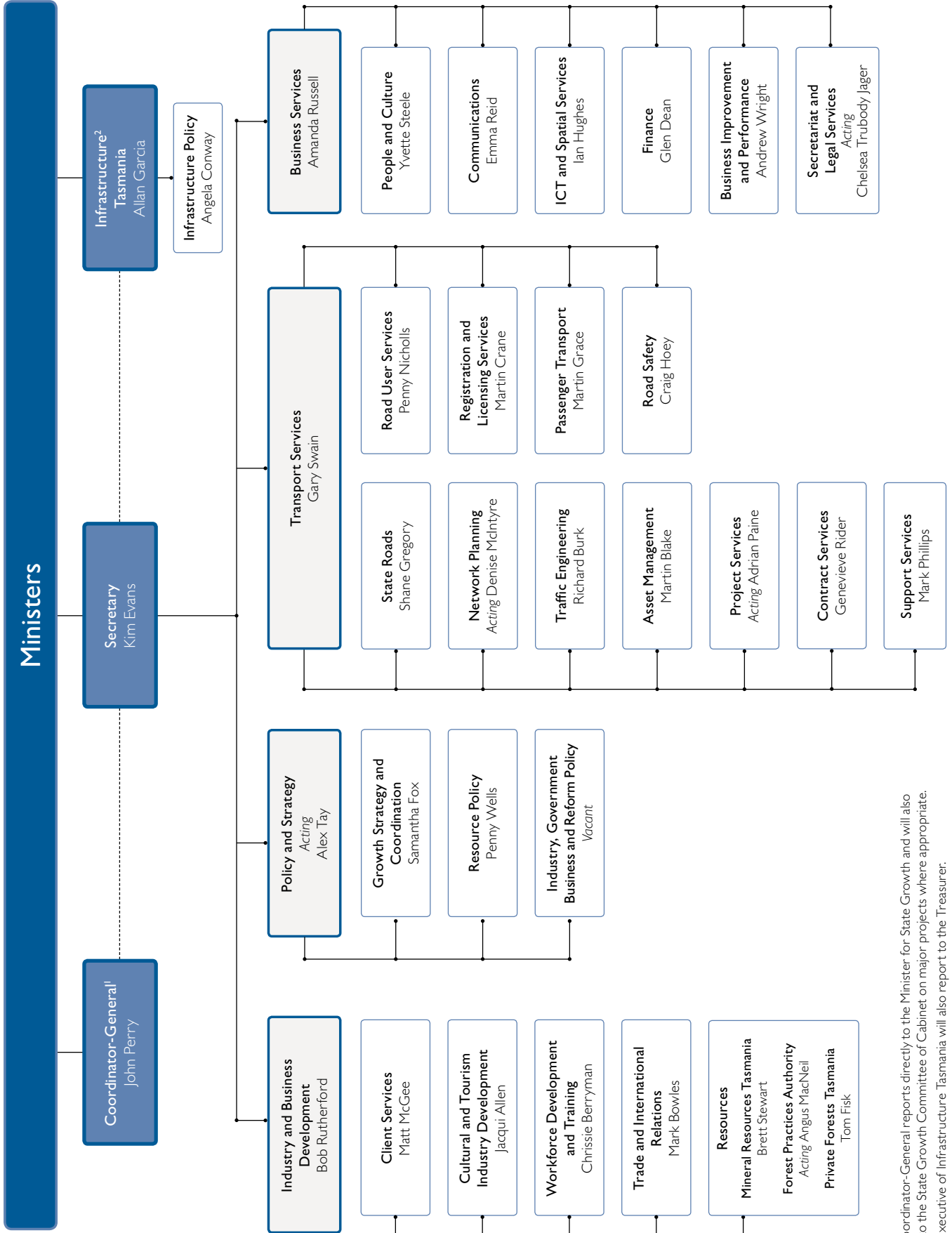
Transport Services – a key enabler for growth and services for the community that includes infrastructure delivery to support growth and an integrated customer service function for delivery and management of the all-important regulatory, road safety education and awareness services that underpins this.

Business Services – corporate services that provide common support functions to the department and lead organisational development and improvement.

The Department of State Growth also supports Infrastructure Tasmania and the Office of the Coordinator-General.

These key offices are important to providing a coordinated approach to the planning and delivery of all major economic infrastructure in Tasmania, and in attracting investment to Tasmania, facilitating major projects and cutting red and green tape.

Department of State Growth - Organisational Structure as at 30 June 2015



¹The Coordinator-General reports directly to the Minister for State Growth and will also report to the State Growth Committee of Cabinet on major projects where appropriate.

²Chief Executive of Infrastructure Tasmania will also report to the Treasurer.

People and Culture

Organisational development

Targeted organisational development activities and continued employee support services have been paramount to the success of the department's transition to the Department of State Growth. Significant work has been undertaken to ensure that managers and staff have the essential information, tools and capability to effectively engage with and support change.

During the process of organisational transition, the focus continued to be on our people and the department has in place a wide range of internal support mechanisms and assistance, including:

- » an Employee Assistance Program
- » organisational change and transition assistance for managers and employees
- » a people and change intranet site, with a range of resources to assist managers and employees, and
- » support from the People and Culture team.

A range of targeted transition services were made available to managers and employees affected by the organisational change, including managing change, resilience and career development workshops, and access to individual career counselling sessions. 120 employees attended one or more individual sessions, with 152 individuals participating in group workshops (35 workshops were held), and 15 work teams participating in targeted team resilience workshops.

Work has commenced on building the right culture for the Department of State Growth, to ensure that the approach to building workforce capability aligns with the department's strategic direction.

Capability development

The department continues to invest in its people by providing access to a range of learning and development opportunities including management essentials, career development and resilience training. Staff also have access to targeted training to meet individual development needs.

The department's study assistance program contributes to employees' professional and career development aspirations by providing support to undertake graduate and postgraduate studies that benefit the agency through enhanced performance. Sponsorship was provided to one employee to participate in this year's Public Sector Management Program.

Work health and safety

The department has demonstrated strong leadership and commitment to work health and safety with a focus on embedding sustainable practices into everyday business. A Work Health and Safety Management Committee has been established for the Department State Growth, accountable for setting strategic direction and fostering a positive and visible health, safety and wellbeing culture that emphasises proactive management and improved reporting processes.

The department's Work Health and Safety Consultative Committees meet regularly and provide a consultation forum for employees and management to develop strategies that mitigate risk and promote sustainable health and safety outcomes.

Employee wellbeing

A proactive approach continues in relation to employee wellbeing, with a range of programs to support positive health outcomes, including:

- » a safe driving program
- » annual influenza vaccinations
- » user-pays Pilates, yoga and massage programs
- » BUPA heart health screening, and
- » health and wellbeing promotions.

Our volunteers

The department recognises the valuable role that volunteers play. They are integral to the department's activities and have significant benefits to both the community and individuals.

The department engages volunteers either directly or through a third party volunteer organisation across a wide variety of volunteer activities. For example those at the Tasmanian Museum and Art Gallery, Arts Tasmania, Events Tasmania and Trade and International Relations relating to high profile events. It also includes the Forest Practices Authority assisting with research programs, school crossing patrol officers and Learner Driver Mentor programs. To effectively manage the associated risks, and the legal and ethical responsibilities when managing volunteer activities, a Volunteer Framework has been developed in conjunction with the Risk and Audit Committee.

Workplace diversity

The department is committed to providing an inclusive workplace culture by eliminating barriers that would otherwise impede some individuals from fully and actively participating at work. A revised Workforce Diversity Plan is being developed to encompass a range of initiatives that focus on identifying, valuing and utilising the diversity of our people.

A new People and Culture intranet site provides our people with access to a range of diversity resources and contacts including information about employment and career opportunities, the Employee Assistance Program and family violence support.

Performance management

The department is committed to creating a culture of high performing individuals and teams who support each other to work effectively and productively. While the department undertakes an annual performance and review cycle, approaches to improving outcomes are embedded as part of everyday business practice between managers and teams. A further review of the department's performance management approach to ensure an integrated and consistent approach across the organisation has commenced.

Workforce demographics as at 30 June 2015

Employees – full time equivalent and headcount

Number of paid FTE employees	727.28
Total number of employees	842

Employees – by employment type

Permanent	764
Fixed term	44
Senior Executive	27
Non state service – racing stewards	7

Employees – by work pattern

Full-time	587
Part-time	255

Employees – by gender

Females	458
Males	384

Commencements and separations

Commencements	39
Separations	165

Flexible work options

Number of employees who accessed State Service Accumulated Leave Scheme (SSALS)	16
Number of employees who accessed State Service Purchased Leave Scheme	81
Number of employees who accessed maternity leave	37
Number of employees who accessed leave without pay greater than 20 days	57
Number of part-time employees	255
Number of employees on phased-in retirement plan	0



Industry and Business Development

Client Services

Key achievements

Into Dairy Project

The department has been working with Dairy Tas to administer \$740 000 for the Into Dairy Project, delivering programs to increase production and Tasmania's largest agricultural industry, worth well over \$4 million in annual value.

Salmon industry

The salmonid industry 2014-15 harvest was 45 000 tonnes with a farm gate value of over \$600 million. The industry directly employs around 1 700 full time equivalent Tasmanians and it is estimated that another 2 800 are indirectly employed in associated sectors. The department continues to work closely with this important industry to support economic growth opportunities, including 70 jobs so far at Huon Aquaculture's new Smokehouse and Product Innovation Centre at Parramatta Creek.

Pacific Patrol Boat Replacement Project

The department has supported our maritime industry to bid for the replacement of Australian Defence Patrol Boats for the Pacific Ocean, running briefings, networking forums and providing a booth for TasPac at the Pacific Expo.

Tasmanian beer trail

The beer trail website at tasbeertrail.com was launched as part of a commitment of \$250 000 to showcase our iconic and vibrant boutique beer industry. Activities are being developed in partnership with key industry stakeholders and are supported by the Brewers Association of Australia and New Zealand, which is contributing a further \$100 000 to the implementation of the plan.

Digital and Wi-Fi

A Request for Proposal was released seeking an operator to build and maintain free public Wi-Fi infrastructure for a period of four years in approximately 50 locations.

The Digital Ready for Business Program provided assistance to Tasmanian small business in making the most of online tools.

The Tasmanian Government's priority location – the Tasman Highway between Launceston and Scottsdale – received funding for mobile phone two black spots under the Australian Government's Mobile Black Spot Program.

Support for small business

Business Tasmania and Enterprise Centres Tasmania continued to provide a dedicated whole-of-government service to support the 36 000 plus small businesses in Tasmania at every stage of their development.

Nyrstar

The department worked with Nyrstar to unlock a \$52 million investment to expand capacity, creating an additional 125 jobs during construction and up to 20 new jobs once the upgrades are complete.

Heritage Cheese

The Tasmanian government supported Lion's Heritage Cheese facility in Burnie through a \$1.5 million assistance package. This has created the largest speciality cheese factory in the southern hemisphere and secures the future of high value, high volume cheese making in north west for the long term.

Supporting the West Coast

The West Coast Economic Working Group was established to engage directly with the community and local government to develop a recovery package to assist in reversing the negative trends impacting the region, particularly in the mining industry.

The Tasmanian Government committed \$2.471 million for projects to create jobs and investment, and fast-tracking \$13.2 million of capital road improvements.

The aim of the package was to implement a social network of support and develop an economic diversification strategy to fast track opportunities in other core industries in the region: tourism and hospitality and aquaculture.

Advanced Manufacturing

The Tasmanian Government established the Caterpillar Transition Task Force in response to the announcement that Caterpillar Underground Mining would contract its manufacturing plant to Thailand.

The Task Force hosted the Tasmanian Advanced Manufacturing Summit in Burnie. The summit brought industry and government together to progress the shared goal of securing a strong, sustainable and globally competitive future for advanced manufacturing in Tasmania.

From this, the government committed to develop a state-wide industry strategy and allocate \$3 million to implement industry recommendations.

Cultural and Tourism Industry Development

Key achievements

Tourism and hospitality supply unit

With Tourism Tasmania focussing on marketing and access to generate demand, the Department of State Growth now has the lead role in the supply-side approach to support tourism industry, product and workforce development.

To this end, the tourism and hospitality supply unit was established to take the lead role in developing an integrated supply-side approach to support tourism and hospitality industry product and workforce development.

Tourism Demand Driver Infrastructure Program

The Australian Government's Tourism Demand Driver Infrastructure Program will see \$3.124 million provided to Tasmania over a four year period from 2014-15 to 2017-18. The Department of State Growth is the lead agency in the design and administration of the program with support provided by Tourism Tasmania. The first round was administered during the reporting period with ten projects funded.

Tasmanian Hospitality Association support

The value of the hospitality industry as the third largest employer in Tasmania, and a significant contributor to the Tasmanian economy, has been recognised by the Government through its commitment to enter into a Memorandum of Understanding with the Tasmanian Hospitality Association (THA) and allocation of \$1.5 million.

As part of this commitment, the THA has now been funded \$800 000 over four years to implement the Hospitality Strategic Plan and \$400 000 over four years for workforce development initiatives. The remaining funding is earmarked for a \$300 000 Customer Experience Program.

Events Strategy 2015-2020

The Tasmanian Government has released its Events Strategy 2015-2020, with the aim of making Tasmania the boutique events capital of Australia and increasing visitation. The strategy supports a seasonally and regionally balanced calendar of cultural, business, sporting and community events.

Hawthorn Football Club partnership

Major events, such as the Hawthorn Football Club games, make a significant contribution to our state economy, delivering substantial on-the-ground benefits to businesses as well as providing benefits to our community. The current 2011-16 partnership provided for \$3.375 million in funding plus CPI increases and finals bonuses each year.

Tasmanian creative industries

Seed funding of \$50 000 was granted to Tasmanian creative industries in 2014-15 to assist in the establishment of the Tasmanian Creative Industries Council as a legal entity and for associated activities including a membership model and web presence.

Development of a cultural strategy

Significant work has occurred on a cultural strategy which will seek to extend and leverage Tasmania's cultural offering, ensuring strategic support and investment in Tasmania's cultural sector and creative industries results in economic, social and cultural value.

Screen industry productions

Set to screen internationally, *The Kettering Incident* is the first Screen Tasmania supported television series to shoot completely in Tasmania. Having filmed in the winter and spring for nearly six months, the production expended nearly \$6 million in the state and delivered over 130 job opportunities for Tasmanian cast and crew.

Screen Tasmania provided production equity investment to Blue Rocket for *Fanshaw and Crudnut*, which will be screened on the Nine Network in late 2017 and distributed internationally.

Developed and produced by Tasmanian production companies Latitude Films and Sky Machine, and part funded by Screen Tasmania, *Noirhouse* series II was the first web series to be commissioned by ABC iView.

Tasmanian Museum and Art Gallery

Exhibitions and programs at the Tasmanian Museum and Art Gallery (TMAG) included *The Suspense is Awful: Tasmania and the Great War*, the family orientated Curious Caterpillars Playgroup and Eye Spy, and AccessArt education program.

TMAG partnered with major arts and heritage festivals, including the Festival of Voices, Dark Mofo, Tasmanian International Arts Festival, 2015 National Heritage Trust Festival: Conflict and Compassion and worked in partnership with key organisations and the community to present NAIDOC (National Aborigines and Islanders Day Observance Committee) Week and National Science Week programming. A new initiative was the Invention Convention held at TMAG in partnership with Questacon, the National Science and Technology Centre.

The inaugural summer Friday Nights at TMAG series was supported by the City of Hobart's cultural initiative Creative Hobart.

Notable items acquired during the year include an artwork by Patrick Hall entitled *Depth of Field* (2014); the medals awarded to Sir John Gellibrand; a dining room suite by Schulim Krimper; and donation of 19 Tasmanian lichens dating from the 19th century.

TMAG Herbarium and Zoology scientists participated in the 2015 Tasmanian Bush Blitz field study undertaken in the Arthur, Pieman and Savage River areas.

The Chair of TMAG's Board of Trustees, Sir Guy Green announced his retirement after 11 years of dedicated service. Mr Geoff Willis was appointed as the new Chair of the Board of Trustees. Ms Janet Carding was appointed as TMAG Director.

Tasmanian Arts Guide

The Tasmanian Arts Guide website tasmanianartsguide.com.au was launched, delivering authoritative, high quality content on Tasmania's arts and cultural scene to the cultural tourism market.

Premier's Literary Prizes

The 2015 Premier's Literary Prizes received over 150 entries and continues to highlight the wealth of literary talent in Tasmania and reinforces Tasmania's reputation as a cultural and artistic hub. This year the prizes attracted philanthropic support with a new prize for emerging writers called the Tasmanian Young Writer's Fellowship.

Arts funding

Arts Tasmania reviewed and revised all its funding programs and implemented new models for artist and arts organisation investment. The roll-out of the new models included new assessment criteria, a streamlined two-stage application process and new online application forms.

Workforce Development and Training

Key achievements

Investing in Skills for Growth

The Tasmanian Government's *Investing in Skills for Growth* policy was released in 2014. It has three goals:

- » a more efficient and competitive training system
- » a greater focus on delivering real skills for real jobs
- » investing in skills that drive State Growth

To align with these goals, the Minister for State Growth released the following annual priorities for training and workforce development for 2014-15:

- » an agile workforce-focussed system
- » an open market
- » a new strategy for training and workforce development
- » driving quality through industry advice
- » a contemporary role for TasTAFE
- » supporting learners to choose
- » boosting Traineeships and Apprenticeships
- » engaging in national partnerships in Tasmania's interest.

Funding

Skills Tasmania administered a number of funding programs through contestable processes, including:

- » the Skills Fund - for jobseekers and employed workers
- » User Choice - for apprentices and trainees
- » Career Start - helping individuals to make a career choice
- » Language, Literacy and Numeracy (LLN) and employability skills
- » Skills Equip the Equity Support Program - to address barriers and support training for people experiencing disadvantage.

TasTAFE, the Tasmanian Government-funded public registered training organisation, received funding under the 2014 and 2015 Deeds of Purchasing arrangement. The Deed sets out obligations for funding for community services, activity based training and pre-paid foundation skills, as well as specific programs such as prisoner training.

Rapid Response Skills Initiative

The Rapid Response Skills Initiative provided assistance to 208 workers facing retrenchment due to business closures. The support included connecting people with training opportunities as well as financial assistance totalling \$236 280 to affected workers with an identified employment, or self-employment prospect.

Supporting the West Coast

Among the initiatives of the Tasmanian Government support package, Skills Tasmania assisted retrenched miners to attain qualifications to improve employment prospects and supported new training opportunities in the region.

Advanced Manufacturing

Through competitive funding under the Skills Fund, the Business Improvement Skills Initiative and the Advanced Manufacturing Skills Initiative, Skills Tasmania allocated over \$900 000 for specialised training in advanced manufacturing in 2014-15.

The funding supports industry's need for world-class skills, greater collaboration across the state and a partnership between industry, government and the training sector to maximise opportunities and support growth.

China Ready

Skills Tasmania committed \$112 000 to work with industry to respond to the increase in Chinese visitor numbers, including the China Ready and Accredited program and the Tasmanian Hospitality Association's *Providing Service to Chinese Guests* resource.

Agri-vision 2050: Agriculture Industry Skills Plan

Skills Tasmania continued to work with the Tasmanian Farmers and Graziers Association to progress the Agriculture Industry Skills Plan, part of the government's commitment of \$450 000 over three years to the AgriSkills Project.

Employer Validated Work Readiness

Skills Tasmania supported the Tasmanian Chamber of Commerce and Industry in the roll out of a project to support working-aged Tasmanians in becoming more employable. Pilot projects in Devonport, Huonville and Hobart demonstrated the potential of the combination of a structured program, coaching and mentoring and work experience in developing the work readiness attributes employers seek.

Youth training

The department supported the following youth specific programs:

- » \$300 000 over three years to Whitelion for their Youth@Risk program, which will assist 200 at-risk young people to become job-ready, find long-term employment or re-engage in vocational education and training.
- » \$675 000 over three years to the Beacon Foundation to assist over 1 500 young people in Tasmanian schools in disadvantaged communities at risk of disengaging from education.

Excellence and awards

The Tasmania Training Awards highlight excellence within Tasmania's vocational education and training sector. Seafood Training Tasmania went on to win the Australian Small Training Provider of the Year, and Chris Medhurst of Devonport was announced as runner-up Aboriginal and Torres Strait Islander Student of the Year at the Australian Training Awards.

Trade and International Relations

Key achievements

China engagement

The department is capitalising on market opportunities from China, including building on the momentum and publicity around President Xi's November visit. Highlights included the Premier's delegation to China, investor roundtables, and development of ten Memoranda of Understanding to provide a platform for further opportunities.

TasInvest

November's TasInvest 2014 forum provided an unparalleled experience for investors to experience Tasmania's key industry sector and related investment opportunities first hand. The first-time inclusion of Hobart in Australia-China Business Week is a direct result of the success of the event and provides further opportunity for Tasmania's SMEs and exporters of niche products and services to China.

Antarctic gateway

A schedule to our Memorandum of Understanding with China was signed, forming the basis for future cooperation with the Chinese National Antarctic Research Expedition and Tasmania as an Antarctic gateway.

Mineral Resources Tasmania

Key achievements

As the statutory authority for the *Mineral Resources Development Act 1995*, Mineral Resources Tasmania works to ensure sustainable and fair management of the state's natural mineral resources.

Relocation of Mineral Resources Tasmania to Burnie

The mining and minerals sector is a key component of the engine of growth of the Tasmanian economy and, as part of the Mining for Tasmania's Future policy, sections of Mineral Resources Tasmania will be progressively relocated to the department's premises in Burnie. Significant work and consultation has been undertaken in planning and scoping the relocation, with the Core Library to remain at Mornington in Hobart.

Mineral Exploration Investment Attraction Plan

Mineral Resources Tasmania continues to directly market opportunities for mineral exploration and mining in Tasmania at a state, national and international level, and has joined with industry stakeholders on promotional opportunities including TasInvest, the International Mining and Resources Conference, China Mining 2014, and the Prospectors and Developers Association of Canada.

Geological data collection

3D modelling by Mineral Resources Tasmania of the state's geology continues, and the Rosebery area model has now been completed. Data from the Commonwealth National Disaster Mitigation Program Tamar Valley and St Helens landslide projects is now informing statewide landslide risk banding being completed by the Department of Premier and Cabinet, as well as the development of landslip mitigation plans at Parnella.

Mineral exploration and land rehabilitation

Mineral Resources Tasmania facilitated responsible mineral exploration, including major works programs for Forward Mining near Hampshire, ABxTasMLI Pty Ltd in the midlands, and both Columbus Metals Limited and Australian Hualong in the Zeehan Area as well as successful improvements to the Mt Lyell mine Princess Creek Tailings Storage Facility, which will ensure ongoing responsible environmental management.

HyLogger core scanner

There was a marked increase in the throughput of drill core in Mineral Resource Tasmania's HyLogger facility. Australian Government funding has enabled this work, supporting exploration activities at Mt Lyell, and expanding our information on the alteration signature of major ore bodies.

FAST FACTS

tasmanianartsguide.com.au features 100 creative places to go, more than 240 artists and arts company profiles and a constantly changing calendar of arts events.

Shooting of *The Kettering Incident* in Tasmania generated nearly \$6 million in the state and delivered over 130 job opportunities for Tasmanian cast and crew.

TMAG received 359 825 visits plus 64 943 unique online visits in 2014-15.

The Business and Skilled Migration team issued 137 visa nominations under the skilled and business visa programs and supported 104 skilled vacancies under the Regional Sponsored Migration Scheme.

Administered by the department, the Australian Government Farm Finance Concessional Loan Scheme closed on 30 June 2015 with a total of \$19.2 in loan funds approved.

In 2014, over 33 000 working-aged Tasmanians undertook vocational education and training. 1 500 businesses were directly assisted because they employed an apprentice/trainee or their workers accessed a subsidised training place.

Industry and Business Development continued

Performance information Industry and Business Development

Performance measure ¹	Unit of measure	2013–14 actual	2014–15 actual	2015–16 target
Red tape reduction of 20 per cent ²	%	n/a	n/a	n/a
Difference between the Tasmanian and national unemployment rate ³	% point difference	1.8	0.9	<1
Investment, exports and import replacements facilitated	\$ million	376.0	270.0	320.0
VET graduates employed after training ⁴	% of total	77.9	77.5	78.0
VET graduates with improved employment status after training ⁵	% of total	61.6	60.7	61.0
Employers using VET system ⁶	% of total	56.7	n/a	55.0
Apprentice/trainee commencements ⁷	number	6 094	6 110	6 400
Apprentice/trainee in training ⁸	number	9 365	8 923	9 700

Notes

- 'n/a' indicates that data is not available or measurement has not yet commenced.
- The Government is undertaking red tape reduction in accordance with its commitment to a 20 per cent reduction over the term of the Government. Specific performance targets are being determined by the Regulation Reduction Coordinator and the Coordinator-General on a sector by sector basis in consultation with industry.
- The Government has committed to reducing the Tasmanian unemployment rate to the national average in its first term. The difference between the Tasmanian and national unemployment rates for the 12 months to March 2015 was 0.9 percentage points. The performance measure is that, for 2015–16, the difference between the two rates will be less than this difference. This figure is based on the ABS Labour Force 6202.0 release, original data.
- Graduates employed after training data is sourced from National Centre for Vocational Education Research Limited (NCVER) Student Outcomes Survey 2014, released December 2014. This data relates to graduates from 2013.
- Graduates with improved employment status after training data is sourced from NCVER Student Outcomes Survey 2014, released December 2014. Improved employment status after training is employment status changing from not employed before training to employed after training, or employed at a higher skill level after training, or received a job related benefit as reported by the graduate.
- Employers using vocational education and training (VET) system data is sourced from NCVER Survey of Employer Use and Views of the VET System 2014, released December 2014. This survey is conducted every second year which is why the 2012–13, and 2014–15 actual is not available. External factors influence this indicator.
- Apprentice/trainee commencements represents the number of Tasmanian trainees and apprentices who began their apprenticeship or traineeship in the 12 months.
- Apprentice/Trainee in training represents the number of Tasmanian Apprentice and Trainees undertaking training.

Performance information Cultural and Tourism Industry Development

Performance measure	Unit of measure	2013–14 actual	2014–15 actual	2015–16 target
Tasmanian Museum and Art Gallery				
TMAG total visitors ¹	number	1 440/day	1 097/day	1 125/day
Arts Industry Development				
Attendance at selected cultural venues ²	Number	243 308	251 246	250 000
Contribution to gross state product of selected arts industries ³	\$ million	67.3	60.5	65.0
Participation in selected cultural activities ⁴	%	28.1	n/a	28.3
Screen Industry Development⁵				
Developed projects that advance into production ⁶	ratio	4.4:1	4:1	6:1
Investment attracted ⁷	ratio	12.4:1	14:4	5:1
Leveraged spend in the state	ratio	4.4:1	7:1	4:1

Notes

1. It is typical after the one-off effect of a redevelopment opening year to see a reduction. Actual and target numbers for 2014–15 and 2015–16 are 40 per cent (325 visitors per day) above pre-redevelopment figures, which averaged 800 visits per day.
2. Attendance at selected cultural venues includes only those organisations receiving assistance under the Museums, Art Galleries and Heritage Organisations funding program of Arts Tasmania. This program will be replaced by the Cultural Heritage Program in 2016–17.
3. Contribution to gross state product of selected arts industries in 2014–15 will be available upon release of the ABS publication 5220.0 Australian National Accounts: State Accounts scheduled for release in November 2015. The 2014–15 figure shown in Table 10:7 is the target.
4. Data for this measure is drawn from the ABS release Participation in Selected Cultural Activities, Australia (Cat. No. 4921.0), for which 2013–14 is the most recent release. The most recent data for Tasmanian participation compares with a national participation rate of 26.8 per cent.
5. The performance measure Screen Industry – Production Jobs Generated is no longer a viable measure of performance due to small sample size and has been removed from this table.
6. The industry standard ratio for developed projects advancing into production is 10:1. The ratio varies because of the time taken by some projects to go into production, and because of that time, this ratio has been taken over three years.
7. Investment attracted ratios vary in-line with the size of production budgets. Animation and TV drama series leverage more investment and jobs than documentaries.

Industry and Business Development continued

Performance information Mineral Resources Tasmania

Performance measure ¹	Unit of measure	2013–14 actual	2014–15 actual	2015–16 target
Minister	satisfaction	satisfied	satisfied	satisfied
Agency – Secretary / Deputy Secretary	satisfaction	satisfied	satisfied	satisfied
Tasmania's percentage of industry's mineral exploration expenditure in Australia ²	%	1.4	1.6	1.3
Area covered by modern geoscientific data collection techniques with subsequent 1:25 000 geological mapping coverage ³	%	71.0	74.4	66.4
Programmed abandoned mining lands rehabilitation projects completed	%	100	100	100

Notes

1. A user satisfaction survey sought stakeholder feedback regarding the level of satisfaction perceived on such issues as quality, equity, efficiency and openness of the consultation process.
2. Statistics derived from the first three quarters of each financial year from ABS greenfields exploration data.
3. The area covered by modern remote sensing data (less than 15 years old) is subject to change. The performance targets are regularly refactored based on area of modern remote sensing data available at a given point in time.





Policy and Strategy Division

Key achievements

The Policy and Strategy Division provides a centralised policy and strategy function for the Department of State Growth. The Division works across the Department and with other agencies, engaging and drawing on expert input to inform the development of key policies and strategies that are consistent with the Government's priorities; the Department of State Growth's vision and objectives and the direction provided by our Secretary and Ministers.

The division's key achievements for 2014–15 are:

- » releasing the *Tasmanian Energy Strategy – Restoring Tasmania's Energy Advantage*, informed by the advice of the Energy Working Group, which represented a range of consumer groups. The Strategy includes 43 actions, grouped under the three themes of making energy work for people, reducing the cost of delivering energy and positioning Tasmania for the future
- » repealing the *Tasmanian Forests Agreement Act 2013*, and replacing it with the *Forestry (Rebuilding the Forest Industry) Act 2014*, to deliver a key Government commitment toward rebuilding and growing the forestry industry in Tasmania
- » establishing Infrastructure Tasmania which saw the appointment of Mr Allan Garcia to the role of Chief Executive Officer. Infrastructure Tasmania will provide a coordinated approach to the planning and delivery of all major economic infrastructure in Tasmania, including, road, rail, ports, energy, irrigation and water and sewerage
- » engaging with the Tasmanian community, key stakeholders and specialists to inform the development of a Tasmanian Population Growth Strategy, which will be finalised in 2015. The Strategy will provide a plan to support the achievement of the government's long-term target of increasing Tasmania's population to 650 000 by 2050. To inform the Strategy, a Discussion Paper was released in April 2015 for a six week public consultation period. Through that consultation, the agency received 41 submissions and held three round tables with key stakeholders
- » commencing a strategic review of the government's funding and contract arrangements for public bus services. This work will complement a state wide review of public transport need and design of a network of bus services which will serve Tasmania for the next 10 years from the expiry of the current contracts in 2018. The network includes both bus services for the general public and dedicated student services working with the Department of Treasury and Finance to deliver the Forestry Tasmania review to Government
- » implementing key forestry reform actions, including consultation with key stakeholders on a new operating model for Forestry Tasmania and commencing an expression of interest process for a private sector led solution to the southern residues issue
- » coordinating the third five-yearly review of the Tasmanian Regional Forest Agreement
- » commencing development of an Integrated Freight Strategy, which will be released in draft in 2015 by Infrastructure Tasmania. The Strategy will provide a coordinated, demand-driven freight planning and investment framework for Tasmania
- » supporting the delivery of enhanced freight options for Tasmanian businesses, by working with the Commonwealth Government to extend the application of the Tasmanian Freight Equalisation Scheme to transhipped goods and testing direct international shipping options with private operators
- » supporting the State Growth Committee of Cabinet, and providing strategic advice to Government on actions, strategies and innovative approaches to growing Tasmania's economy
- » advocating for Tasmania's interests through developing submissions to national inquiries and reviews, and supporting Ministerial participation and senior officials in national forums, including the Council of Australian Government's Energy and Agriculture Councils, the Joint Commonwealth Tasmanian Economic Council, the Forestry and Forest Products Committee, and the Transport and Infrastructure Council.



Report from the Director of Energy Planning

The Director of Energy Planning is a statutory position established under Section 4 of the *Energy Co-ordination and Planning Act 1995* (the Act). The Director of Energy Planning is appointed by the Minister for Energy, and provides advice to the Minister on energy policy. This report is provided in accordance with Section 13 of the Act and details the performance of the director's functions and the exercise of the Director's powers under the Act.

There were several significant developments affecting the Tasmanian energy industry in 2014-15, as outlined below.

Tasmanian Energy Strategy

A key focus for 2014-15 was the development of the Tasmanian Energy Strategy – Restoring Tasmania's Energy Advantage.

The development of the Energy Strategy met a number of the statutory functions under the Act. In particular, the Strategy addresses:

- » different sources of energy and different ways energy is used encouraging competition
- » encouraging greater energy efficiency.

The process for developing the Strategy also involved targeted and broad consultation with interested parties and stakeholders, particularly customer representatives.

The strong focus on using energy as a driver for economic growth and productivity is a key theme of the Strategy, and fully addresses this function under the Act.

National regulatory framework and national reforms

The Tasmanian electricity market remains part of the National Electricity Market (NEM) operated by the Australian Energy Market Operator. The transmission and distribution networks, operated by TasNetworks since 1 July 2014, remain regulated by the Australian Energy Regulator. Accordingly, the outcomes for electricity in Tasmania remain heavily influenced by developments in the national regulatory framework, plus national policies of the Australian Government directed at Australia's energy supply industries.

At a national level there is an on going reform agenda that is being pursued by the Council of Australian Government's (COAG) Energy Council to introduce greater efficiency into energy markets and prevent prices rising higher than necessary. The Energy Council includes the Tasmanian Minister for Energy.

The rules for the wholesale market and the operation of the national electricity grid, for the economic regulation of the networks businesses, and the consumer protection regime that applies to the retailing of electricity, are amended from time to time by the Australian Energy Market Commission. This is the main process for adapting the market to meet changing circumstances, necessary improvements, and meet the challenges of new and emerging technologies.

The development of the NEM and its national institutions occurred after the creation of the Director of Energy Planning position. This means that many of the planning and co-ordination functions under the Act in practice today are met by Tasmania's participation in the NEM. The Department of State Growth monitors the development of market reforms and ensures that the Director of Energy Planning and the Minister for Energy are informed as to the progress of reforms and the way in which they can enhance energy supply for Tasmania.

Tasmania's energy supply and demand

The Office of the Tasmanian Economic Regulator monitors energy supply reliability and publishes an annual *Energy in Tasmania – Performance Report*.

Within Tasmania, the adequacy, security and reliability of energy supply remained robust throughout 2014-15. This was assisted by reasonable rainfall and good performance throughout the energy supply chain, including Basslink. Confidence in Tasmania's energy security has been maintained.

The Committee to Coordinate the Response to Energy Supply Emergencies (CCRESE), of which I am Chair, is a statutory body established under Part 6 of the *Electricity Supply Industry Act 1995*, and section 12 of the *Energy Co-ordination and Planning Act 1995*. CCRESE plays a key role in advising the Minister on the adequacy of the current and future energy supply situation and the State's capacity to meet its ongoing energy demands. CCRESE is supported by technical and operation advisors from across industry and Government.

There has been a gradual decline in electricity demand in Tasmania since 2008-09, across the residential, commercial and major industrial sectors, with this attributable to a range of factors including tightened economic conditions, structural change in the economy, improvements in energy efficiency and increased levels of distributed generation (micro solar PV systems). This trend is generally consistent across Australia.

Monitoring of the anticipated supply/demand balance for Tasmania is also undertaken by the Australian Energy Market Operator. The Department of State Growth participates in the annual assessment process, thus supporting me in ensuring that the relevant elements of my functions are met.



Gary Swain
Director of Energy Planning



Transport Services

State Roads

Key achievements

Heavy vehicle access and bridge assessment

State Roads is actively facilitating increased freight productivity by assisting heavy vehicle operators with innovative vehicle designs that maximise the efficiency of freight that can be transported over existing bridge and road infrastructure.

In addition, the establishment of the National Heavy Vehicle Regulator has been a catalyst for state and local government road managers to undertake more detailed assessment of the risks for bridge assets and customers as a result of the movement of unusually heavy loads and vehicles around the state. A significant effort has been expended in 2014-15 to ensure the effect of impending changes to arrangements for gaining access to roads for the freight logistics industry will be minimised.

State road infrastructure service and road asset management policies

State Roads is committed to providing efficient road infrastructure and services for our customers that are as safe as reasonably possible, support economic growth through responsible investment and enhance the travelling experience for road users.

As part of State Roads' increasing focus on responding to our customer's needs, the Premier and Minister for Infrastructure released the Tasmanian Government's *State Roads Infrastructure Service Policy* in December 2014. The policy provides details of the government's commitments as the custodian of the state's biggest single transport asset.

Supporting the *State Roads Infrastructure Service Policy*, the *State Roads' Infrastructure Asset Management Policy* was also published in late 2014 following endorsement by the Minister for Infrastructure. This policy provides detail on State Roads' asset management policies and practices that will support the development and implementation of a 10 Year investment plan, publication of clear level of service policies for state road infrastructure, improved governance arrangements and better risk management.

Released at the same time by the Tasmanian Government was an audit of the condition of the state road network, the *State of Our Roads* report, which will be updated annually to provide state roads customers with information on how asset condition is tracking across the network. It is expected that in the future, condition assessment reporting such as this will be complemented by reporting on key performance indicators related to specific levels of service expected by our customers.

Delivery of roads program (Roads for our Future program)

The Tasmanian Government provided over \$100 million in the 2014-15 budget to be expended over five financial years for the Roads for Our Future program.

The projects within this program are in various stages of development or completion and are listed below.

Major projects wholly funded by the Tasmanian Government in 2014-15:

- » South Arm Highway / Rokeby Main Road
- » The Tarkine Forest Drive project
- » Macquarie Heads Road and Strahan Road improvements
- » Esk Main Road safety improvements (in stages)
- » Murchison Highway (in stages)

Major projects wholly funded by the Tasmanian Government in conjunction with the Australian Government as part of the Australian Government's election commitments were:

- » Brooker Highway Elwick/Goodwood Road and Howard/Renfrew Road intersection upgrades
- » Brooker Highway / Domain Highway interchange planning
- » North-East Freight Roads (various sites)
- » Midland Highway safety upgrade projects

The Australian Government funded project in 2014-15 was:

- » Tasman/East Derwent Highway interchange improvements.

Further details on these and other current state road projects, as well as details on roadworks can be found at:

www.transport.tas.gov.au

Midland Highway 10 Year Action Plan

In late 2014 the Australian Government and Tasmanian Governments committed \$500 million over 10 years to the Midland Highway 10 Year Action Plan, which is the largest ever single investment in the Midland Highway and will result in a much safer highway for all users.

The plan's objective is to raise the standard of the highway to a minimum three-star AusRAP rating. Currently 86 per cent of the highway rates below this standard. The AusRAP methodology is the international road safety audit approach adopted by the combined national automobile associations.

In addition to targeting the three-star AusRAP rating, the plan details a comprehensive range of works which will make the Midland Highway fit for future needs. More detail on the plan is provided at www.transport.tas.gov.au

Innovation on our roads

Where possible, the department adopts innovative practices to achieve the greatest benefit from the state's investment in the road network.

Highlights for 2014-15 included:

» The Department of State Growth is trialling innovative road safety technology called, Temperature Activated Pavement Markers (TAPMs). The TAPMs were installed in May 2015 over a five kilometre section of the Huon Highway at Vince's Saddle, Lower Longley, which is frequently subject to icy road conditions during Tasmania's winters. TAPMs have in-built temperature and moisture gauges and blue lights flash when the pavement temperature and dew point reach a critical point where ice may form warning motorists that the road surface may be slippery with black or white ice. The trial of the solar-powered TAPMs is being funded by the road safety levy. If this trial is successful TAPMs can be installed at low cost to ice prone areas across the state.

- » The Department of State Growth has developed a suite of standard stock underpass designs. The purpose of these designs is to assist the dairy and livestock industry to reduce the cost and time frame associated with the installation of stock underpasses.
- » Delays associated with roadworks are unavoidable when existing roads are being upgraded. It is important that road users know when they may encounter delays, so they can plan their journey. Every Monday morning the department provides advice of roadworks and possible delays to media outlets and other stakeholders. This advice is also posted on the department's website under "roadworks and delays". An interactive map is currently being developed to improve the provision of this information.

FAST FACTS

A comprehensive audit on the condition of the state's roads was released in late 2014. The State of our Roads 2014 report provides a summary of the condition of the state road network at a point in time. The report summarises data and trends relating to the condition, use and performance of the State road network and it can be found at www.transport.tas.gov.au



Road User Services

Key achievements

In a busy year, Road User Services has partnered with industry, the community and other parts of government to deliver transport services that are more customer-focused, cost-effective and safe. This supports our broad goal of growing the economy, and making Tasmania a great place to live and work. Here are some highlights:

Better pathways to driver licensing

State Growth is delivering on the government's commitment to reduce barriers to driver licensing. Since December 2014, 39 driving instructors across Tasmania have been authorised to deliver the 'L2' Practical Driving Assessment. This has reduced pressure on waiting times, with private providers now undertaking around 55 per cent of L2 tests.

In 2014, the government committed to support Driver Mentoring Tasmania with a total of \$1.5 million over three years. This enabled State Growth to provide grants and critical assistance to 17 Learner Driver Mentor Programs across Tasmania. These offer on-road driving experience under the supervision of trained volunteers.

Finally, in March 2015, State Growth implemented increases to the maximum speed limits for P1 and L2 drivers, to make it easier for them to share the road, and gain the experience needed for solo driving.

Safer cycling

In 2014-15, State Growth delivered the government's commitment to introduce a range of safety measures for cyclists. February 2015 saw the introduction of a new rule that allows motorists to cross a double or unbroken dividing line (when safe to do so) to overtake a cyclist.

State Growth installed 269 new cyclist warning signs on high-use cycling roads across Tasmania. In October 2014, the Road Safety Advisory Council (RSAC) launched the Amy Gillett Foundation's *It's a two way street* campaign, to promote cyclist safety awareness, and in November 2014, the *Share the Roads* campaign was launched to promote greater respect between all road users.

140 000 brochures about cycling road rules were distributed in vehicle registration renewals, and new questions about cycling road rules were added to the Driver Knowledge Test System – the online practice test for our learner drivers.

Your road safety levy at work

The Road Safety Levy is \$25 per registered vehicle (\$15 concession). In 2014-15, \$10.6 million was expended on road safety initiatives under the *Tasmanian Road Safety Strategy 2007-16*. RSAC monitors delivery of this work program. During 2014-15, 33 road safety projects were completed or underway. For more information on projects funded by the Road Safety Levy, please see: www.rsac.tas.gov.au

In September 2014, \$20 million was allocated from the levy towards Tasmania's commitment to the *Midland Highway 10 Year Action Plan*. This helped secure \$400 million for the highway from the Australian Government. The levy will fund 'safe system'

projects for the highway. These include flexible median and edge safety barriers, shoulder widening, audible edge and centre lines, overtaking lanes and junction improvements.

Reforming heavy vehicle law: support for industry and local government

Tasmania continued to implement national heavy vehicle reforms to deliver 'seamless regulation' across state borders. On 30 March 2015, new nationally consistent fatigue regulation was introduced under the *Heavy Vehicle National Law*. During 2014-15, State Growth provided local case management for 780 access permits for various classes of over-size and over-mass heavy vehicles, on behalf of the National Heavy Vehicle Regulator (NHVR). Tasmania transitioned this function back to the NHVR in May 2015.

State Growth is also working with local government, industry and the NHVR to replace a large number of individual access permits with a single Gazette notice (on track for the end of 2015). The new system will be faster and more efficient for transport operators and road managers.

Smarter access to and future planning for public transport

In November 2014, the 12 month trial of the high frequency 'Turn Up and GO' bus service on the Glenorchy to Hobart corridor was declared a success. Metro Tasmania will continue the service, which delivered a nine per cent increase in passengers. In February 2015, the first 'Turn Up and GO' bus services were launched between Launceston, Mowbray and the [University of Tasmania](http://www.universityoftasmania.edu.au) (Inveresk and Newnham). Faster and more convenient smart cards have replaced the old voucher system for over 17 000 members of the Transport Access Scheme. The scheme assists people with a disability by providing subsidies and concessions for disability parking, taxi fares, vehicle registration and driver licensing.

In February 2015, the Minister for Infrastructure released the draft *Greater Launceston Metropolitan Passenger Transport Plan* for consultation. This 10 year plan guides future development and investment in passenger transport in the Greater Launceston area. The draft plan focuses on improving the frequency of buses on key urban corridors; integrating bus services and reducing duplicated routes; creating safer routes to schools; creating pedestrian friendly urban centres; and forging stronger links between transport and land use planning. The final plan will be released in 2015-16.

Cutting red tape for road users

Since October 2014, drivers over the age of 75 who don't have a notifiable medical condition are no longer required to undergo a mandatory annual medical assessment. Research shows that mandatory, age-based testing does little to reduce crash rates of older drivers. In September 2014, State Growth also cut the red tape for farmers applying for a 40 per cent rebate on their motor tax. Under the new system, once recorded, the rebate is permanent, and farmers don't have to reapply each year, giving them more time for farming. In July 2014, State Growth introduced fast, convenient online transfers for vehicle registration. A full list of our online services can be found at: www.transport.tas.gov.au/online

Transport Services continued

FAST FACTS

Registration and licensing

As at 30 June 2015, in Tasmania there were 372 402 licensed drivers and 571 550 registered vehicles, generating over 1 million process transactions.

The Motor Registry System supported our road safety objectives by enabling vehicle identification and was used to collect registration and licensing fees in excess of \$320 million.

The Approved Inspection Stations scheme continues to operate successfully, undertaking in excess of 39 500 vehicle inspections.

A new business delivery model was introduced to meet the challenges of growing demand for services, reducing the regulatory burden, and increasing our efficiency. The model streamlined operations and sharpened the focus on clients, across all service areas.

Passenger transport

The department administered 483 contracts for passenger transport and shipping services.

The department delivered subsidy payments for 680 000 taxi and Wheelchair Accessible Taxi (WAT) trips, for eligible scheme members.

Bruny Island Ferry Company began operation of the *MV Bowen* to supplement the *MV Mirambeena*, to meet the needs of visitors, residents and business during peak periods.

Tasmania's first Transit Corridor Plan was completed, to improve usage of public transport. This plan covers the Main Road Corridor between the Hobart CBD and Glenorchy, including Elizabeth Street and New Town Road.

Delivery of infrastructure under the Principal Urban Cycling Network included consultation, planning and design for road widening at Bonnet Hill, exit ramps at the Bowen Bridge, off-road cycling infrastructure at Perth bypass, and cycling lanes from Breadalbane to Devon Hills, and at Rokeby. State Growth worked with council to deliver the shared pathway extension at the eastern shore of the Tasman Bridge.

Road safety

Motorcycle safety improvements (rub rail and curve warning signage) were installed on the Great Eastern Drive, Tasman Highway, between Orford and St Helens.

The department developed an evidence-based strategy to improve road safety and the driving experience for Tasmania's many international and interstate visitors.

In 2014, the Government committed \$75 000 per annum for four years to our partnership with the Rotary Youth Driver Awareness (RYDA) program. In the past year, 4 615 Year 10 students across Tasmania completed the comprehensive one day course.

The department and RSAC worked with Tasmania Police, Southern Cross Television and the RACT to deliver the successful Yellow Ribbon Road Safety Week, in May 2015.

The Motor Accidents Insurance Board (MAIB) is providing \$4.2 million over three years for RSAC's mass media road safety advertising campaigns, and other road safety promotion. Details can be found on the RSAC website: www.rsac.tas.gov.au

The Third Action Plan under the Tasmanian Road Safety Strategy was endorsed by RSAC and launched on 3 September 2014. The plan outlines a range of road safety initiatives aimed at reducing the number of serious road casualties for the period 2014–2016. This action plan has a strong focus on vulnerable road users such as motorcyclists, cyclists and pedestrians.

Performance information Transport Services

Performance measure ¹	Unit of measure	2013–14 actual	2014–15 actual	2015–16 target
Proposals assessed by Infrastructure Tasmania within required timeframes ²	%	n/a	n/a	100
Reviews requested by government completed by Infrastructure Tasmania within required timeframes ²	%	n/a	n/a	100
Provision of effective support to the Government by providing road safety and road transport policy advice and information to enable informed decision making ³	satisfaction	n/a	satisfied	satisfied
Motor Registry System availability	%	99	99	99
Transport Enquiry Service – percentage of calls answered ⁴	%	95	83	....
Vehicles found to be unregistered of those checked ⁵	%	0.63	0.65	0.70
Heavy vehicles found overweight	%	4.72	2.67	≤5
Line marking program achieved by the end of the financial year	%	100	62	100
Blackspot interventions in accordance with the program	%	100	100	100
Wheelchair accessible taxis (WATS) licensed	number	65	77	75
Average bus age on contracted services ⁶	number	n/a	n/a	16

Notes

- n/a indicates that data is not available or measurement has not yet commenced. The performance measure provision of effective support to the Government, by providing strategic policy advice on infrastructure issues and transport and freight priorities, to enable informed decision making has been removed since the 2014–15 Budget.
- Proposals are publicly-funded major economic infrastructure proposals. Timeframes will be developed once Infrastructure Tasmania has been fully established.
- Satisfaction and outcomes are largely measured by feedback from the Minister's Office, Secretary, relevant Deputy Secretary and, where appropriate, colleagues and clients.
- In June 2015, the Transport Enquiry Service provided by the Department of State Growth transferred to the Integrated Tasmanian Government Contact Centre, managed by Service Tasmania. The measure is for 11 months only. The decrease in percentage of calls answered compared to other years is due to a reduction in staffing levels as this service was being transferred to Service Tasmania.
- This measure is based upon Automatic Number Plate Recognition cameras in accordance with the Memorandum of Understanding between the Department and the Motor Accidents Insurance Board (MAIB).
- This performance measure has been changed to a simpler measure of the effectiveness of government strategies to ensure that the average age of buses on government contracted services is appropriate.



Racing Services Tasmania

The focus of Racing Services Tasmania (RST) is the regulation and direction of horse racing and greyhound racing and the regulation of betting by and with bookmakers. RST administers the *Racing Regulation Act 2004* in order to maintain the probity and integrity of the racing industry.

Effective 1 July 2015, the Division was amalgamated with the Department of Primary Industries, Parks, Water and Environment and renamed the Office of Racing Integrity.

Divisional outputs:

- » support and provision of advice aimed at ensuring that government requirements and expectations are met in relation to the regulation and integrity of the racing industry in Tasmania
- » registration of racing clubs
- » operation of the Stipendiary Stewards' Panel
- » licensing and registration of industry participants and racing animals, as approved by the Director of Racing, pursuant to the *Rules of Racing*
- » representing the state and the local racing industry on national bodies and in national forums in terms of racing integrity and related matters
- » handicapping for harness racing and grading for greyhound racing
- » registration and regulation of bookmakers and their agents
- » setting of integrity conditions applicable to Tasmanian race field information publication approvals
- » administrative support for the Tasmanian Racing Appeal Board and the Integrity Assurance Board
- » administration of, and monitoring compliance with legislation.

Key clients

The main users of RST are the Minister for Racing, racing clubs, racing industry bodies and participants, bookmakers and their agents, Tasracing Pty Ltd, the Tasmanian Racing Appeal Board and the Integrity Assurance Board.

Service delivery

Services are delivered by officers of the department (based in Launceston and Hobart, as well as at various racing locations throughout the state) in close consultation with Tasracing Pty Ltd, racing clubs and industry representative bodies. There is also regular liaison with other divisions of the department and relevant government agencies.

Key achievements

Animal welfare review – greyhound racing industry

In February 2015, following the airing of an ABC *Four Corners* report into live baiting occurring in a number of mainland racing jurisdictions, the Tasmanian Government immediately commissioned an investigation into animal welfare provisions in the Tasmanian greyhound racing industry.

The review was undertaken by the Director of Racing and the Chief Veterinary Officer. Their key findings and recommendations were detailed in their Review of Arrangements for Animal Welfare in the Tasmanian Greyhound Racing Industry Report, which was tabled in the Tasmanian Parliament in March 2015.

While the Director of Racing and Chief Veterinary Officer did not find any evidence of live baiting in Tasmania, they did provide the Government with a number of recommendations to ensure the greyhound code in this state is managed in line with best practice and community expectations.

Race fields legislation

Legislation was enacted in late 2014 to remove the prescriptive provisions which limited the ability of the industry's commercial arm, Tasracing Pty Ltd, to be responsive to changes in the market place in terms of setting race fields fees. While the legislation retained the provisions giving legal effect to the imposition of race fields fees, it included a provision requiring ministerial approval to vary the fee at any time.

The legislation still provides for the Director of Racing to determine the Integrity Conditions to be imposed by Tasracing on all race field information publication approvals.

Racing Appeal Board amalgamation

In early 2015, legislation to amalgamate the racing industry's two appeal bodies – the Integrity Assurance Board and the Tasmanian Racing Appeal Board – was passed by the Tasmanian Parliament for commencement on 1 July 2015.

The revised Tasmanian Racing Appeal Board structure followed a review of the boards in terms of their role, size, composition, cost and other relevant aspects. The review identified that it was feasible for a single board to undertake the duties and responsibilities for both boards without compromising integrity.

The amalgamation of the boards not only achieved savings but also delivered on the Tasmanian Government's commitment to reduce the number of its boards and committees.

Enhanced communication with industry

The use of the social media platform, Twitter by RST has significantly enhanced real-time communication with key stakeholders, which is a necessity in the modern racing environment.

RST, which commenced utilising Twitter in 2013, tweets all information relevant to the three racing codes and has sent approximately 2 420 tweets since inception. The tweets provide users with information and links to RST stewards' reports, race day information and track conditions. RST's Twitter account, @RacingTas, has in excess of 445 followers and continues to grow.

Racing Services Tasmania continued

Performance information Racing Services Tasmania

The following performance measures reflect both the level of activity undertaken and the outcomes achieved by RST in providing high-level integrity to the Tasmanian racing industry.

Performance measure	Unit of measure	2013–14 actual	2014–15 actual	2015–16 target
Swabs taken by stewards	number	3 695	3 807	3 695
Positive swabs to swabs taken	%	0.38	0.32	0.30
Suspensions, disqualifications and fines imposed by stewards on licensed persons	number	462	459	450
Suspensions, disqualifications and fines appealed to the Tasmanian Racing Appeal Board	number	18	22	22
Appeals to the Tasmanian Racing Appeal Board where conviction quashed	number	6	4	4
Appeals to the Integrity Assurance Board ¹	number	3	3	0
Number of licensed persons ²	number	1 677	1 696	1 700
Licence applications not referred to Licensing Panel approved within 14 days	%	100	98	100
Races handicapped ³	number	759	717	717
Races handicapped requiring a redraw due to errors ⁴	number	2	8	0
Races graded ³	number	1 615	1 600	1 600
Races graded requiring a redraw due to errors ⁴	number	0	9	0

Notes:

1. The Integrity Assurance Board was amalgamated with the Tasmanian Racing Appeal Board, effective 1 July 2015.
2. Figures previously reported for the 2012–13 and 2013–14 Annual Reports were found to be inaccurate due to a totalling error. Figures have been adjusted to reflect corrected data.
This performance measure was changed in 2012–13 from licence applications received to the actual number of persons licensed per annum. This measure takes into account multiple-year licensing which is provided to the greyhound code.
3. The number of races handicapped and graded is the same as the number of races conducted each season, which is determined by Tasracing Pty Ltd. The target figures for the following reporting period is in anticipation of the number of races programmed remaining the same as the previous year.
4. Refers to redraws after publication of fields.





Report from the Abt Railway Ministerial Corporation

The *Abt Railway Development Act 1999* established the Abt Railway Ministerial Corporation (ARMC). The functions of the ARMC are:

- » to arrange for any necessary approval to undertake the railway development
- » to construct or arrange for the construction of the railway development
- » to operate, or to arrange for a person to operate the railway development
- » to facilitate associated developments in the vicinity of the railway.

Under Section 31 of the Act the Minister is required to make a report to Parliament on the activities of the ARMC within four months of the end of each financial year.

Operations

The past 12 months have been important for the West Coast Wilderness Railway (WCWR). Significant improvements and capital works to the rail infrastructure culminated in the opening of the entire track for passenger services on 16 December 2014. Works were carried out by the West Coast Wilderness Railway infrastructure crew and external contractors were utilised for specialised bridge works.

The completion of track works and the subsequent reopening of the full line between Queenstown and Regatta Point (Strahan) provided an opportunity to create new passenger experiences. The new services have been designed to create renewed interest in the railway, to grow passenger numbers, address the ongoing viability of the corporation, address passenger feedback and widen the market for the railway.

Scheduled departures increased to 611 in the 2014-15 year, with the railway carrying 20 270 passengers across the financial year. Scheduled departures are set to increase a further 37 per cent in the next financial year and the schedule has been designed to be able to expand as demand increases in future years.

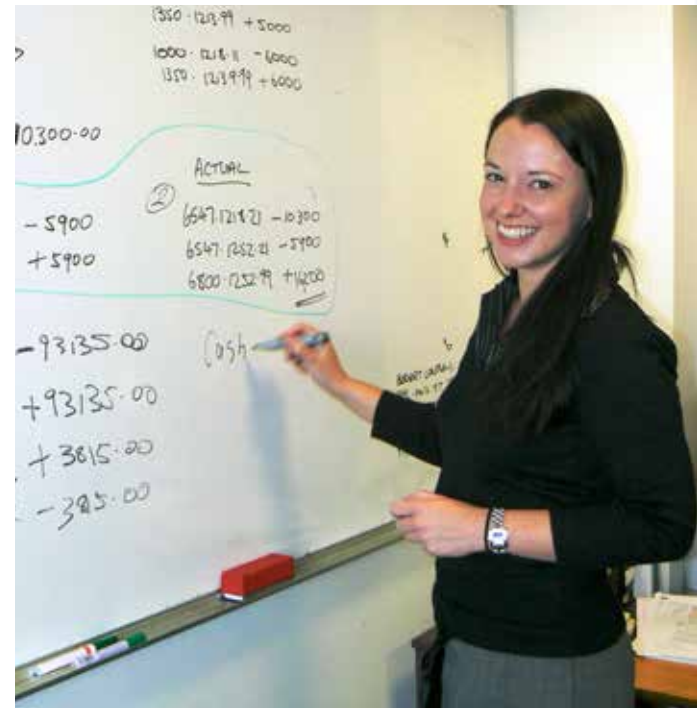
An upgraded Premium Wilderness Service was introduced on all trains in 2014-15. The new product was very well received by the market and operated at 83 per cent capacity for the year. The railway's tourism product continues to be well received with 88 per cent of its customers reporting a high level of overall satisfaction with the railway experience. The quality of the WCWR was recognised with the railway winning the tourism experience and attraction category in the 2015 Cradle Coast Regional Tourism Industry Awards.

The railway continues to operate in accordance the requirements of the Rail Safety National Law (RSNL), with its operations subject to the ongoing audit and inspection requirements as provided for in the RSNL.

Capital works

The upgrading and improving of the rail infrastructure was the priority throughout the year and involved considerable works replacing sleepers, rail, clearing and repairing drains and culverts. External works were carried out to also replace one of the older wooden bridges.

Forthcoming capital improvements include the tamping of the track, bridge works and the continuation of the ongoing sleeper replacement program.



Business Services

The role of the division is to work with its partners to deliver quality financial, communication, human, information, legislation, business improvement and resource management services to assist the department in the achievement of its aims and objectives.

The department continued to work in an environment of ongoing change relating to the establishment of the new agency. Over the last year it has been important to align both what we do as a department and how we will do it to ensure our people are informed, engaged and supported through the change process. The Business Services division continued to take a lead role providing expert advice, consultation, leadership and support.

The focus of the division was in creating the best resources, frameworks, systems and processes to support the department, including providing key support to our staff and stakeholders across all areas including the establishment and consolidation of key platforms, applications, systems, processes and services. While work continues, this has provided an opportunity to harmonise processes and procedures to deliver improved business services to our stakeholders into the future.

The division consists of six branches:

- » **People and Culture** is responsible for providing quality people services to ensure current and future business needs of the department are met.
 - » **Communications** delivers a range of communications services to the department as well as working closely with the Ministers' offices. This includes the provision of strategic advice, media and issues management, corporate brand management and the production of marketing and communications collateral.
 - » **Information, Communication, Technology and Spatial Services** is responsible for the management of corporate information, communication technology (ICT) and spatial services.
 - » **Finance** is responsible for delivering compliant financial management services for the department. Key functions include budget management, financial reporting, accounting, taxation and other financial management administration and compliance and asset management.
- » **Business Improvement and Performance** works with business units across the department to identify process improvements and assist with implementation; with the Risk and Audit Committee on monitoring and implementing risk mitigation strategies; administration of the grants and loans portfolio and manages departmental property and facilities.
 - » **Secretariat and Legal Services** is responsible for providing the Ministerial interface and legal and legislative support services for the department.

The Deputy Secretary, Business Services also undertakes the role of Company Secretary to the Tasmanian Development and Resources Board.

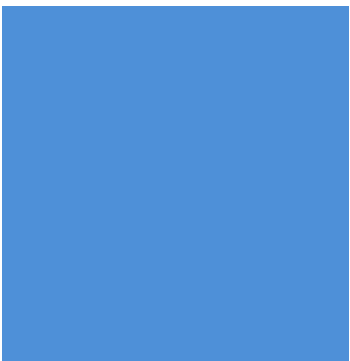
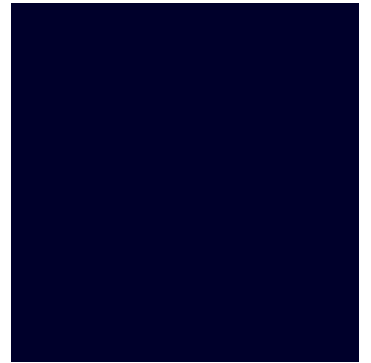
Key achievements

- » Provision of critical transition and support services for our people across all areas of the department to assist with the impacts of the changes resulting from restructures and reductions, utilising both internal and external resources. This included a range of targeted transition services for managers and employees, including managing change, resilience and career development workshops, and access to individual career counselling sessions.
- » Transition and consolidation of a range of key human resource policies, including a change management and workforce transition plan, approach to vacancy management and redeployment, management of grievances and development of work, health and safety policies
- » Establishment / consolidation of IT applications and systems including:
 - » transition to one whole of agency electronic documentation and records management system
 - » significant work to put all staff on one single operating system with one active directory
 - » transition to one single payroll database, identifying and realising efficiencies and improvements as part of this process
 - » transition to one single financial management system to commence operation in 2015–16, which will lay the foundations for future financial system development and business improvements.

Business Services continued

- » creation of the Department of State Growth's website
- » establishment and support for the State Growth Executive and sub-committees including Risk and Audit and Work, Health and Safety Committees
- » development of a risk management framework
- » development of a Departmental Accommodation Strategy and management of a number of office relocations and the division is taking a lead role in planning and change management to move to the new the Parliament Square building, currently due for completion in December 2016
- » development of a legislation compliance monitoring framework and report back model
- » review, harmonisation and support of Ministerial requirements
- » working with the Chair and Directors of the Tasmania Development and Resources Board to review and update key policies and provide support arrangements for the Board
- » working with internal business partners to identify further opportunities for business improvement for consideration by the department
- » support and transition for the transfers of Sport and Recreation, Skills Tasmania and Racing Services as well as the creation of Tourism Tasmania
- » provision of the communications support associated with the new department including internal communications and corporate brand development
- » management of the strategic communications, marketing and branding of TasInvest
- » assisting the Tasmanian Government to deliver on the departmental communications activities associated with the Tasmanian budget and the Tasmanian Government's 365 day plan including the delivery of the Beer Trail website, road safety campaigns and the Energy Strategy.

The Office of the Coordinator-General



Report from the Office of the Coordinator-General



A key election commitment and one of the Tasmanian Government's key economic reforms was the establishment of the Office of the Coordinator-General and a Red Tape Reduction Coordinator. The Office of the Coordinator-General has been operational since 1 July 2014 and is headquartered in Launceston.

Mr John Perry, Tasmania's inaugural Coordinator-General commenced in January 2015. Mr Stuart Clues, commenced as the Red Tape Reduction Coordinator on 15 June 2015.

The office is charged with three main responsibilities: major project facilitation; investment attraction and promotion; and red tape reduction. The office also oversees any unsolicited proposals.

Key achievements

Major Projects

The office of the Coordinator-General works with proponents of Major Projects. Major Projects are characterised as projects that have either a minimum private investment of \$5 million, create 25 full time jobs or are of key significance to the state.

The office works closely with local, Tasmanian and Australian governments so that all agencies have a common purpose in their dealings on major and strategic investments.

Investment attraction

The investment attraction strategy actively identifies, promotes, attracts, facilitates and provides aftercare for potential investments that best leverage Tasmania's competitive advantages and resource endowments.

Specific activities have included:

- » developing collateral to utilise at investment opportunities such as special trade events, within the office's networks and on the web
- » identifying Tasmanian investment opportunities and maintaining an up-to-date schedule of these
- » organising a variety of networking and business events, such as, the TasInvest 2014 Summit held in November and holding various business roundtables both interstate and overseas



- » representing Tasmanian investment interests in China through the activities of an embedded trade and investment manager in Austrade's Shanghai office
- » promoting Tasmania at key investment events, such as the Dairy Farm Investment Forum in Melbourne and the annual China Mining Congress in Tianjin, China
- » identifying and engaging with targeted potential investors, including through participation in investment missions interstate and abroad. For example, in March 2015 the Coordinator-General accompanied the Premier to China to progress Tasmanian investment opportunities and support the promotion of Tasmanian export businesses
- » hosting a wide variety of visitors to the state who are interested in exploring investment opportunities. For example, in September 2014, 18 Chinese companies attended the inaugural Dairy Farm Investment Forum, hosted by Dairy Australia in collaboration with Austrade and the Office of the Coordinator-General.

Unsolicited proposals

The Office of the Coordinator-General is responsible for receiving and coordinating the assessment of unsolicited proposals and, where appropriate, establishing an assessment panel to provide a recommendation to government.

To date the Office of the Coordinator-General has received three unsolicited proposals and has also held discussions with a number of other proponents in relation to potential proposals.

Expression of Interest (EOI) for tourism investment opportunities in Tasmanian national parks and reserves

The EOI for tourism investment opportunities in Tasmanian national parks and reserves aims to develop sensitive and appropriate tourism offerings in Tasmania's national parks and reserves and the World Heritage Area.

The Coordinator-General chairs the Assessment Panel which provides recommendations to the Minister for State Growth in relation to all proposals received and in March 2015, the Office of the Coordinator-General commenced leading stage two of the EOI process. This involved:

- » case-managing each of the 25 EOI proposals that the Minister for State Growth had invited to progress to stage two
- » proponents preparing a Request for Detailed Proposal (RFDP) which identifies important information about the market and the commercial and environmental sustainability of the project
- » rigorous assessment of each proposal by the assessment panel which provides recommendations to the Minister.

RFDPs and assessments are likely to continue until the last quarter of 2015 as statutory approval pathways and timeframes will vary according to complexity of the project. By the end of June 2015 the assessment panel had made four recommendations to the Minister. The Minister subsequently determined that all four proposals be invited to proceed to negotiate a lease or licence.



The Office of the Coordinator-General has ensured the EOI process is open and transparent, while protecting participants' intellectual property and ensuring compliance with confidentiality arrangements and probity guidelines. Information about the assessment process for the second stage of the EOI, including general details and locations of the 25 second stage EOI proposals has been made available to the public via the website of the Office of the Coordinator-General.

The government has announced as part of 'Our Plan for the Next 365 Days', a second round Expression of Interest in Tasmania and the Office of the Coordinator-General will lead this process.

Red tape reduction

The Tasmanian Government has made a commitment to reduce red tape for businesses and the wider community. A Red Tape Reduction Coordinator has been appointed and has been consulting extensively with businesses and the wider community, across the state. An online portal has also been established for businesses and community to identify red tape issues. Over 100 red tape priorities have been identified so far, and the Tasmanian Government and relevant agencies are working to address these.

Priority macro issues that have been identified, include, but are not limited to, the development of a single Tasmanian Planning Scheme and the overhauling of building regulations. Priority micro examples include, introducing a statewide registration system for food vendors (to replace the need for approval from individual councils) and the removal of regulation that prevents cray fishermen from baiting their pots while travelling to their fishing grounds.

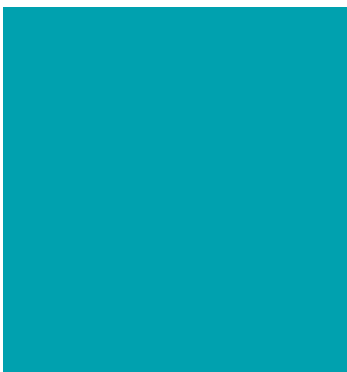
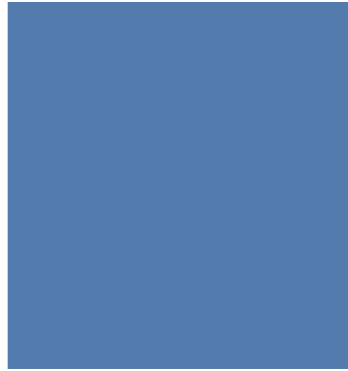
China Development Bank

On 17 November 2014, the Premier of Tasmania signed a Memorandum of Understanding (MOU) on behalf of the Tasmanian Government with China Development Bank (CDB). The CDB is the world's largest development financial institution. The MOU outlines the parameters for both parties to cooperate, particularly with regard to undertaking detailed joint research and planning of Tasmania's key sectors and to identify investment opportunities within each sector.

This work will see the establishment of a committee comprised of Tasmanian and Chinese Government officials and CDB representatives. This partnership will allow the Tasmanian Government to have access to considerable data on Chinese investment and tourism trends which will assist the government plan for increased Chinese visitation, underpin business investment cases as well as increasing investment flows from CDB clients.

The CDB and the Office of the Coordinator-General have commenced planning and researching potential opportunities in Tasmania's agriculture, tourism and mining sectors

Infrastructure Tasmania



Report from Infrastructure Tasmania



Infrastructure Tasmania (ITas) was established to provide a coordinated approach to the planning and delivery of all major economic infrastructure in Tasmania, including, road, rail, ports, energy, irrigation and water and sewerage.

ITas will develop strong and influential relationships with key stakeholders including local infrastructure providers, Infrastructure Australia and the Australian Government.

It is critical that there is a coordinated and planned approach to the provision of Tasmania's infrastructure, ensuring that it is targeted to the needs of the Tasmanian community and industry.

A safe and efficient transport and freight infrastructure network is a key strategic direction of the government to support economic growth by maximising opportunities for private sector investment in freight supply chains.

Tasmania's road network is one of the state's largest assets and ITas will play an important role in assessing and reviewing the practices associated with maintenance and network planning for these roads, identifying priority areas for improvement and highlighting encumbrances to economic growth. It will review arrangements across all state entities with road ownership and local government.

By planning for responsible maintenance, growth and development, long-term economic benefits for the state can be realised.

This will be achieved by providing independent advice to government on the infrastructure priorities of the state and working closely with Infrastructure Australia and the Australian Government.

To support this, ITas is establishing new governance arrangements for major infrastructure project bids and funding submissions to state and federal funding processes.

ITas will:

- » assess, prioritise and review all major publicly funded economic infrastructure proposals
- » coordinate funding submissions under Tasmanian and Australian Government budget processes
- » manage Tasmania's interface with Infrastructure Australia
- » provide expert advice on the development and implementation of government infrastructure policy
- » complete priority tasks and investigations at the request of the government.

The work ITas undertakes will be underpinned by best practice infrastructure project assessment practices and the establishment of enhanced governance processes for managing and prioritising infrastructure project bids.

The ITas 2015-16 Priority Work Program was released on in June 2015, and is available at: www.stategrowth.tas.gov.au/home/about_us/infrastructure

Key priorities for ITas will include:

- » finalisation and release of a draft Integrated Freight Strategy
- » development of a robust methodology for assessing and prioritising infrastructure investment proposals
- » preparation of a prioritised infrastructure project pipeline
- » completion of an audit of the state's road network
- » detailed assessment on design and funding requirements for a new Bridgewater Bridge.

A key function of ITas is to provide accurate and timely advice to the Tasmanian Government on infrastructure priorities and issues. ITas's direction and work program is jointly overseen by the Minister for Infrastructure and the Treasurer and its terms of reference provide that a project or significant issue can be referred for advice at any time by the joint agreement of both.

There is a clear vision for ITas to be a very high performing and responsive entity that provides timely and accurate advice and delivery of its agreed priorities, in support of the broader growth agenda for Tasmania.

Supporting information Department of State Growth

Right to Information

The department has a legal duty to respond to requests for information in accordance with the *Right to Information Act 2009*, which commenced on 1 July 2010.

The *Right to Information Act 2009*:

- » authorises and encourages greater disclosure of information without the need for formal requests or applications
- » gives members of the public an enforceable right to information
- » provides that access to information is restricted only in limited circumstances which are defined in the Act.

During 2014–15 the department dealt with 79 applications for assessed disclosure for information under the *Right to Information Act 2009*. Information was withheld, either in full or in part, in respect of 13 applications.

A full statistical return is provided to the Department of Justice, which publishes a comprehensive annual report on the operation of the *Right to Information Act 2009*. This report is available from the Department of Justice website.

The department also implemented a policy to publish on its website information released in respect of applications for assessed disclosure, where it is determined that the released information may be of broader public interest.

For further information on how the department fulfils its obligations under the *Right to Information Act 2009*, visit the department's website.

Public Interest Disclosures Act

The purpose of the *Public Interest Disclosures Act 2002* (Act) is to encourage and facilitate the making of disclosures about the improper conduct of public officers or public bodies. The Act provides protection to persons who make disclosures in accordance with the Act, and establishes a system by which the matters disclosed can be investigated and action to rectify any deficiencies can be taken.

The department is committed to the aims and objectives of the Act. It does not tolerate improper conduct or detrimental action by the department or members, officers or employees.

The procedures for reporting disclosures are available at www.stategrowth.tas.gov.au

The department has not received any disclosures either directly or indirectly referred via the Ombudsman in the year to 30 June 2015.

Integrity Commission

The Integrity Commission is an independent body established on 1 October 2010 by the *Integrity Commission Act 2009* (the Act).

The three primary objectives of the Integrity commission are to:

- » improve the standard of conduct, propriety and ethics in public authorities in Tasmania
- » enhance public confidence that misconduct by public officers will be appropriately investigated and dealt with
- » enhance the quality of, and commitment to ethical conduct by adopting a strong, educative, preventative and advisory role.

The department is committed to upholding the aims and objectives of the Act. It strives to ensure that staff meet high standards of conduct and receive ongoing training in relation to ethical conduct in accordance with section 32 of the Act.

Legislation administered by the Department of State Growth 2014 –15

Minister for State Growth

Building and Construction Industry Training Fund Act 1990

Closer Settlement Act 1957

Copper Mines of Tasmania Pty. Ltd. (Agreement) Act 1999

Employment Incentive Assistance Act 1984

Farm Water Development Act 1985

Fire Damage Relief Act 1967

except in so far as it relates to the erection of dwellings for renting to eligible persons under the *Homes Act 1935* (see *Department of Health and Human Services under the Minister for Human Services*)

Forest Practices Administrative Reform (Transitional and Consequential) Act 2004

Goldamere Pty Ltd (Agreement) Act 1996

Iron Ore (Savage River) Arrangements Act 1996

Macquarie Point Development Corporation Act 2012

Pulp Mill Assessment Act 2007

Rural Adjustment Act 1995

Tasmanian Development Act 1983

Training and Workforce Development Act 2013

except Part 5, and except in so far as it relates to TasTAFE (see *TasTAFE under the Minister for Education and Training*)

Training and Workforce Development (Transitional Provisions) Act 2013

except Part 2, and except in so far as it relates to TasTAFE (see *TasTAFE under the Minister for Education and Training*)

Vocational Education and Training (Commonwealth Powers) Act 2011

War Service Land Settlement Act 1950

Minister for Infrastructure

Abt Railway Development Act 1999

Aerodrome Fees Act 2002

Air Navigation Act 1937

Civil Aviation (Carriers' Liability) Act 1963

Common Carriers Act 1874

Commonwealth Powers (Air Transport) Act 1952

Damage by Aircraft Act 1963

Emu Bay Railway (Operation and Acquisition) Act 2009

Heavy Vehicle Accreditation Scheme Validation Act 2013

Heavy Vehicle National Law (Tasmania) Act 2013

Highways Act 1951

Marine and Safety Authority Act 1997

Marine Safety (Domestic Commercial Vessel National Law Application) Act 2013

Metro Tasmania Act 1997

Metro Tasmania (Transitional and Consequential Provisions) Act 1997

Passenger Transport Services Act 2011

Port Companies Act 1997

Rail Company Act 2009

Rail Infrastructure Act 2007

Rail Safety National Law (Tasmania) Act 2012

Roads and Jetties Act 1935

Tasmanian Ports Corporation Act 2005

Taxi and Hire Vehicle Industries Act 2008

Traffic Act 1925

Transport Act 1981

TT-Line Arrangements Act 1993

Vehicle and Traffic Act 1999

Vehicle and Traffic (Transitional and Consequential) Act 1999

Motor Accidents Insurance Board

Motor Accidents (Liabilities and Compensation) Act 1973

Minister for Energy

Electricity – National Scheme (Tasmania) Act 1999

Electricity Supply Industry Act 1995
except Part 2 and Divisions 3, 4, 4A, 5, 5A, 6 and 10 of Part 3, and in so far as it relates to contestable customers, price regulation and contracts and the making of regulations under section 122, in so far as those regulations relate to that Part, those Divisions and those matters (see *Department of Treasury and Finance under the Treasurer*); and except Part 8 and regulations that relate to Part 8 (see *Department of Justice under the Treasurer*)

Electricity Supply Industry Restructuring (Savings and Transitional Provisions) Act 1995

Electricity Wayleaves and Easements Act 2000

Energy Co-ordination and Planning Act 1995

Gas Act 2000

except in so far as it relates to provisions relating to the appointment, functions, powers and duties of the Director of Gas Safety (see *Department of Justice under the Treasurer*)

Gas Pipelines Act 2000

except in so far as it relates to provisions relating to the functions, powers and duties of the Director of Gas Safety (see *Department of Justice under the Treasurer*)

National Energy Retail Law (Tasmania) Act 2012

National Gas (Tasmania) Act 2008

Petroleum Products Emergency Act 1994

Hydro-Electric Corporation

Hydro-Electric Corporation Act 1995

Minister for Resources

Beauty Point Landslip Act 1970

Forest Management Act 2013

Forestry (Fair Contract Codes) Act 2001

Forestry (Rebuilding the Forest Industry) Act 2014

Lawrence Vale Landslip Act 1961

Mineral Resources Development Act 1995

Mining (Strategic Prospectivity Zones) Act 1993

Petroleum (Submerged Lands) Act 1982

Private Forests Act 1994

Rosetta Landslip Act 1992

Forest Practices Authority

Forest Practices Act 1985

except in so far as it relates to the Forest Practices Tribunal (see *Department of Justice under the Minister for Resources*)

Forest Practices (Private Timber Reserves Validation) Act 1999

Forestry Corporation

Public Land (Administration and Forests) Act 1991

except Part 2 (see *Department of Justice under the Minister for Planning and Local Government*)

Regional Forest Agreement (Land Classification) Act 1998

except Divisions 2 and 3 of Part 2 and the making of regulations under section 26, in so far as those regulations relate to Divisions 2 and 3 of Part 2 (see *Department of Primary Industries, Parks, Water and Environment under the Minister for Environment, Parks and Heritage*)

Timber Promotion Act 1970

Minister for Racing

Lyons Trusts Act 1993

Racing Regulation Act 2004

*Racing Regulation Amendment (Governance Reform)
(Transitional and Consequential Provisions) Act 2008*

*Racing Regulation (Transitional and Consequential Provisions)
Act 2004*

Racing (Tasracing Pty Ltd) Act 2009

*Racing (Tasracing Pty Ltd) (Transitional and Consequential
Provisions) Act 2009*

Repeal of Regulations Postponement Act 2014

Minister for the Arts

Meteorites Act 1973

Museums (Aboriginal Remains) Act 1984

Plomley Trusts Act 1984

Tasmanian Arts Advisory Board Act 1975

Tasmanian Museum Act 1950

Theatre Royal Management Act 1986

Legislation enacted 2014–15

Forestry (Rebuilding the Forest Industry) Act 2014

Racing Regulation Amendment (Race Fields) Act 2014

*Racing Regulation Amendment (Board Amalgamation) Act
2015*

Repeal of Regulations Postponement Act 2014

*Vehicle and Traffic Amendment (Power-Assisted Pedal Cycles)
Act 2014*

Legislation repealed or expired 2014–15

Tasmanian Forests Agreement Act 2013

Policies to help manage our business

Asset management

The Department of State Growth's asset management ranges from land and buildings to collections and equipment.

The property portfolio of assets includes:

- » Abt Railway land, buildings and infrastructure
- » aerodromes
- » bridges
- » The Core Store assets of Mineral Resources Tasmania
- » rail corridor land
- » road infrastructure, including land under roads
- » Tasmania Development and Resources properties
- » Tasmanian Museum and Art Gallery
- » various other land and buildings predominantly held for future roadworks.

The department manages land and buildings in accordance with its internal framework guidelines. This framework guides the sound and strategic acquisition, use and disposal of assets, the related risks and costs over their useful life; and alignment of assets with service demand, to achieve the best possible match of assets with the service delivery strategies.

The department maintains asset registers in accordance with the Treasurer's Instructions. Details of acquisitions, disposals and write-offs were recorded in the respective registers. The financial statements for 2014–15 are reported on an accrual basis and contain details of policies in relation to recognition, valuation and depreciation of assets in notes of the statements. Assets have been valued in accordance with the department's accounting policies and procedures. These values are disclosed in the statements together with appropriate notes on valuation methods.

Risk management

Risk management is integral to the management of the department and the delivery of the wide range of services and outputs provided by the department. The department has implemented a number of mechanisms for the management of risks associated with its activities.

The department has established risk management policies and associated mitigation strategies that address high risk areas. The department's Risk and Audit Committee undertakes a review of the department's strategic risks and ensures that the department's internal audit program reflects these strategic risks. These reviews enable the department to test and refine the adequacy of its controls to manage these risks and its response when risk incidents occur.

The department maintains a quality system for the development and maintenance of roads and bridges. This system comprises a significant proportion of the department's operations. The system is designed to manage the risks associated with development and maintenance of roads.

It is also subject to external surveillance and incorporates:

- » clear definition of accountabilities
- » executive review of system effectiveness
- » management of risk within processes
- » feedback systems for improvement
- » audits of these activities
- » audits of the work of contractors to the department.

The department is a member of the Tasmanian Risk Management Fund (TRMF). The TRMF is a significant mitigation measure to ensure that there is adequate financial provision to insure the risks of the department.

Major contracts and consultancies

The Department of State Growth ensures procurement is undertaken in accordance with the mandatory requirements of the Treasurer's Instructions relating to procurement, including that Tasmanian businesses are given every opportunity to compete for Tasmanian Government business.

It is the department's policy to support Tasmanian businesses whenever they offer best value for money for the Government.

Table A provides a summary of the level of participation by local businesses for contracts, tenders and/or quotations with a value of \$50 000 or over (excluding GST). **Tables B and C(1)** provide detailed information on new consultancies and other contracts with a value of \$50 000 or over (excluding GST).

However, it is noted that for Contract Nos. ST030, ST031, ST032, ST05 and 040558-063 one procurement process was run but multiple contracts awarded some with values less than \$50 000.

Table C(2) provides detailed information on consultancies engaged under Contract No. 1280 – Provision of Professional Services Panel A (comprising Pitt&Sherry (Operations) Pty Ltd, GHD Pty Ltd, and Jacobs Group (Australia) Pty Ltd) and Contract 1299 – Provision of Professional Services Panel B Project Management and Contract Administration with a value of \$50 000 or over (excluding GST).

Table C(3) provides detailed information on consultancies engaged under Contract No. 2220 Professional Services for Transport Infrastructure Civil Engineering, Planning and Design (comprising Pitt&Sherry (Operations) Pty Ltd, GHD Pty Ltd, Jacobs Group (Australia) Pty Ltd, Johnstone McGee & Gandy and Burbury Consulting Pty Ltd).

Table D provides a summary of contracts awarded as a result of a direct/limited submission sourcing process approved in accordance with Treasurer's Instructions 1114 or 1217.

Table E provides a summary of contract extensions approved in accordance with Treasurer's Instruction 1115(4).



Table A

Summary of procurement including participation by local business (for procurement processes of \$50 000 or more excluding GST)	
Total number of contracts awarded	267
Total number of contracts awarded to Tasmanian businesses	168
Total value of contracts awarded	\$91 581 126.37
Total value of contracts awarded to Tasmanian businesses	\$80 248 509.86
Total number of tenders called and/or quotation processes run	47
Total number of bids and/or written quotations received	498
Total number of bids and/or written quotations received from Tasmanian businesses	333
Total number of new consultancies awarded	18
Total number of new consultancies awarded to Tasmanian businesses	13
Total value of new consultancies awarded	\$16 522 225
Total value of new consultancies awarded to Tasmanian businesses	\$15 918 790
Total number of tenders called and/or quotation processes run	8
Total number of bids and/or written quotations received	67
Total number of bids and/or written quotations received from Tasmanian businesses	38
Total number of consultancies awarded under Contract No. 1280 – Provision of Professional Services Panel A and Contract No. 1299 Provision of Professional Services Panel B – Project Management and Contract Administration	9
Total number of consultancies awarded under Contract No. 1280 – Provision of Professional Services Panel A and Contract No. 1299 Provision of Professional Services Panel B – Project Management and Contract Administration to Tasmanian businesses	9
Total value of consultancies awarded under Contract No. 1280 – Provision of Professional Services Panel A and Contract No. 1299 Provision of Professional Services Panel B – Project Management and Contract Administration	\$1 289 198
Total value of consultancies awarded under Contract No. 1280 – Provision of Professional Services Panel A and Contract No. 1299 Provision of Professional Services Panel B – Project Management and Contract Administration to Tasmanian businesses	\$1 289 198
Total number of consultancies awarded under Contract No. 2220 – Professional Services for Transport Infrastructure Civil Engineering, Planning & Design	30
Total number of consultancies awarded under Contract No. 2220 – Professional Services for Transport Infrastructure Civil Engineering, Planning & Design to Tasmanian businesses	30
Total value of consultancies awarded under Contract No. 2220 – Professional Services for Transport Infrastructure Civil Engineering, Planning and Design	\$7 367 101
Total value of consultancies awarded under Contract No. 2220 – Professional Services for Transport Infrastructure Civil Engineering, Planning and Design to Tasmanian businesses	\$7 367 101
Total number of contracts and consultancies awarded	285
Total number of contracts and consultancies awarded to Tasmanian businesses	181
Total value of contracts and consultancies awarded	\$108 103 351.37
Total value of contracts and consultancies awarded to Tasmanian businesses	\$96 167 299.86
Total number of tenders called and/or quotation processes run	55
Total number of bids and/or written quotations received	565
Total number of bids and/or written quotations received from Tasmanian businesses	371

Table B

Contracts with a value of \$50 000 or over (ex. GST) and excluding consultancy contracts						
Tender ID	Title	Supplier name	City	State	Period of contract	Value (\$)
Contract No. 2248	Fit out at 76 Federal Street, North Hobart	Construction 3 Pty Ltd	Roches Beach	TAS	17/11/2014 – 30/11/2014	\$166 563
Contract No. 2182	East Derwent Highway – Goodwood Main Road new south-bound slip lane	Andrew Walter Constructions Pty Ltd	Austins Ferry	TAS	17/12/2014 – 7/4/2015	\$943 468.67
Contract No. 2200	Batman Bridge maintenance painting 2014–15, 2015–16, 2016–17 and 2017–18	McElligotts (Tas) Pty Ltd	Breadalbane	TAS	31/10/2014 – 30/3/2018	\$1 424 600
Contract No. 2216	Reception and security services for 10 Murray Street, Hobart	MSS Security Pty Limited	Bellerive	TAS	1/9/2014 – 31/10/2016	\$135 177.12
Contract No. 2224	Road specific maintenance pavement resurfacing 2014/15 south	Roadways Pty Ltd	Glenorchy	TAS	2/10/2014 – 31/5/2015	\$6 841 170
Contract No. 2225	Road specific maintenance pavement resurfacing 2014/15 north east	Downer EDI Works Pty Ltd	Austins Ferry	TAS	3/11/2014 – 31/5/2015	\$5 132 878.56
Contract No. 2226	Road specific maintenance pavement resurfacing 2014/15 north west	Venarchie Contracting Pty Ltd	Mowbray Heights	TAS	2/10/2014 – 31/5/2015	\$5 714 257.16
Contract No. 2227	Tasman Highway East Derwent Highway Interchange (roadworks)	VEC Civil Engineering Pty Ltd	Ulverstone	TAS	22/12/2014 – 29/4/2016	\$8 816 807.76
Contract No. 2228	Macquarie Heads Development road upgrade	Gradco Pty Ltd	St Leonards	TAS	2/10/2014 – 15/5/2015	\$3 961 277.51
Contract No. 2229	Provision of Road Safety advertising services	Custard Pty Ltd	Hobart	TAS	1/1/2015 – 31/12/2017	\$3 000 000
Contract No. 2234	Murchison Highway Anthony MR to Cradle Mountain TR road improvements – stage 3	VEC Civil Engineering Pty Ltd	Ulverstone	TAS	31/10/2014 – 27/3/2015	\$1 650 692.89
Contract No. 2237	Domain Highway (A0126) Lower Domain Road right turn lane junction safety improvements	DCS Civil Tas Pty Ltd	Blackmans Bay	TAS	7/11/2014 – 15/1/2015	\$315 436.86
Contract No. 2238	Bridge maintenance painting – structural and fences 2014/15	Clarkes Painting Services Pty Ltd	Latrobe	TAS	27/10/2014 – 30/4/2015	\$923 800
Contract No. 2241	Work Health and Safety Auditor	QMIS Pty Ltd as the Trustee for the QMIS Trust	Mt Eliza	VIC	1/12/2014 – 12/11/2017	\$300 000
Contract No. 2257	Nubeena secondary road reinstatement	Andrew Walter Constructions Pty Ltd	Austins Ferry	TAS	27/1/2015 – 6/4/2015	\$1 843 212.29
Contract No. 2259	Glen Huon Main Road reinstatement	Andrew Walter Constructions Pty Ltd	Austins Ferry	TAS	19/2/2015 – 29/4/2015	\$1 085 996.39
Contract No. 2260	Huon Highway (A0168) – Sandfly Road left turn lane junction safety improvements	DCS Civil Tas Pty Ltd	Blackmans Bay	TAS	11/2/2015 – 21/4/2015	\$214 128.17
Contract No. 2263	Midland Highway – Ross road reinstatement	Venarchie Contracting Pty Ltd	Mowbray	TAS	10/3/2015 – 20/4/2015	\$491 970.36

Tender ID	Title	Supplier name	City	State	Period of contract	Value (\$)
Contract No. 2267	Slip and bank stabilisation rock cuttings various sites 2014/15	VEC Civil Engineering Pty Ltd	Ulverstone	TAS	21/4/2015 – 15/6/2015	\$1 193 505.24
Contract No. 2270	Bass Highway travellers rest U-turn safety improvements	Hazell Bros Group Pty Ltd	Derwent Park	TAS	20/3/2015 – 13/5/2015	\$238 012.31
ST-003	VET – higher education training integration	Learning Partners P/L	Riverside	TAS	14/08/2014	\$95 400
ST-003	VET – higher education training Integration	Australian Maritime College	Newnham	TAS	14/08/2014	\$84 000
ST-008	Business improvement skills initiative	Cother Consulting Pty Ltd	Semaphore	SA	22/01/2015	\$164 550
ST014	Delivery of language, literacy, numeracy and/or employability skills training and support service	Work and Training	Moonah	TAS	1/01/2015	\$200 000
ST014	Delivery of language, literacy, numeracy and/or employability skills training and support service	Avidity Training	Waverley	TAS	1/01/2015	\$90 000
ST014	Delivery of language, literacy, numeracy and/or employability skills training and support service	Wilson Training	New Town	TAS	1/01/2015	\$90 000
ST030	Skills Fund	Ashley Institute of Training	Altona North	VIC	3/02/2015	\$166 500
ST030	Skills Fund	Australian Employment & Training Solutions	Melbourne	VIC	3/02/2015	\$22 128
ST030	Skills Fund	Australian Institute of Management Education and Training	Sydney	NSW	3/02/2015	\$66 171
ST030	Skills Fund	Australian Institute of Management Education and Training	Sydney	NSW	3/02/2015	\$20 860
ST030	Skills Fund	Australian Maritime College	Newnham	TAS	3/02/2015	\$198 750
ST030	Skills Fund	Australian Nursing and Midwifery Federation (Tasmania Branch)	Hobart	TAS	3/02/2015	\$25 600
ST030	Skills Fund	Avana Learning Pty Ltd (a Vocation Limited company)	North Sydney	NSW	3/02/2015	\$36 000
ST030	Skills Fund	Campbell Page Employment and Training	Sydney	NSW	3/02/2015	\$256 500
ST030	Skills Fund	Campbell Page Employment and Training	Sydney	NSW	3/02/2015	\$320 000
ST030	Skills Fund	Entura clean energy and water institute	Hobart	TAS	3/02/2015	\$29 750
ST030	Skills Fund	Gowrie Training Centre, Gowrie SA	Thebarton	SA	3/02/2015	\$301 500
ST030	Skills Fund	Housing Industry Association	East Melbourne	VIC	3/02/2015	\$115 552

Tender ID	Title	Supplier name	City	State	Period of contract	Value (\$)
ST030	Skills Fund	Housing Industry Association	East Melbourne	VIC	3/02/2015	\$195 680
ST030	Skills Fund	Institute of Project Management (IPM)	Sandy Bay	TAS	3/02/2015	\$1 875
ST030	Skills Fund	Institute of Project Management (IPM)	Sandy Bay	TAS	3/02/2015	\$34 125
ST030	Skills Fund	Institute of Project Management (IPM)	Sandy Bay	TAS	3/02/2015	\$20 800
ST030	Skills Fund	Institute of Project Management (IPM)	Sandy Bay	TAS	3/02/2015	\$3 400
ST030	Skills Fund	Institute of Project Management (IPM)	Sandy Bay	TAS	3/02/2015	\$63 000
ST030	Skills Fund	Jenard Training and Personnel	Hobart	TAS	3/02/2015	\$92 600
ST030	Skills Fund	Jenard Training and Personnel	Hobart	TAS	3/02/2015	\$13 860
ST030	Skills Fund	Jenard Training and Personnel	Hobart	TAS	3/02/2015	\$16 200
ST030	Skills Fund	Learning Partners Pty Ltd	Riverside	TAS	3/02/2015	\$16 380
ST030	Skills Fund	Learning Partners Pty Ltd	Riverside	TAS	3/02/2015	\$50 400
ST030	Skills Fund	Learning Partners Pty Ltd	Riverside	TAS	3/02/2015	\$127 360
ST030	Skills Fund	MEGT Institute	Ringwood	VIC	3/02/2015	\$27 496
ST030	Skills Fund	MEGT Institute	Ringwood	VIC	3/02/2015	\$28 980
ST030	Skills Fund	MEGT Institute	Ringwood	VIC	3/02/2015	\$3 612
ST030	Skills Fund	National Joblink	Launceston	TAS	3/02/2015	\$79 410
ST030	Skills Fund	National Joblink	Launceston	TAS	3/02/2015	\$72 600
ST030	Skills Fund	NDA Tasmania	Launceston	TAS	3/02/2015	\$24 500
ST030	Skills Fund	NDA Tasmania	Launceston	TAS	3/02/2015	\$24 500
ST030	Skills Fund	NDA Tasmania	Launceston	TAS	3/02/2015	\$14 868
ST030	Skills Fund	NDA Tasmania	Launceston	TAS	3/02/2015	\$30 208
ST030	Skills Fund	NDA Tasmania	Launceston	TAS	3/02/2015	\$6 952
ST030	Skills Fund	NDA Tasmania	Launceston	TAS	3/02/2015	\$3 199.50
ST030	Skills Fund	NDA Tasmania	Launceston	TAS	3/02/2015	\$2 800
ST030	Skills Fund	NDA Tasmania	Launceston	TAS	3/02/2015	\$17 500
ST030	Skills Fund	NDA Tasmania	Launceston	TAS	3/02/2015	\$34 640
ST030	Skills Fund	NDA Tasmania	Launceston	TAS	3/02/2015	\$12 804
ST030	Skills Fund	NDA Tasmania	Launceston	TAS	3/02/2015	\$4 720
ST030	Skills Fund	OnRoad OffRoad Training	Glenorchy	TAS	3/02/2015	\$24 786
ST030	Skills Fund	OnRoad OffRoad Training	Glenorchy	TAS	3/02/2015	\$49 000
ST030	Skills Fund	Orange Vocational Education & Training	Newstead	TAS	3/02/2015	\$24 360
ST030	Skills Fund	Orange Vocational Education & Training	Newstead	TAS	3/02/2015	\$8 036
ST030	Skills Fund	Orange Vocational Education & Training	Newstead	TAS	3/02/2015	\$3 528

Tender ID	Title	Supplier name	City	State	Period of contract	Value (\$)
ST030	Skills Fund	Outside the Square Solutions	Burnie	TAS	3/02/2015	\$32 800
ST030	Skills Fund	Outside the Square Solutions	Burnie	TAS	3/02/2015	\$91 200
ST030	Skills Fund	Outside the Square Solutions	Burnie	TAS	3/02/2015	\$92 480
ST030	Skills Fund	Outside the Square Solutions	Burnie	TAS	3/02/2015	\$32 000
ST030	Skills Fund	Pharmaceutical Society of Australia Limited	Deakin	ACT	3/02/2015	\$53 910
ST030	Skills Fund	Pharmaceutical Society of Australia Limited	Deakin	ACT	3/02/2015	\$27 000
ST030	Skills Fund	Pharmaceutical Society of Australia Limited	Deakin	ACT	3/02/2015	\$38 475
ST030	Skills Fund	Ramsden Telecommunications Training	Lambton	NSW	3/02/2015	\$36 800
ST030	Skills Fund	Response Learning	Woolloowin	QLD	3/02/2015	\$16 378.40
ST030	Skills Fund	Response Learning	Woolloowin	QLD	3/02/2015	\$89 184.48
ST030	Skills Fund	RII Skills Centre	Cairns City	QLD	3/02/2015	\$150 073.60
ST030	Skills Fund	RII Skills Centre	Cairns City	QLD	3/02/2015	\$34 992
ST030	Skills Fund	RII Skills Centre	Cairns City	QLD	3/02/2015	\$219 592
ST030	Skills Fund	RuralBiz Training	Dubbo	NSW	3/02/2015	\$144 000
ST030	Skills Fund	Scala Institute	Hobart	TAS	3/02/2015	\$44 000
ST030	Skills Fund	Seafood Training Tasmania	Battery Point	TAS	3/02/2015	\$298 562.04
ST030	Skills Fund	Singleton Consulting & Training	North Hobart	TAS	3/02/2015	\$36 000
ST030	Skills Fund	Singleton Consulting & Training	North Hobart	TAS	3/02/2015	\$19 600
ST030	Skills Fund	State Enterprise Training	Kings Meadows	TAS	3/02/2015	\$5 440
ST030	Skills Fund	State Enterprise Training	Kings Meadows	TAS	3/02/2015	\$3 220
ST030	Skills Fund	State Enterprise Training	Kings Meadows	TAS	3/02/2015	\$99 300
ST030	Skills Fund	State Enterprise Training	Kings Meadows	TAS	3/02/2015	\$34 400
ST030	Skills Fund	State Enterprise Training	Kings Meadows	TAS	3/02/2015	\$24 680
ST030	Skills Fund	State Enterprise Training	Kings Meadows	TAS	3/02/2015	\$74 720
ST030	Skills Fund	State Enterprise Training	Kings Meadows	TAS	3/02/2015	\$13 090
ST030	Skills Fund	State Enterprise Training	Kings Meadows	TAS	3/02/2015	\$20 900
ST030	Skills Fund	State Enterprise Training	Kings Meadows	TAS	3/02/2015	\$82 400

Tender ID	Title	Supplier name	City	State	Period of contract	Value (\$)
ST030	Skills Fund	State Enterprise Training	Kings Meadows	TAS	3/02/2015	\$43 760
ST030	Skills Fund	State Enterprise Training	Kings Meadows	TAS	3/02/2015	\$27 080
ST030	Skills Fund	Stepping Ahead Training and Development	Ulverstone	TAS	3/02/2015	\$43 200
ST030	Skills Fund	Stepping Ahead Training and Development	Ulverstone	TAS	3/02/2015	\$144 000
ST030	Skills Fund	Stepping Ahead Training and Development	Ulverstone	TAS	3/02/2015	\$22 500
ST030	Skills Fund	The Pharmacy Guild of Australia	North Sydney	NSW	3/02/2015	\$37 170
ST030	Skills Fund	TasTAFE	Hobart	TAS	3/02/2015	\$43 835.20
ST030	Skills Fund	TasTAFE	Hobart	TAS	3/02/2015	\$48 296.80
ST030	Skills Fund	TasTAFE	Hobart	TAS	3/02/2015	\$11 081.70
ST030	Skills Fund	TasTAFE	Hobart	TAS	3/02/2015	\$35 879.90
ST030	Skills Fund	TasTAFE	Hobart	TAS	3/02/2015	\$9 324.80
ST030	Skills Fund	TasTAFE	Hobart	TAS	3/02/2015	\$191 632
ST030	Skills Fund	TasTAFE	Hobart	TAS	3/02/2015	\$176 664
ST030	Skills Fund	TasTAFE	Hobart	TAS	3/02/2015	\$106 362
ST030	Skills Fund	TasTAFE	Hobart	TAS	3/02/2015	\$40 945.50
ST030	Skills Fund	TasTAFE	Hobart	TAS	3/02/2015	\$159 000
ST030	Skills Fund	Training & Development Australia Pty Ltd	North Sydney	NSW	3/02/2015	\$100 000
ST030	Skills Fund	Transqual Pty Ltd	Wickham	NSW	3/02/2015	\$11,200
ST030	Skills Fund	Transtegic Pty Ltd	Launceston	TAS	3/02/2015	\$76 823.60
ST030	Skills Fund	TransTrain	Devonport	TAS	3/02/2015	\$27 144
ST030	Skills Fund	TransTrain	Devonport	TAS	3/02/2015	\$11 900
ST030	Skills Fund	TransTrain	Devonport	TAS	3/02/2015	\$9 280
ST030	Skills Fund	TransTrain	Devonport	TAS	3/02/2015	\$9 030
ST030	Skills Fund	TransTrain	Devonport	TAS	3/02/2015	\$22 440
ST030	Skills Fund	Work & Training	Moonah	TAS	3/02/2015	\$48 920
ST031	2015 User Choice Program	Access Group Training	Dubbo	NSW	13/02/2015	\$28 070
ST031	2015 User Choice Program	Animal Industries Resource Centre	Northgate	QLD	13/02/2015	\$40 008
ST031	2015 User Choice Program	Applied Training Solutions Pty Ltd	Smithfield	NSW	13/02/2015	\$95 655
ST031	2015 User Choice Program	Ashley Institute of Training	Altona North	VIC	13/02/2015	\$260 895
ST031	2015 User Choice Program	Asset Training	Bellerive	TAS	13/02/2015	\$30 690
ST031	2015 User Choice Program	Australian College of Commerce & Management Pty Ltd	Wollongong	NSW	13/02/2015	\$92 453
ST031	2015 User Choice Program	Australian Employment and Training Solutions	Melbourne	VIC	13/02/2015	\$173 780

Tender ID	Title	Supplier name	City	State	Period of contract	Value (\$)
ST031	2015 User Choice Program	Australian Employment Services	Dowsing Point	TAS	13/02/2015	\$226 065
ST031	2015 User Choice Program	Australian Maritime College	Newnham	TAS	13/02/2015	\$3 985
ST031	2015 User Choice Program	Australian Mines and Metals Association Incorporated	Perth	WA	13/02/2015	\$4 429
ST031	2015 User Choice Program	ARA Retail Institute (Australian Retailers Association)	St Leonards	NSW	13/02/2015	\$5 890
ST031	2015 User Choice Program	Avana Learning Pty Ltd	North Sydney	NSW	13/02/2015	\$20 646
ST031	2015 User Choice Program	Avidity Training and Development	Waverley	TAS	13/02/2015	\$139 345
ST031	2015 User Choice Program	Campbell Page Employment and Training	Sydney	NSW	13/02/2015	\$106 080
ST031	2015 User Choice Program	Devon Training and Employment Services	Devonport	TAS	13/02/2015	\$37 650
ST031	2015 User Choice Program	eHealth Education Pty Ltd	Melbourne	VIC	13/02/2015	\$48 832
ST031	2015 User Choice Program	First Impressions Resources, The Australian Retail College	Brisbane	QLD	13/02/2015	\$40 767
ST031	2015 User Choice Program	Flexible Training Solutions Pty Ltd	Bulleen	VIC	13/02/2015	\$165 071
ST031	2015 User Choice Program	Foundation Education Pty Ltd	Lutwyche	QLD	13/02/2015	\$5 240
ST031	2015 User Choice Program	Franklyn Scholar (Australia)	Docklands	VIC	13/02/2015	\$204 450
ST031	2015 User Choice Program	Global Fitness Institute Pty Ltd	Ravenhall	VIC	13/02/2015	\$28 081
ST031	2015 User Choice Program	HRT Consulting Australasia Pty Ltd	Cedar Creek	QLD	13/02/2015	\$80 691
ST031	2015 User Choice Program	ICP Educational Institute	Bondi Junction	NSW	13/02/2015	\$61 501
ST031	2015 User Choice Program	Independent Health Care Service Pty Ltd	Moonah	TAS	13/02/2015	\$16 500
ST031	2015 User Choice Program	Industrylink Training Pty Ltd	Hobart	TAS	13/02/2015	\$91 347
ST031	2015 User Choice Program	Interlink Training	Loganholme	QLD	13/02/2015	\$56 490
ST031	2015 User Choice Program	JB Hunter Technology	Maryville	NSW	13/02/2015	\$31 230
ST031	2015 User Choice Program	Jenard Training and Personnel	Hobart	TAS	13/02/2015	\$26 171
ST031	2015 User Choice Program	Kangan Institute	Somerton	VIC	13/02/2015	\$86 104
ST031	2015 User Choice Program	Kaplan Education Pty Ltd	Sydney	NSW	13/02/2015	\$78 520
ST031	2015 User Choice Program	Lady Gowrie Child Centre Inc.	Thebarton	SA	13/02/2015	\$43 336
ST031	2015 User Choice Program	Learning Partners Pty Ltd	Riverside	TAS	13/02/2015	\$428 350
ST031	2015 User Choice Program	Life Without Barriers	Newcastle	NSW	13/02/2015	\$37 650
ST031	2015 User Choice Program	Marjorie Milner College	Surrey Hills	VIC	13/02/2015	\$9 311
ST031	2015 User Choice Program	Matrix on Board Training Pty Ltd	Melbourne	VIC	13/02/2015	\$16 885

Tender ID	Title	Supplier name	City	State	Period of contract	Value (\$)
ST031	2015 User Choice Program	Matters in Gray Training	Upper Mount Gravatt	QLD	13/02/2015	\$39 950
ST031	2015 User Choice Program	McDonalds	Thornleigh	NSW	13/02/2015	\$49 704
ST031	2015 User Choice Program	MEGT Institute	Ringwood	VIC	13/02/2015	\$20 000
ST031	2015 User Choice Program	Melbourne Polytechnic	Preston	VIC	13/02/2015	\$241 250
ST031	2015 User Choice Program	Murray Mallee Training Company Ltd	Swan Hill	VIC	13/02/2015	\$31 731
ST031	2015 User Choice Program	National Joblink	Launceston	TAS	13/02/2015	\$61 565
ST031	2015 User Choice Program	NDA Tasmania	Launceston	TAS	13/02/2015	\$191 725
ST031	2015 User Choice Program	NIBA College of Insurance and Risk Professionals	North Sydney	NSW	13/02/2015	\$5 988
ST031	2015 User Choice Program	OnRoad OffRoad Training	Glenorchy	TAS	13/02/2015	\$42 975
ST031	2015 User Choice Program	Orange Vocational Education & Training	Newstead	TAS	13/02/2015	\$255 535
ST031	2015 User Choice Program	ORS Training Solutions	Gosford	NSW	13/02/2015	\$157 745
ST031	2015 User Choice Program	Outside the Square Solutions	Burnie	TAS	13/02/2015	\$103 676
ST031	2015 User Choice Program	Performance Partners Consulting	North Geelong	VIC	13/02/2015	\$12 678
ST031	2015 User Choice Program	Performis	Baulkham Hills	NSW	13/02/2015	\$58 325
ST031	2015 User Choice Program	Pharmaceutical Society of Australia Limited	Deakin	ACT	13/02/2015	\$14 631
ST031	2015 User Choice Program	Ramsden Telecommunications Training Pty Ltd	Lambton	NSW	13/02/2015	\$26 108
ST031	2015 User Choice Program	Response Learning	Wooloowin	QLD	13/02/2015	\$49 115
ST031	2015 User Choice Program	Rii Skills Centre	Cairns City	QLD	13/02/2015	\$134 100
ST031	2015 User Choice Program	RMIT University	Melbourne	VIC	13/02/2015	\$104 464
ST031	2015 User Choice Program	Royal Gurkhas Institute of Technology (RGIT) Australia / Gurkhas Institute of Hospitality & Management	Melbourne	VIC	13/02/2015	\$161 370
ST031	2015 User Choice Program	Scala Institute	Hobart	TAS	13/02/2015	\$73 810
ST031	2015 User Choice Program	Seafood Training Tasmania Inc.	Battery Point	TAS	13/02/2015	\$87 849
ST031	2015 User Choice Program	Serco Global Services Pty Ltd	Melbourne	VIC	13/02/2015	\$17 745
ST031	2015 User Choice Program	Skills Right Now P/L	East Melbourne	VIC	13/02/2015	\$14 865
ST031	2015 User Choice Program	SportsReady Education Pty Ltd	Abbotsford	VIC	13/02/2015	\$50 811
ST031	2015 User Choice Program	St Michaels Association Inc	Newstead	TAS	13/02/2015	\$78 653
ST031	2015 User Choice Program	State Enterprise Training	Kings Meadows	TAS	13/02/2015	\$75 825
ST031	2015 User Choice Program	Tactical Group Training	Sydney	NSW	13/02/2015	\$19 828

Tender ID	Title	Supplier name	City	State	Period of contract	Value (\$)
ST031	2015 User Choice Program	TAFE QLD	Acacia Ridge	QLD	13/02/2015	\$119 421
ST031	2015 User Choice Program	TAFE SA	Adelaide	SA	13/02/2015	\$533 865
ST031	2015 User Choice Program	TasNetworks	Mornington	TAS	13/02/2015	\$177 385
ST031	2015 User Choice Program	The Pharmacy Guild of Australia	Barton	ACT	13/02/2015	\$23 350
ST031	2015 User Choice Program	The Real Estate Institute of Tasmania	Hobart	TAS	13/02/2015	\$30 735
ST031	2015 User Choice Program	The Training and Business Company	Cornelian Bay	TAS	13/02/2015	\$112 451
ST031	2015 User Choice Program	The Trustee For JCE Positive Outcomes Trust	Spence	ACT	13/02/2015	\$210 740
ST031	2015 User Choice Program	Training & Development Australia Pty Ltd	North Sydney	NSW	13/02/2015	\$37 650
ST031	2015 User Choice Program	Transport Industries Skills Centre Inc.	Derwent Park	TAS	13/02/2015	\$72 050
ST031	2015 User Choice Program	Transport Training Solutions/Allan Miller Driving School	Wingfield	SA	13/02/2015	\$10 557
ST031	2015 User Choice Program	Transqual Pty Ltd	Wickham	NSW	13/02/2015	\$52 899
ST031	2015 User Choice Program	Transtegic	Launceston	TAS	13/02/2015	\$92 640
ST031	2015 User Choice Program	Trison Business College	Adelaide	SA	13/02/2015	\$65 223
ST031	2015 User Choice Program	United Transport Solutions	Shell Cove	NSW	13/02/2015	\$14 148
ST031	2015 User Choice Program	Willson Training	New Town	TAS	13/02/2015	\$207 715
ST031	2015 User Choice Program	Wodonga Institute of TAFE	Wodonga	VIC	13/02/2015	\$90 819
ST031	2015 User Choice Program	Work & Training Ltd	Moonah	TAS	13/02/2015	\$365 305
ST031	2015 User Choice Program	Workco Limited	Horsham	VIC	13/02/2015	\$93 845
ST031	2015 User Choice Program	Workforce Development	Burnie	TAS	13/02/2015	\$271 810
ST031	2015 User Choice Program	Yum Restaurants Australia Pty Ltd	Frenchs Forest	NSW	13/02/2015	\$29 450
ST032	Skills Fund	Avidity Training	Waverley	TAS	30/06/2015	\$183 499.80
ST032	Skills Fund	Skills Right Now	East Melbourne	VIC	30/06/2015	\$51 165
ST032	Skills Fund	Avidity Training	Waverley	TAS	30/06/2015	\$86 720.25
ST032	Skills Fund	Skills Right Now	East Melbourne	VIC	30/06/2015	\$219 000
ST032	Skills Fund	ICP Educational Institute	Melbourne	VIC	30/06/2015	\$73 500
ST032	Skills Fund	Institute of Project Management	Sandy Bay	TAS	30/06/2015	\$148 500
ST032	Skills Fund	Learning Partners Pty Ltd	Riverside	TAS	30/06/2015	\$95 520
ST032	Skills Fund	OnRoad OffRoad Training	Glenorchy	TAS	30/06/2015	\$135 000
ST032	Skills Fund	Outside the Square Solutions	Burnie	TAS	30/06/2015	\$110 000
ST032	Skills Fund	RII Skills Centre	Cooee	TAS	30/06/2015	\$134 800
ST032	Skills Fund	RII Skills Centre	Cooee	TAS	30/06/2015	\$140 000
ST032	Skills Fund	Seafood Training Tasmania	Battery Point	TAS	30/06/2015	\$105 248.52

Tender ID	Title	Supplier name	City	State	Period of contract	Value (\$)
ST032	Skills Fund	St Michael's Association	Newstead	TAS	30/06/2015	\$51 912
ST032	Skills Fund	Tasmanian Health Organisation South	Hobart	TAS	30/06/2015	\$59 616
ST032	Skills Fund	TasTAFE	Hobart	TAS	30/06/2015	\$238 656.60
ST032	Skills Fund	TasTAFE	Hobart	TAS	30/06/2015	\$122 032.60
ST032	Skills Fund	The Training and Business Company Pty Ltd	Cornelian Bay	TAS	30/06/2015	\$150 400
ST032	Skills Fund	Willson Training	New Town	TAS	30/06/2015	\$58 500
ST032	Skills Fund	Willson Training	New Town	TAS	30/06/2015	\$58 500
ST032	Skills Fund	Willson Training	New Town	TAS	30/06/2015	\$117 000
ST032	Skills Fund	Willson Training	New Town	TAS	30/06/2015	\$73 500
ST032	Skills Fund	Willson Training	New Town	TAS	30/06/2015	\$73 500
ST032	Skills Fund	Willson Training	New Town	TAS	30/06/2015	\$73 500
ST032	Skills Fund	Youth Futures	Invermay	TAS	30/06/2015	\$57 750
ST032	Skills Fund	Youth Futures	Invermay	TAS	30/06/2015	\$51 150
ST032	Skills Fund	Pharmaceutical Society of Australia Ltd	Deakin	ACT	30/06/2015	\$80 865
ST05	Skills Tasmania Career Start Program	Australian Retailers Association	St Leonards	NSW	1/01/2015	\$71 250
ST05	Skills Tasmania Career Start Program	Ascent Training Group	Mount Gambier	SA	1/01/2015	\$60 276
ST05	Skills Tasmania Career Start Program	Australian Employment and Training Solutions Pty Ltd	Melbourne	VIC	1/01/2015	\$89 190
ST05	Skills Tasmania Career Start Program	Australian Nursing and Midwifery Federation (Tasmania Branch)	Hobart	TAS	1/01/2015	\$118 920
ST05	Skills Tasmania Career Start Program	Goodstart Institute of Early Learning	Murarie	QLD	1/01/2015	\$165 480
ST05	Skills Tasmania Career Start Program	Independent Health Care Service Pty Ltd	Moonah	TAS	1/01/2015	\$29 730
ST05	Skills Tasmania Career Start Program	Seafood Training Tas	Battery Point	TAS	1/01/2015	\$25 200
ST05	Skills Tasmania Career Start Program	Skills Right Now P/L	East Melbourne	VIC	1/01/2015	\$89 190
ST05	Skills Tasmania Career Start Program	State Enterprise Training	Kings Meadows	TAS	1/01/2015	\$253 161
ST05	Skills Tasmania Career Start Program	St Michael's Association Inc	Newstead	TAS	1/01/2015	\$74 620
ST05	Skills Tasmania Career Start Program	Willson Training	New Town	TAS	1/01/2015	\$165 480
ST05	Skills Tasmania Career Start Program	Work & Training Limited	Moonah	TAS	1/01/2015	\$142 704
ST05	Skills Tasmania Career Start Program	Work & Training Limited	Moonah	TAS	1/01/2015	\$176 112

Tender ID	Title	Supplier name	City	State	Period of contract	Value (\$)
ST05	Skills Tasmania Career Start Program	Work & Training Limited	Moonah	TAS	1/01/2015	\$88 928
ST05	Skills Tasmania Career Start Program	Outside the Square Solutions	Burnie	TAS	1/01/2015	\$87 356
Contract No. 2223	Esk Main Road – Blanchards Creek culvert No. 2 to Stynes Creek Bridge – shoulder sealing	Venarchie Contracting Pty Ltd	Mowbray Heights	TAS	3/11/2014 – 19/4/2015	\$2 721 046.08
Contract No. 2231	Road Specific Safety Enhancement – Bass Highway divided sections line-marking enhancement Launceston to Burnie and East Tamar Highway line-marking enhancement Launceston to George Town	Supalux Pty Ltd	Melbourne	VIC	11/11/2014 – 27/3/2015	\$1 195 911.64
Contract No. 2232	Road specific maintenance pavement line-marking 2014/15 state wide	Supalux Pty Ltd	Melbourne	VIC	11/11/2014 – 15/6/2015	\$1 468 044.39
Contract No. 2274	Cleaning services at 10 Murray Street and 76 Federal Street Hobart	General and window cleaning Pty Ltd	Montrose	TAS	1/7/2015 – 31/3/2017	\$276 216
Contract No. 2271	Keep a Safe Distance road safety campaign	Clemenger Tasmania Pty Ltd	Hobart	TAS	25/6/2015 – 31/12/2017	\$350 000

Table C (I)

Consultancy contracts with a value of \$50 000 or over (ex. GST)						
Tender ID	Title	Supplier name	City	State	Period of contract	Value (\$)
Contract No. 2265	Request for Quotation for the supply of consultant services – SubPartners	Advisian Pty Ltd	North Sydney	NSW	16/03/2015	\$180 000
Contract No. 2180	Provision of professional services for strategic policy advice	KPMG	Hobart	TAS	7/7/2014 – 2/12/2015	\$100 000
Contract No. 2180	Provision of professional services for strategic policy advice	Sapere Research Group Pty Ltd	Sydney	NSW	7/7/2014 – 2/12/2015	\$100 000
Contract No. 2180	Provision of professional services for strategic policy advice	Pricewaterhouse Coopers	Southbank	VIC	7/7/2014 – 2/12/2015	\$100 000
Contract No. 2180	Provision of professional services for strategic policy advice	GHD Pty Ltd	Sydney	NSW	7/7/2014 – 2/12/2015	\$100 000
Contract No. 2220	Professional Services for transport infrastructure civil engineering, planning and Design	GHD Pty Ltd	Hobart	TAS	1/12/2014 – 21/12/2019	\$3 000 000
Contract No. 2220	Professional services for transport infrastructure civil engineering, planning and design	Jacobs Group (Australia) Pty Ltd	Hobart	TAS	1/12/2014 – 21/12/2019	\$3 000 000
Contract No. 2220	Professional services for transport infrastructure civil engineering, planning and design	Pitt&Sherry (Operations) Pty Ltd	Hobart	TAS	1/12/2014 – 21/12/2019	\$3 000 000
Contract No. 2220	Professional services for transport infrastructure civil engineering, planning and design	Johnstone McGee and Gandy Pty Ltd	Hobart	TAS	1/12/2014 – 21/12/2019	\$3 000 000
Contract No. 2220	Professional services for transport infrastructure civil engineering, planning and design	Burbury Consulting Pty Ltd	Hobart	TAS	1/12/2014 – 21/12/2019	\$3 000 000
Contract No. 2256	Western Tasmania Export Corridor Plan consultancy	Jacobs Group (Australia) Pty Ltd	HOBART	TAS	1/5/2015 – 31/10/2015	\$169 310
Contract No. 040558-063	Digital Ready for Business – Coaching Services	Zegen Pty Ltd	Launceston	TAS	22/04/2015	\$21 120
Contract No. 040558-063	Digital Ready for Business - coaching services	Adam Raymond Mostogl	Queenstown	TAS	22/04/2015	\$21 120
Contract No. 040558-063	Digital Ready for Business – coaching services	Arrowhead Assets Pty Ltd	Launceston	TAS	22/04/2015	\$21 120
Contract No. 040558-063	Digital Ready for Business – Coaching Services	Rebecca King	Trevallyn	TAS	22/04/2015	\$21 120
Contract No. 048828	Tasmanian Retailer Development Program	Christine Ann Storm	Berriedale	TAS	10/6/2015 – 9/6/2017	\$240 000

Table C (2)

Consultancies engaged under Contract No. 1280 - Provision of Professional Services Panel A (comprising Pitt&Sherry (Operations) Pty Ltd, GHD Pty Ltd Pty Ltd, and Jacobs Group (Australia) Pty Ltd) and Contract No. 1299: Provision of Professional Services Panel B – Project Management and Contract Administration with a value of \$50 000 or over (ex. GST)

Name of consultant	Location of consultant	Description of consultancy	Date awarded	Value of consultancy
Pitt&Sherry (Operations) Pty Ltd	Hobart, TAS	Slip and Bank Stabilisation – Rock Cuttings Various Sites 2014/15	27/11/2014	\$65 342
Pitt&Sherry (Operations) Pty Ltd	Hobart, TAS	Design of new bridge over St Pauls River and culvert on Esk	28/11/2014	\$71 251
GHD Pty Ltd	Hobart, TAS	Midland Highway Safety Package – Esk Main Road Junction – Design and Documentation	15/7/2014	\$149 900
GHD Pty Ltd	Hobart, TAS	Midland Highway - South of Tunbridge - Curve Improvements	9/7/2014	\$112 000
GHD Pty Ltd	Hobart, TAS	Midland Highway Safety Package – 2014-15 Road Widening Projects	8/8/2014	\$350 000
GHD Pty Ltd	Hobart, TAS	Road Reinstatement Package I 2014/15	17/9/2014	\$208 000
Jacobs Group (Australia) Pty Ltd	Hobart, TAS	Midland Highway – Mud Walls & Sorell Springs Road Junction Upgrades	11/8/2014	\$93 705
Jacobs Group (Australia) Pty Ltd	Hobart, TAS	Mobile Laser Scanning – Midland Highway – Tunbridge to Dysart	19/8/2014	\$54 000
Pitt&Sherry (Operations) Pty Ltd	Hobart, TAS	Provision of Professional Services – Superintendents Representative – Nicholas Dwyer	27/8/2014	\$185 000



Table C (3)

Consultancies engaged under Contract No. 2220 - Professional Services for Transport Infrastructure Civil Engineering, Planning & Design (comprising Pitt&Sherry (Operations) Pty Ltd, GHD Pty Ltd Pty Ltd, Jacobs Group (Australia) Pty Ltd, Johnstone McGee & Gandy and Burbury Consulting Pty Ltd) with a value of \$50 000 or over (ex. GST)

Name of consultant	Location of consultant	Description of consultancy	Date awarded	Value of consultancy
Jacobs Group (Australia) Pty Ltd	Hobart, TAS	Mountain River on Lollara Main Rd & Surges Creek, Huon Highway	15/12/2014	\$153 683
Jacobs Group (Australia) Pty Ltd	Hobart, TAS	Midland Highway – Perth to Breadalbane – survey services	5/12/2014	\$147 600
Jacobs Group (Australia) Pty Ltd	Hobart, TAS	Midland Highway – project survey	23/12/2014	\$205 324
Jacobs Group (Australia) Pty Ltd	Hobart, TAS	Midland Highway - White Lagoon to Mona Vale – safety upgrade	11/3/2015	\$570 955
Jacobs Group (Australia) Pty Ltd	Hobart, TAS	Survey program for Midland Highway	21/4/2015	\$468 652
Jacobs Group (Australia) Pty Ltd	Hobart, TAS	Midland Highway – Symons Plains to South of Perth 2+1 upgrade	22/4/2015	\$645 926
Jacobs Group (Australia) Pty Ltd	Hobart, TAS	Midland Highway Upgrade Program – St Peters Pass Rest Area to Woodbury	30/4/2015	\$119 498
Jacobs Group (Australia) Pty Ltd	Hobart, TAS	Bridge durability and condition assessment	1/5/2015	\$317 094
Jacobs Group (Australia) Pty Ltd	Hobart, TAS	Bridge assessments	4/6/2015	\$50 000
GHD Pty Ltd	Hobart, TAS	Tasman Highway East Derwent Highway Interchange – contract administration (Sup Rep Duties for Mike Graver)	28/11/2014	\$200 000
GHD Pty Ltd	Hobart, TAS	East Derwent Highway Goodwood Main Road – contract administration (sup rep duties for Mike King & Damien Guinane as Contract Supervisor)	13/1/2015	\$65 000
GHD Pty Ltd	Hobart, TAS	Midland Highway Esk Main Road (Conara) – contract administration (sup rep duties for Greg McGuire)	15/12/2014	\$63 250
GHD Pty Ltd	Hobart, TAS	Whacketts Creek and Doctors Creek Bridges, Tasman Highway	12/1/2015	\$99 350
GHD Pty Ltd	Hobart, TAS	Midland Highway Perth to Breadalbane – duplication design services	14/1/2015	\$905 976
GHD Pty Ltd	Hobart, TAS	Midland Highway – South of Tunbridge Stage 2 – Safety Improvements	3/3/2015	\$170 000
GHD Pty Ltd	Hobart, TAS	Bass Highway – West of Westbury Duplication between Biralee Road Overpass and Exton	16/3/2015	\$191 400
GHD Pty Ltd	Hobart, TAS	Bridge assessments	1/12/2014	\$50 000
Pitt&Sherry (Operations) Pty Ltd	Hobart, TAS	Glen Huon Main Road Reinstatement – contract administration (sup rep duties for Juan Lee & Contract Supervisor duties for Harold Percy)	17/12/2014	\$64 620

Name of consultant	Location of consultant	Description of consultancy	Date awarded	Value of consultancy
Pitt&Sherry (Operations) Pty Ltd	Hobart, TAS	Bowen Bridge Inspection	23/2/2015	\$153 187
Pitt&Sherry (Operations) Pty Ltd	Hobart, TAS	North East and North West weed surveys	23/2/2015	\$69 780
Pitt&Sherry (Operations) Pty Ltd	Hobart, TAS	Management plan for Cathodic Protection Systems	24/3/2015	\$73 341
Pitt&Sherry (Operations) Pty Ltd	Hobart, TAS	Midland Highway - Mangalore to Bagdad Interim Safety Improvements	11/3/2015	\$884 151
Pitt&Sherry (Operations) Pty Ltd	Hobart, TAS	Midland Highway – Kempton to Melton Mowbray Safety Upgrades	11/3/2015	\$625 293
Pitt&Sherry (Operations) Pty Ltd	Hobart, TAS	St Pauls River Bridge and Esk Main Road culvert replacement	7/4/2015	\$331233
Pitt&Sherry (Operations) Pty Ltd	Hobart, TAS	Tasman Bridge pile wrapping and corrosion monitoring	24/4/2015	\$102 443
Pitt&Sherry (Operations) Pty Ltd	Hobart, TAS	Heavy Vehicle Permit assessments	18/5/2015	\$78 000
Pitt&Sherry (Operations) Pty Ltd	Hobart, TAS	Esk Main Road – St Pauls Bridge –contract administration	17/6/2015	\$222 450
Pitt&Sherry (Operations) Pty Ltd	Hobart, TAS	South Arm Highway – Rokeby Main Road upgrade – Contract Supervisor	25/6/2015	\$91 437
Johnstone McGee & Gandy	Hobart, TAS	East Derwent Highway – Cove Hill Road roundabout	23/4/2015	\$58 658
Burbury Consulting Pty Ltd	Hobart, TAS	Services of Vanessa King for project management for the department	14/1/2015	\$188 800

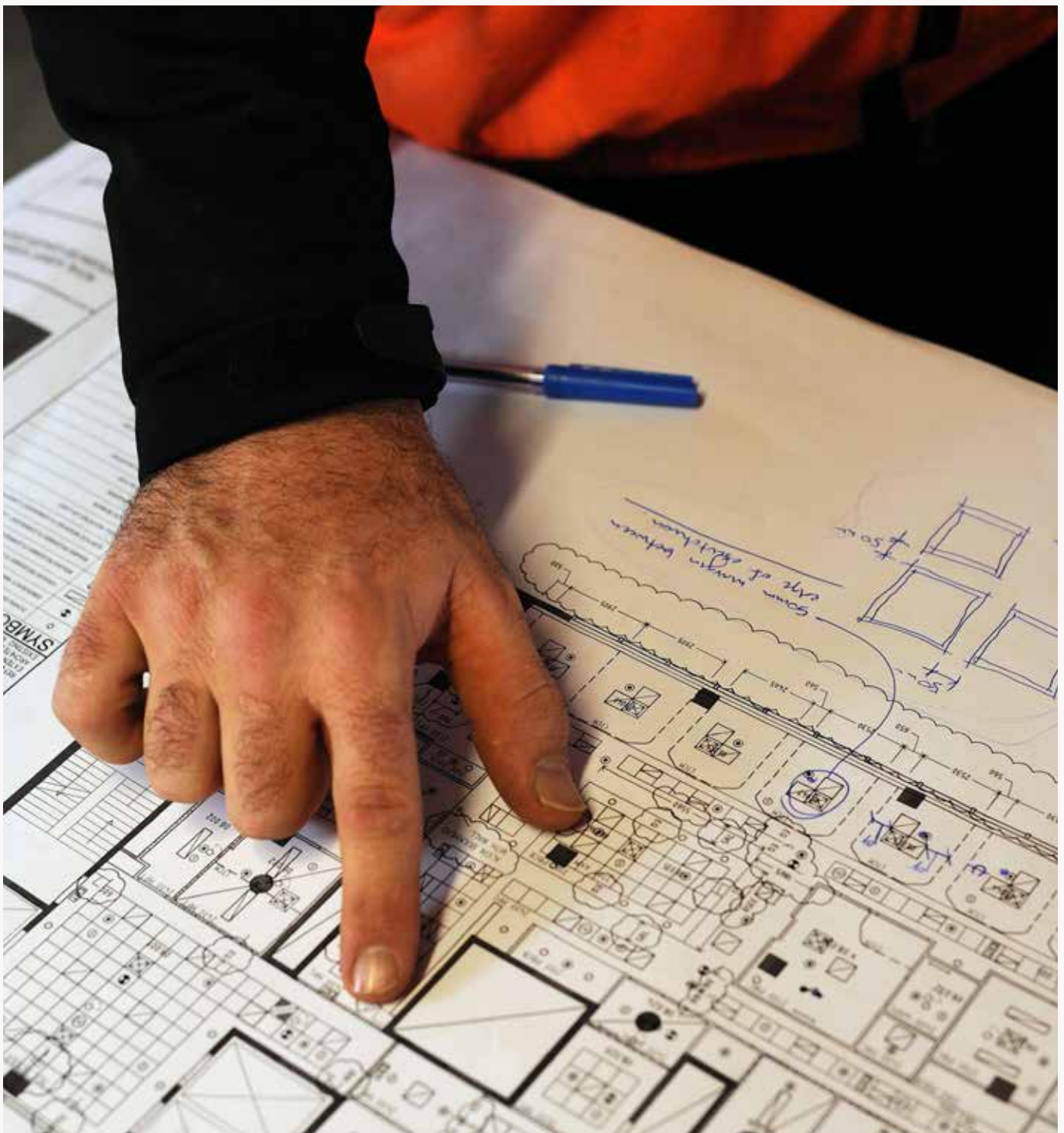
Table D

Consultancies or Contracts awarded under an approved limited or direct sourcing process				
Name of supplier	Location of supplier	Description of contract	Reason for the Procurement Methodology	Total value of contract
Vaisala Pty Ltd	Hawthorn, VIC	Contract No. 2240 – Road Thermal Data Collection	Single Supplier	\$225 000
Shaw Contracting (Australia) Pty Ltd	Whitemore, TAS	Contract No. 2247 – North East Freights Road – Bridport Main Road and Waterhouse Road – roadworks	Repetition of similar construction services	\$4 505 329.02
Boom Logistics Limited	Melbourne, VIC	Contract No. 2255 – Hire of Underbridge Bridge Inspection Unit and operator	Single supplier	\$65 000
VEC Civil Engineering Pty Ltd	Ulverstone, TAS	Contract No. 2230 – Midland Highway Kings Meadows Connector Roundabout	Urgent requirements	\$1 059 900.81
Hazell Bros Group Pty Ltd	Derwent Park, TAS	Contract No. 2242 – Midland Highway – south of Kempton Road improvements	Urgent requirements	\$4 416 766.96
Hazell Bros Group Pty Ltd	Derwent Park, TAS	Contract No. 2243 – Midland Highway – south of Spring Hill road improvements	Urgent requirements	\$4 177 407.60
VEC Civil Engineering Pty Ltd	Ulverstone, TAS	Contract No. 2244 – Midland Highway north of Spring Hill road improvements	Urgent requirements	\$3 400 214.88
Shaw Contracting (Australia) Pty Ltd	Whitemore, TAS	Contract No. 2245 – Midland Highway safety package – Esk Main Road junction improvements (Conara)	Urgent requirements	\$1 870 127.10
Shaw Contracting (Australia) Pty Ltd	Whitemore, TAS	Contract No. 2246 – Midland Highway south of Tunbridge – road improvements	Urgent requirements	\$1 137 292.45
VEC Civil Engineering Pty Ltd	Ulverstone, TAS	Contract No. 2261 – Midland Highway (A0087) – Mud Walls Road – junction improvements	Urgent requirements	\$497 969.92
RII Skills Centre	Cairns, QLD	ST-007 – Retrenched Queenstown workers training	Urgent requirements	\$180 000
Tasmanian Networks Pty Ltd	Hobart, TAS	Contract No. 2275 – 178116 CIMX Oceana Drive to Tollard Drive (asset relocation)	Single supplier	\$100 945.96
Tasmanian Networks Pty Ltd	Hobart, TAS	Contract No. 2276 – 178116 CIMX Oceana Drive to Tollard Drive, Howarth stage 2 (electricity connection)	Single supplier	\$225 236.04
Tasmanian Networks Pty Ltd	Hobart, TAS	Contract No. 2277 – Connection agreement for 1036 East Derwent Highway (electricity connection)	Single supplier	\$96 077.71
Tasmanian Networks Pty Ltd	Hobart, TAS	Contract No. 2278 – Infrastructure relocation and works agreement – 174561 Montague Bay Interchange	Single supplier	\$525 898.23
URS Australia Pty Ltd	Melbourne, VIC	Contract No. 2210A – Market and demand analysis for Tasmanian special timbers	Cost of tender outweighs value for money benefits	\$123 435
Hydro Electric Corporation	Hobart, TAS	Contract No. 2264 – Investigating the case for a second Bass Strait interconnector	Single supplier	\$325 000

Table E

Contract extensions approved in accordance with Treasurer's Instruction 1115(4)

Name of supplier	Location of supplier	Description of contract	Period of extension	Total value of contract
Plate Impressions Pty Ltd	Newstead, QLD	Development, management and sales of personalised registration plates	1/5/2015 – 31/10/2015	\$100 000



Disability Framework for Action 2013-17

The Department continues to finalise its Disability Action Plan with implementation occurring over the next two years. The action plan focuses on four key areas with an emphasis on improved access to a range of:

- » services and programs
- » employment opportunities and career development
- » buildings and facilities
- » information.

The department has been participating in programs and initiatives that promote inclusiveness and improve accessibility to the programs and services it provides.

Arts Tasmania

Initiatives implemented include:

- » While not having a separate Arts and Disability grant program, Arts Tasmania has continued to encourage individual artists with disability and art and disability organisations to make applications to its other funding programs. In the recent Organisation Investment Program, four of the 32 applications invited to make a full application to the program were organisations that self-identified as working in arts and disability. Universal accessible formatting has been adopted by Arts Tasmania in an effort to break down barriers for improved participation, particularly people living with vision impairment or low level literacy capabilities.
- » Continuing to work with Arts Law to present periodic workshops for disability service providers on copyright and moral rights for artists.
- » Delivery of an Open Captions Initiative to enable theatre performances to be captioned via live broadband technology.

Profiling and promoting work created by artists with disability to expand wider audience interest in disability arts continues through stories on Arts Tasmania's Newbyte – arts news and opportunities; through Arts Access Australian e-news; the Arts and Health Foundation e-news; and in a variety of social media platforms.

Transport Services

Initiatives implemented include:

- » Unlimited wheelchair accessible taxi licences were made available at no capital cost.
- » The roll out of smart card technology for the taxi fare subsidy scheme was finalised. This will be more convenient for Transport Access Scheme members and the taxi industry.
- » The adoption of a positive provision policy for accessible bus stops on state roads.
- » Ongoing dialogue with the Anti-Discrimination Commission and Guide Dogs Tasmania concerning access to transport.
- » The Registrar of Motor Vehicles wrote to all taxi drivers to remind them of their legal requirement to transport assistance animals.
- » The Commissioner for Transport wrote to all accredited transport operators reminding them of the need to have systems in place to ensure that drivers comply with their legal requirement to transport assistance animals.
- » Establishing an internal assistance animals taskforce to look at how the department can work with the taxi industry, the Tasmanian Anti-Discrimination Commissioner and community organisations to prevent further cases of discrimination occurring.

Web accessibility

The department continues to ensure it remains compliant with the AA Web Content Accessibility Guidelines 2.0 Compliance in relation to all online publishing.

Access to information:

- » The use of web test instead of portable document format (PDF) is actively encouraged.
- » Advice is provided to business units regarding graphic design, layout of documents and online content to ensure accessible style and format.
- » Disability awareness initiatives have been promoted and recognised through internal communications such as the intranet and staff newsletter.

Closed captions are included in all DVD material, online YouTube and video clips in order to make information as accessible as possible to the wider community.

Publications

The department produced the following stakeholder publications in 2014-15.

Business Services

DEDTA Annual Report 2013-14

DIER Annual Report 2013-14

TDR Board Annual Report 2013-14

Industry and Business Development

Chinese community cultural calendar

Chinese translations of a suite of investment guides for TasInvest

Dairy Industry in Tasmania - update

Employer of Choice 2015 program

Events Strategy (2015 - 2020)

Events Tasmania grants program 2015

Invest in Tasmania - update

Investing in Skills For Growth

Mining and Minerals Processing Industry in Tasmania - update

Ministerial Priorities for Training and Workforce Development for 2014 -15

Skills and workforce development conference program 2015

Tasmanian Training Awards 2014

Tendering Handbook

West Coast Economic Working Group Final Report

West Coast Economic Working Group Interim Report

West Coast Mountain Bike Project

Infrastructure Tasmania

ITAS priority work program

Office of the Coordinator-General

Tasmanian Regulation Reduction Audit Report

Policy and Strategy

Energy Strategy

Energy Strategy issues paper

Energy Working Group Report to the Minister

Population discussion paper

Population Strategy

Transport

Fitness to Drive – Having the conversation about life beyond driving (updated)

Fitness to Drive – What you need to know to drive safely (updated)

Mandatory Alcohol Interlock (update)

Midland Highway 10 year action plan

Novice Kits (updated)

Road Rules for Passing Bike Riders

Road Rules Handbook - updated

State of Our Roads 2014

State Roads Infrastructure Asset Management Policy

State Roads Infrastructure Service Policy

Tasmanian Heavy Vehicle Handbook (re-published)

Third Action Plan (2014-2016)

Grants

Grants program review

In accordance with Treasurer's Instruction 709 Grant Management Framework, the following grant programs have been reviewed by the department and are considered to be meeting their intended objectives. The department continues to improve grant program outcome key performance indicators to assist decision-making and improve the effectiveness of grant programs in meeting government objectives.

Treasurer's Instruction 709 Grant Management Framework requires the department to provide details, including purpose and intended outcomes, of each significant grant or grant program. Significant grants programs and grants in excess of \$1 million are reported below.

Significant Grant Program	Paid 2014-15	Purpose and intended outcomes
Tasmanian Government Innovation and Investment Fund	\$1,531,605	The objective of Tasmanian Government Innovation and Investment Fund is to generate new private investment and jobs across regional Tasmania as part of the Government's response to regional employment challenges in the 2012 – 13 budget.
Major Events Grants Program	\$6,139,769	The Major Events Grants Program is used to secure and grow existing events in Tasmania. It allows Events Tasmania to support a diverse range of events and activities that deliver a range of social, cultural, economic and environmental benefits to the Tasmanian community. Examples of major events funded include Cricket World Cup, V8 Supercars, Targa Tasmania, Dark Mofo, Festival of Voices.
Arts Tasmania Grant Funding Programs	\$2,741,986	The objectives of the Arts Tasmania's grant funding programs are to support, facilitate, advocate and enable creativity, diversity, cultural excellence and quality arts practice in Tasmania. The programs also aim to broaden the engagement of Tasmanians in the arts, highlight the state's diverse arts and cultural sector, and deepen Tasmanian cultural experiences. The program focuses on providing support to the arts sector in Tasmania through funding to individual artists, arts organisations and major Tasmanian cultural institutions to assist their planning and realisation of projects, as well as to attract and encourage the creation of new work.
Museums, Art Galleries and Heritage Organisations Grants	\$1,811,638	The objective of the grants program is to improve information about collections, increase public access to information and enhance curatorial practice and collection management as a key part of the Government's ongoing support for the preservation of the state's cultural heritage. The Small Museums and Collections Program provides grants and loans to assist the curatorial and collection management practices of smaller public and community collections and museums. It includes access to the Roving Curators who are museum professionals available to work on museum or collection-based projects for a period of up to five weeks (based on a full-time workload). Applying to this program does not involve a request for funding, but rather a request for time.
Forest Contractors Financial Support Program	\$7,980,416	The <i>Tasmanian Forests Agreement Act 2013</i> paved the way for over \$200 million of Tasmanian and Australian Government funds to restructure the industry and to create new reserves. In accordance with the Agreement, funding was allocated for employee and contractor assistance, regional sawmiller exits, voluntary sawlog contract buyback program, residue solutions and establishment of the Special Council. The assistance program continued throughout 2014 –15 with grants provided for contractor and employee assistance (\$2.6 million), sawlog contract buyback (\$0.9 million) and sawmiller exits (\$4.5 million).

Significant non-program grants	Paid 2014-15	Purpose and intended outcomes
AFL Agreement – Hawthorn Football Club	\$3,561,600	Major events, including Hawthorn Football Club AFL games in Tasmania, make a significant impact to our state's economy, delivering substantial on-the-ground benefits to businesses as well as enhancing community engagement. Independent advice on the economic impact of Hawthorn Football Club games indicates that the contribution to the Tasmanian economy during the 2014 season generated a total direct expenditure of \$17.5 million for the state, and with media value of just over \$12 million the value of the partnership in 2014 totalled almost \$30 million. Over the term of the current five-year sponsorship agreement it is estimated that in excess of 400 full-time equivalent jobs have been created. The current deal which began in 2011 and concludes in 2016 started at \$3.375 million plus CPI in 2011 and closes at approximately \$3.8 million in 2016, and includes finals bonuses. At year's end the Government and Hawthorn Football Club were negotiating a new five-year deal (2017 – 2021).
CSIRO ICT Extension Grant	\$1,900,000	The purpose of the CSIRO ICT Extension Grant was to establish a Tasmanian node of the Australian Centre for Broadband Innovation (ACBI), hosted by the Tasmanian ICT Centre over a period of five years from 1 January 2012 to 31 March 2017. Specifically, the Grant co-funds the CSIRO Sense-T Project, established through the Tasmanian node of the ACBI, which is designed to support the wider Sense-T Program being delivered by the University of Tasmania. Sense-T is helping to build an economy-wide sensor network and data resource, creating a digital view of Tasmania and giving industry, governments and communities the tools to solve practical problems and make better decisions.
Tasmanian Symphony Orchestra	\$1,519,000	The Tasmanian Symphony Orchestra (TSO), one of the world's finest small orchestras, continues to receive Tasmanian Government support. The TSO plays to audiences throughout the state and its award-winning recordings are heard throughout the world. A versatile orchestra, the TSO is renowned for its expertise in music of the classical and early romantic periods and is recognised internationally as a champion of Australian music.
Tasmanian Racing Assistance	\$29,296,333	The Government separately funds the Tasmanian Racing Industry under a deed which provides secure funding and creates certainty for the Industry. The annual funding allocation allows Tasracing to facilitate key administration roles and functions, including the responsibility for the corporate governance, strategic direction and funding of the Tasmanian Racing Industry, as well as ratification of national rules, the making of local rules and the setting of licence standards and criteria. Over the coming year, the Government will establish a Racing Industry Strategic Planning Working Group to work with the Government and Tasracing Pty Ltd to create a plan to help put the Tasmanian racing industry onto a more self-sustainable footing.
Tasmanian Railway Pty Ltd	\$16,834,000	This payment represents the Government's ongoing grant contributions to Tasmanian Railway Pty Ltd. The payments allow Tasmanian Railway Pty Ltd to manage, maintain and operate the Tasmanian rail network on a sustainable basis and it also provides for critical annual maintenance of rolling stock assets.
West Coast Wilderness Railway	\$5,409,008	In 2012–13, the Australian Government committed \$6 million to fund capital, maintenance and operational activities on the West Coast Wilderness Railway for use until 2016–17. This funding has been complemented by the provision of additional support by the Tasmanian Government for the implementation of capital works and the maintenance of the Railway's operations.
Ten Days on the Island	\$1,304,000	Ten Days on the Island is a biennial event that commenced in 2001. Ten Days on the Island has attracted high quality local and international artists from around the world to celebrate our unique island culture. The eighth edition of Ten Days on the Island was held in 2015. In accordance with the Government's election savings commitment, funding for this event has been reduced for the next potential contracted series of events from 2017–18.

Statutory and non-statutory bodies

Statutory bodies

Committee to Coordinate the Response to Energy
Supply Emergencies

Electricity Technical Advisory Committee

Integrity Assurance Board

Tasmanian Arts Advisory Board

Tasmanian Building and Construction Industry Training Board

Tasmanian Development Board

Tasmanian Museum and Art Gallery Board of Trustees

Tasmanian Racing Appeal Board

Tasmanian Traineeships and Apprenticeships Committee

Theatre Royal Management Board

Non-statutory bodies

Screen Tasmania Board

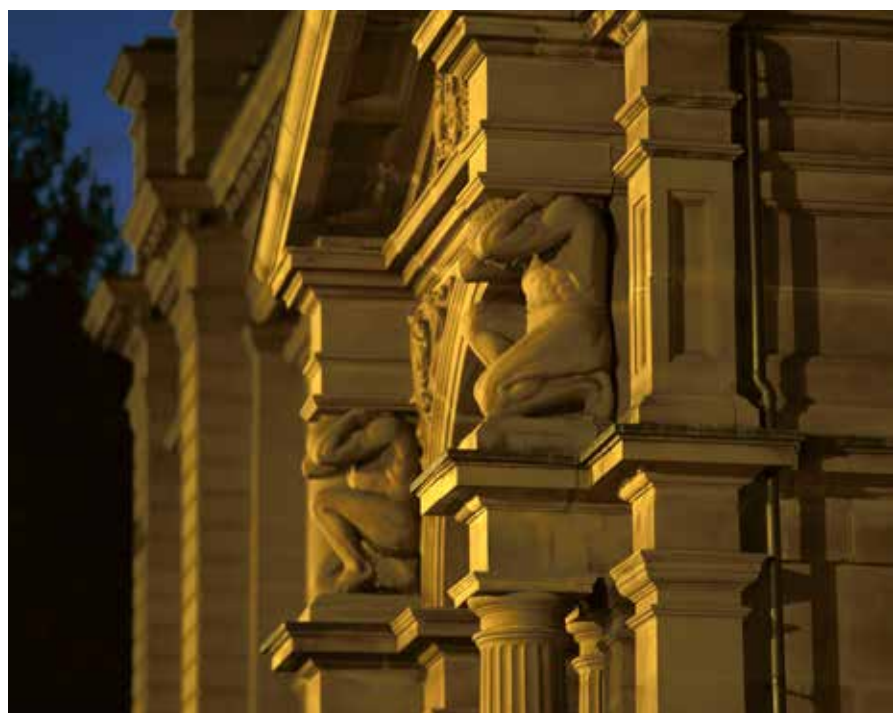
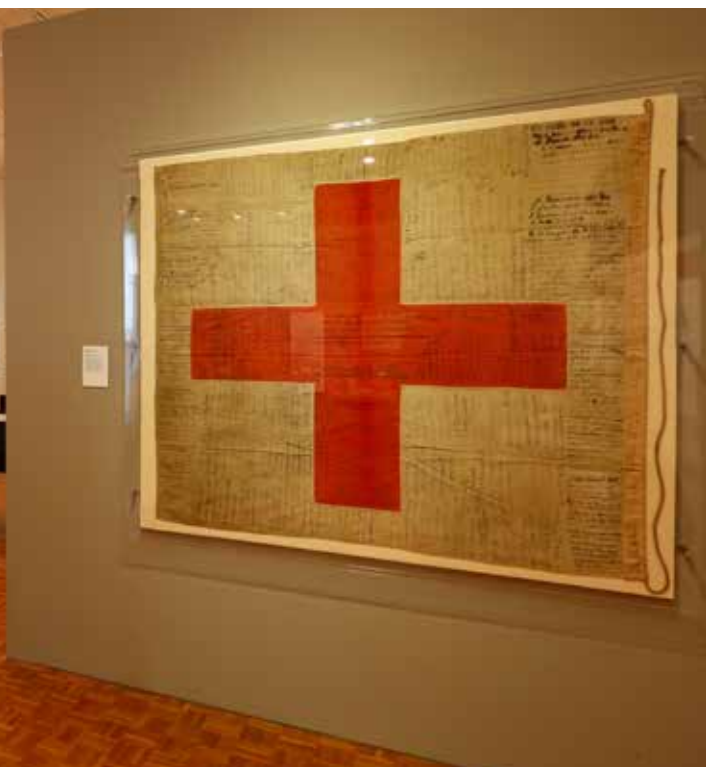
Superannuation certificate

I, Kim Evans, Secretary of the Department of State Growth, hereby certify that the department met its obligations under the Commonwealth's *Superannuation Guarantee (Administration) Act 1992* in respect of those employees of the department who were members of complying superannuation schemes to which the department contributed.



Kim Evans

Secretary
Department of State Growth



Compliance Index

The Compliance Index has been compiled in response to the Auditor-General's Special Report No. 4 of May 1993, Standard of Annual Reporting by Government Departments.

This index complies with the statutory disclosure requirements for annual reporting of the:

- » *Financial Management and Audit Act 1990*
- » *State Service Act 2000*
- » *Right to Information Act 2009*
- » *Public Interest Disclosures Act 2002*
- » *State Service Regulations 2001*
- » various Treasurer's Instructions.

The four columns in the index have the following meanings.

- 1 and 2. Section and compliance – these columns refer to the statutory disclosure requirements in Tasmanian public sector legislation.
3. Page number – this states where in this Annual Report the requirement is satisfied. In some instances, the requirement is complied with by the report in its entirety.
4. Details – this is a brief statement of the instruction, clause, section or subsection of the corresponding statutory disclosure requirement.

Key

SSR	<i>State Service Regulations 2001</i>
SS	<i>State Service Act 2000</i>
TI	Treasurer's Instructions
FMAA	<i>Financial Management and Audit Act 1990</i>
RTI	<i>Right to Information Act 2009</i>
PSSRA	<i>Public Sector Superannuation Reform Act 1999</i>

Section	Compliance	Page	Details
General			
		2	Table of contents
		Annual Report	Alphabetical index
		76	List of acronyms
Overview			
Strategic plan	SSR s9(a)(i)	n/a	An overview of the department's strategic plan, including its aims, functions and related program
Performance	SS s36(1)(a)	Annual Report	
	FMAA s27(1)(a)	Annual Report	A report on the performance of the functions and exercises of the power of the Secretary under any written law
Major initiatives	SSR s9(a)(v)	Annual Report	Details of major initiatives taken by the department to develop and give effect to government policy
Major changes during the year	SSR s9(a)(iv)	Annual Report	Details of – and reasons for – any major changes which have taken place in relation to the programs, aims, functions or organisational structure of the agency
Operational structure			
Department organisational chart	SSR s9(a)(ii)	6	An organisational chart illustrating the department's administrative structure, including regional offices, showing officers of the agency
Why we are structured in this way	SSR 9(a)(iii)	Annual Report	A description of the relationship between the organisational structure and the program management structure of the agency
Performance measurement			
Performance summary	TI 701 (1)(a)(e)	10-37	A narrative summary, together with quantitative measure where relevant, of the objectives and functions of the programs or activities, including significant outcomes, key efficiency measures, targets, proposed plans and any ministerial objectives
	TI 201 (1)(b)	3-4	Economic and other factors that have affected the achievement of operational objectives
Legislation administered and major documents published			
Legislation administered	SSR s9(d)	45-47	A list of legislation administered by the department
Legislation enacted	SSR 9(d)	47	A list of legislation enacted during the year for which the department is responsible, including details of significant changes to legislation previously administered by the department
Public access and awareness of services provided			
Key contact	SSR s9(c)(ii)	1	List of contact officers and points of public access in relation to services provided by the department
Community awareness report	SSR s9(c)(i)	10-31	Details of activities undertaken to develop community awareness of the department and the services it provides
Agency publications	SSR s9(c)(i)	68	List of major documents published by any internal or external body of the department during the year
Right to information	RTI s23	44	Right to information details for 2014–15

Section	Compliance	Page	Details
Human resources management			
Recruitment and selection	SSR s9(b)(i)	7-8, 36-37, 67	Details of recruitment policies and programs, including statistical information
Staff development	SSR s9(b)(ii)	7-8, 36-37	Information relating to employee training and development activities, including statistical information for 2014–15
Equal employment opportunities	SSR s9(b)(iii)	7-8, 36-37	A description of the department's workplace diversity program, including statistical information for 2014–15
Industrial democracy	SSR s9(b)(iv)	7-8, 36-37	Details of the processes established to ensure employee participation in industrial relations matters within the department
Internal grievance procedures	SSR s9(b)(v)	7-8, 36-37	Summary of internal grievance procedures
Occupational health and safety	SSR s9(b)(vi)	7-8, 36-37	Outline of occupational health and safety strategies
Human resources management			
Appeals process	SSR s9(c)(iii)	7-8, 36-37	An outline of the processes available for appeals against decisions made by the department
Superannuation contribution	PSSRA s13	71	Certification by the relevant department manager relating to contributions to non-RBF superannuation funds, including a report that the department has met its obligations under the <i>Superannuation Guarantee (Administration) Act 1992</i>
Asset management and risk management policies			
Major capital projects	TI 201 (I)(d)	Annual Report	Information on major capital projects or undertakings
Asset management	TI 201 (I)(g)	Annual Report	Statement of asset management policies and an outline of asset management strategies and initiatives
Risk management	TI 201 (I)(f)	Annual Report	Statement of risk management policies and an outline of significant risk management activities and initiatives
Pricing policies	TI 201 (I)(c)	Annual Report	Pricing policies of goods and services provided, the last review date, and reference to documents that contain the pricing information, with details of cost-recovery policies and their application, as appropriate
Government procurement			
Support for local businesses	TI 1110 6(a)	Annual Report	A narrative statement in the introduction by the Secretary regarding the department's support for local business
	TI 1110 6(b)(i)	Annual Report	Summary of the department's support for local business, including the number of procurement contracts awarded, the number of tenders called and the number of bids received and the extent of local participation in procurement activities
Contracts awarded during the year	TI 1110 6(b)(ii)	49-66	Detailed information on all contracts awarded, including consultancy contracts, including a description of the contract, the total value of the contract and the name and locality of contractors
Other matters	TI 201 (i)(i)	n/a	Any other matters deemed relevant by the Secretary
Financial Statements			
Financial Statements	FMAA s27 (1)(c), FMAA s27 (2),(3) and (4)	78-181	Financial Statements of the department for the year including financial statements of any statutory or public body not required to report under any other Act
	TI 201 (i)(j)	184-197	Abt Railway Ministerial Corporation
Audit opinion	FMAA s27 (1)(c), TI 201 (I)(k)	182-183	Auditor-General's report on the department's financial statements
		198-199	Auditor-General's report on the Abt Railway Ministerial Corporation

List of acronyms

AASB	Australian Accounting Standards Board	NILS	No Interest Loans Scheme Tasmania
AbaF	Australian Business Arts Foundation	PAPF	Premier's Arts Partnership Fund
ABC	Australian Broadcasting Corporation	PBTR	Play by the Rules
ACS	Australian Cinematographers Society	PDAC	Premier's Disability Advisory Council
AGM	Annual general meeting	PDF	Portable document format
AIF	Arts Infrastructure Fund	QVMAG	Queen Victoria Museum and Art Gallery
AIR	Artist in residence in schools project	R&D	Research and Development
AIRC	Australian Innovation Research Centre	RACT	Royal Automobile Club of Tasmania
ARMC	Abt Railway Ministerial Corporation	RAP-Tas	Regional Assistance Program Tasmania
ASC	American Society of Cinematographers	RDAF	Regional Development Australia Fund
ATO	Australian Taxation Office	RELS	Renewable Energy Loans Scheme
CCRESE	the Committee to Coordinate the Response to Energy Supply Emergencies	RFDP	Request for Detailed Proposal
CDB	China Development Bank	RSNL	Rail Safety National Law
COAG	COAG – Council of Australian Governments	RST	Racing Services Tasmania
DFAC	Digital Futures Advisory Council	SAMP	Strategic Asset Management Plan
DIER	Department of Infrastructure, Energy and Resources	SELF	Social Enterprise Loan Fund
EGP	Enterprise Growth Program	SFM	SFM Environmental Solutions Pty Ltd
ERP	Emissions Reduction Plan	SRSAC	Science and Research Sector Strategy and Advisory Committee
FFIC	Forests and Forest Industry Council	SSALS	State Service Accumulated Leave Scheme
FTE	Full-time equivalent	TAAB	Tasmanian Arts Advisory Board
FWDLS	Farm Water Development Loans Scheme	TCCI	Tasmanian Chamber of Commerce and Industry
GSP	Gross State Product	TDR	Tasmania Development and Resources
GST	Goods and Services Tax	TFGA	Tasmanian Farmers and Graziers Association
IA	Inspiring Australia	THA	Tasmanian Hospitality Association
IAATO	International Association of Antarctic Tourism Operators	TIAR	Tasmanian Institute of Agricultural Research
ICNTAS	Industry Capability Network Tasmania	TICT	Tourism Industry Council of Tasmania
ICT	Information Communication Technology	TMAG	Tasmanian Museum and Art Gallery
ITas	Infrastructure Tasmania	TREIDB	Tasmanian Renewable Energy Industry Development Board
LGAT	Local Government Association of Tasmania	WCWR	West Coast Wilderness Railway
LWOP	Leave without pay	WfW	Wealth from Water pilot program
MONA	Museum of Old and New Art	WHS	Workplace Health and Safety
MOU	Memorandum of Understanding	WPP	Workforce Participation Program
NBN	National Broadband Network		
NEM	National Energy Market		

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Financial Statements

for the year ended 30 June 2015

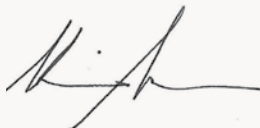
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Certification of Financial Statements

The accompanying Financial Statements of the Department of State Growth are in agreement with the relevant accounts and records and have been prepared in compliance with the Treasurer's Instructions issued under the provisions of the Financial Management and Audit Act 1990 to present fairly the financial transactions for the year ended 30 June 2015 and the financial position as at end of the year.

At the date of signing, I am not aware of any circumstances which would render the particulars included in the Financial Statements misleading or inaccurate.



Kim Evans

Secretary

24 September 2015

Statement of Comprehensive Income for the year ended 30 June 2015

	Notes	2015 Budget \$'000	2015 Actual \$'000	*DIER 2014 Actual \$'000
<i>Continuing operations</i>				
Revenue and other income from transactions				
Revenue from Government				
Appropriation revenue - recurrent	2.9(a), 9.1	293,746	271,002	118,407
Appropriation revenue - works and services	2.9(a), 9.1	117,479	110,467	123,077
Other revenue from Government	2.9(a), 9.1	12,195	10,971	...
Revenue from Special Capital Investment Funds	2.9(b), 9.2	...	58	180
Grants	2.9(b), 9.3	95,141	57,150	87,153
Sales of goods and services	2.9(d), 9.4	2,009	6,198	1,133
Fees and fines	2.9(e), 9.5	13,155	13,401	12,903
Interest	2.9(f), 9.6	2,480	1,979	...
Contributions received	2.9(g), 9.7	...	250	...
Other revenue	2.9(h), 9.8	2,884	5,500	1,538
Total revenue and other income from transactions		539,089	476,976	344,391
Expenses from transactions				
Employee benefits	2.10(a), 10.1	68,602	71,753	40,170
Depreciation and amortisation	2.10(b), 10.2	108,581	85,731	86,967
Supplies and consumables	2.10(c), 10.3	64,379	92,463	67,586
Grants and subsidies	2.10(d), 10.4	241,457	208,605	74,223
Finance costs	2.10(e), 10.5	1,575	1,131	...
Other expenses	2.10(f), 10.6	2,164	1,258	944
Total expenses from transactions		486,758	460,941	269,890
Net result from transactions (net operating balance)	8	52,331	16,035	74,501
Other economic flows included in net result				
Net gain/(loss) on non-financial assets	2.11(a)(d), 11.1	4	(12,468)	(63,136)
Net gain/(loss) on financial instruments and statutory receivables/payables	2.11(b), 11.2	...	(1,610)	(5)
Total other economic flows included in net result		4	(14,078)	(63,141)
Net result from continuing operations		52,335	1,957	11,360
Net result		52,335	1,957	11,360

Statement of Comprehensive Income for the year ended 30 June 2015 (continued)

	Notes	2015 Budget \$'000	2015 Actual \$'000	*DIER 2014 Actual \$'000
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in physical asset revaluation reserve	15.1	149,706	21,224	43,651
Administrative restructure taken directly to equity	15.2	...	465,734	...
Other movements taken directly to equity (TasRail contribution)		(32,538)	(4,972)	(40,409)
Total other comprehensive income		117,168	481,986	3,242
Comprehensive result		169,503	483,943	14,602

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 5 of the accompanying notes.

*In accordance with Treasurer's Instruction 207 *Administrative Restructuring of Agencies*, the effect of the restructure has not been reflected in the Department's comparative figures. The comparative figures are for the former Department of Infrastructure Energy and Resources (DIER) whose name was changed to the Department of State Growth which took effect from 1 July 2014.

Statement of Financial Position as at 30 June 2015

	Notes	2015 Budget \$'000	2015 Actual \$'000	*DIER 2014 Actual \$'000
Assets				
<i>Financial assets</i>				
Cash and deposits	2.12(a), 16.1	73,429	66,472	33,179
Receivables	2.12(b), 12.1	4,289	3,734	3,405
Loan advances	2.12(c), 12.2	57,093	39,948	...
Equity investments	2.12(d), 12.3	773	...	...
Other financial assets	2.12(e), 12.4	...	481	6,955
<i>Non-financial assets</i>				
Inventories	2.12(f), 12.5	257	414	10
Property, plant and equipment and artwork	2.12(g), 12.6	176,619	168,215	110,968
Heritage and cultural assets	2.12(g), 12.6	406,983	400,618	...
Infrastructure	2.12(g), 12.7	4,385,719	4,081,960	4,065,471
Intangibles	2.12(h), 12.8	7,362	5,633	7,577
Other assets	2.12(i), 12.9	11,922	1,731	646
Total assets		5,124,446	4,769,206	4,228,211
Liabilities				
Payables	2.13(a), 13.1	7,042	8,177	4,963
Interest bearing liabilities	2.13(b), 13.2	74,330	40,513	...
Employee benefits	2.13(d), 13.3	20,602	21,654	12,570
Provisions	2.13(c), 13.4	8,593	4,532	1,848
Other liabilities	2.13(f), 13.5	7,667	18,599	17,042
Total liabilities		118,234	93,475	36,423
Net assets		5,006,212	4,675,731	4,191,788
Equity				
Contributed capital	15.2	3,142,798	416,746	...
Reserves	15.1	1,811,079	1,616,401	1,546,189
Accumulated funds		52,335	2,642,584	2,645,599
Total equity		5,006,212	4,675,731	4,191,788

This Statement of Financial Position should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 5 of the accompanying notes.

*In accordance with Treasurer's Instruction 207 *Administrative Restructuring of Agencies*, the effect of the restructure has not been reflected in the Department's comparative figures. The comparative figures are for the former Department of Infrastructure Energy and Resources (DIER) whose name was changed to the Department of State Growth which took effect from 1 July 2014.

Statement of Cash Flows for the year ended 30 June 2015

		2015	2015	*DIER
	Notes	Budget	Actual	2014
		\$'000	\$'000	Actual
		Inflows	Inflows	Inflows
		(Outflows)	(Outflows)	(Outflows)
Cash flows from operating activities				
Cash inflows				
Appropriation receipts - recurrent		293,746	275,393	115,107
Appropriation receipts - works and services		69,308	55,825	47,521
Receipts from Special Capital Investment Funds		...	238	...
Grants		42,061	32,932	22,277
Sales of goods and services		2,014	6,140	1,196
Fees and fines		13,155	13,390	12,918
GST receipts		16,898	27,730	24,336
Interest receipts		2,480	1,702	...
Other cash receipts		2,884	5,626	1,507
Total cash inflows		442,546	418,976	224,862
Cash outflows				
Employee benefits		(68,210)	(70,332)	(39,775)
Grants and subsidies		(241,382)	(210,758)	(74,215)
Supplies and consumables		(64,569)	(94,881)	(72,411)
Interest payments		(1,645)	(1,077)	...
GST payments		(16,899)	(26,856)	(25,009)
Other cash payments		(2,164)	(756)	(967)
Total cash outflows		(394,869)	(404,660)	(212,377)
Net cash from (used by) operating activities	16.2	47,677	14,316	12,485
Cash flows from investing activities				
Cash inflows				
Proceeds from the disposal of non-financial assets		4	350	25
Receipts from non-operational capital funding - recurrent		...	1,633	5,449
Receipts from non-operational capital funding - works and services		48,171	59,642	75,949
Receipts from Australian Government funding		53,080	30,472	58,405
Loan repayments received		...	11,509	...
Receipts from Investments		...	102	...
Cash inflow on administrative restructure	15.2		30,658	
Total cash inflows		101,255	134,366	139,828

Statement of Cash Flows for the year ended 30 June 2015 (continued)

	Notes	2015 Budget \$'000	2015 Actual \$'000	*DIER 2014 Actual \$'000
Cash outflows				
Payments for acquisition of non-financial assets		(152,550)	(93,943)	(111,356)
Loans advanced		(12,250)	(17,215)	...
Payments for investments		(700)	(1,305)	...
Equity transfers to other Government entities		...	(4,972)	(40,409)
Cash outflow on administrative restructure		(1,260)	(1,804)	...
Total cash outflows		(166,760)	(119,239)	(151,765)
Net cash from (used by) investing activities		(65,505)	15,127	(11,937)
Cash flows from financing activities				
Cash inflows				
Proceeds from borrowings		32,532	15,000	...
Trust receipts		...	2,111	1,554
Total cash inflows		32,532	17,111	1,554
Cash outflows				
Repayment of borrowings		...	(10,598)	...
Trust payments		...	(2,663)	(964)
Total cash outflows		...	(13,261)	(964)
Net cash from (used by) financing activities		32,532	3,850	590
Net increase (decrease) in cash and cash equivalents held		14,704	33,293	1,138
Cash and deposits at the beginning of the reporting period		58,725	33,179	32,041
Cash and deposits at the end of the reporting period	16.1	73,429	66,472	33,179

This Statement of Cash Flows should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 5 of the accompanying notes.

*In accordance with Treasurer's Instruction 207 *Administrative Restructuring of Agencies*, the effect of the restructure has not been reflected in the Department's comparative figures. The comparative figures are for the former Department of Infrastructure Energy and Resources (DIER) whose name was changed to the Department of State Growth which took effect from 1 July 2014.

Statement of Changes in Equity for the year ended 30 June 2015

	Notes	Contributed Equity \$'000	Reserves \$'000	Accumulated surplus / deficit \$'000	Total Equity \$'000
Balance as at 1 July 2014		...	1,546,189	2,645,599	4,191,788
Net result		...	...	1,957	1,957
Other comprehensive income – revaluation reserve		...	21,224	...	21,224
Administrative restructure – net assets received	15.2	416,746	48,988	...	465,734
Transactions with owners in their capacity as owners:					
Equity contributions to Tasmanian Railway Pty Ltd		...	...	(4,972)	(4,972)
Total		416,746	70,212	(3,015)	483,943
Balance as at 30 June 2015		416,746	1,616,401	2,642,584	4,675,731

		Contributed Equity \$'000	Reserves \$'000	Accumulated surplus / deficit \$'000	Total equity \$'000
Balance as at 1 July 2013		...	1,502,538	2,674,648	4,177,186
Net result		11,360	11,360
Other comprehensive income – revaluation reserve		...	43,651	...	43,651
Transactions with owners in their capacity as owners:					
Equity contribution to Tasmanian Railway Pty Ltd		(40,409)	(40,409)
Total		...	43,651	(29,049)	14,602
Balance as at 30 June 2014		...	1,546,189	2,645,599	4,191,788

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

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Note I: Administered Financial Statements

I.1 Schedule of Administered Income and Expenses

	Notes	2015 Budget \$'000	2015 Actual \$'000	*DIER 2014 Actual \$'000
Administered revenue and other income from transactions				
Revenue from Government				
Appropriation revenue - recurrent	2.9(a), 19.2	90,251	82,229	82,305
Grants	2.9(b), 19.3	235	10,545	39,391
State taxation	2.9(c), 19.4	36,428	38,168	36,390
Sales of goods and services	2.9(d), 19.5	6,197	4,710	5,026
Fees and fines	2.9(e), 19.6	11,356	10,959	10,210
Other revenue	2.9(h), 19.7	26,707	23,059	32,070
Total administered revenue and other income from transactions		171,174	169,670	205,423
Administered expenses from transactions				
Employee benefits	2.10(a), 19.8	983	1,534	1,379
Depreciation and amortisation	2.10(b), 19.9	1	5	8
Supplies and consumables	2.10(c), 19.10	714	1,752	1,823
Grants and subsidies	2.10(d), 19.11	90,115	90,232	120,125
Transfers to the Consolidated Fund		79,478	75,639	82,231
Other expenses	2.10(f), 19.12	4	33	23
Total administered expenses from transactions		171,295	169,195	205,589
Administered net result from transactions attributable to the State		(121)	475	(166)
Administered other economic flows in administered net result				
Net gain/(loss) on sale of non-financial assets		1	...	...
Net gain/(loss) on financial instruments and statutory receivables/payables	19.13	...	...	(1)
Total administered other economic flows included in net result		1	...	(1)
Administered net result		(120)	475	(167)
Administered comprehensive result		(120)	475	(167)

This Schedule of Administered Income and Expenses should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 19.1 of the accompanying notes.

*In accordance with Treasurer's Instruction 207 Administrative Restructuring of Agencies, the effect of the restructure has not been reflected in the Department's comparative figures. The comparative figures are for the former Department of Infrastructure, Energy and Resources (DIER) whose name was changed to the Department of State Growth which took effect from 1 July 2014.

I.2 Schedule of Administered Assets and Liabilities

	Notes	2015 Budget \$'000	2015 Actual \$'000	*DIER 2014 Actual \$'000
Administered assets				
<i>Administered financial assets</i>				
Cash and deposits	2.12(a),19.23	3,220	3,186	3,358
Receivables	2.12(b),19.14	44	27	97
Other financial assets	2.12(e),19.15	15	64	20
<i>Administered non-financial assets</i>				
Property, plant and equipment	2.12(g),19.16	10	...	5
Intangibles	2.12(h),19.17	3	...	...
Other assets	2.12(i), 19.18	...	16	...
Total administered assets		3,292	3,293	3,480
Administered liabilities				
Payables	2.13(a),19.19	210	210	284
Employee benefits	2.13(d),19.20	270	309	304
Other liabilities	2.13(f),19.21	1,530	944	1,537
Total administered liabilities		2,010	1,463	2,125
Administered net assets		1,282	1,830	1,355
Administered equity				
Contributed capital		1,402	...	...
Accumulated funds		(120)	1,830	1,355
Total administered equity		1,282	1,830	1,355

This Schedule of Administered Assets and Liabilities should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 19.1 of the accompanying notes.

*In accordance with Treasurer's Instruction 207 *Administrative Restructuring of Agencies*, the effect of the restructure has not been reflected in the Department's comparative figures. The comparative figures are for the former Department of Infrastructure, Energy and Resources (DIER) whose name was changed to the Department of State Growth which took effect from 1 July 2014.

I.3 Schedule of Administered Cash Flows

		2015	2015	*DIER
	Notes	Budget	Actual	2014
		\$'000	\$'000	Actual
		Inflows	Inflows	Inflows
		(Outflows)	(Outflows)	(Outflows)
Administered cash flows from operating activities				
Administered cash inflows				
Appropriation receipts - recurrent		90,251	82,229	82,305
Taxation		36,428	38,168	36,390
Grants		235	10,850	39,096
Sales of goods and services		6,197	4,708	4,983
Fees and fines		11,356	10,920	10,218
Other cash receipts		26,707	23,053	32,176
Total administered cash inflows		171,174	169,928	205,168
Administered cash outflows				
Employee benefits		(968)	(1,536)	(1,307)
Grants and subsidies		(90,115)	(90,321)	(119,752)
Transfers to the Consolidated Fund		(79,478)	(75,639)	(82,231)
Other cash payments		(718)	(1,797)	(1,806)
Total administered cash outflows		(171,279)	(169,293)	(205,096)
Administered net cash from (used by) operating activities	19.23	(105)	635	72
Administered cash flows from investing activities				
Administered cash inflows				
Proceeds from the disposal of non-financial assets		|	...	...
Total administered cash inflows		|	...	...
Administered cash outflows				
Payments for acquisition of non-financial assets		(|)	...	...
Total administered cash outflows		(|)	...	...
Administered net cash from (used by) investing activities		...	...	...
Cash flows from financing activities				
Cash outflows				
Trust payments		...	(807)	(144)
Total cash outflows		...	(807)	(144)
Net cash from (used by) financing activities		...	(807)	(144)
Net increase (decrease) in administered cash held		(105)	(172)	(72)
Administered cash and deposits at the beginning of the reporting period		3,325	3,358	3,430
Administered cash and deposits at the end of the reporting period	19.23	3,220	3,186	3,358

This Schedule of Administered Cash Flows should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 19.1 of the accompanying notes.

*In accordance with Treasurer's Instruction 207 *Administrative Restructuring of Agencies*, the effect of the restructure has not been reflected in the Department's comparative figures. The comparative figures are for the former Department of Infrastructure, Energy and Resources (DIER) whose name was changed to the Department of State Growth which took effect from 1 July 2014.

I.4 Schedule of Administered Changes in Equity

	Accumulated surplus / deficit \$'000	Total Equity \$'000
Balance as at 1 July 2014	1,355	1,355
Total comprehensive result	475	475
Balance as at 30 June 2015	1,830	1,830

	Accumulated surplus / deficit \$'000	Total Equity \$'000
Balance as at 1 July 2013	1,522	1,522
Total comprehensive result	(167)	(167)
Balance as at 30 June 2014	1,355	1,355

This Schedule of Administered Changes in Equity should be read in conjunction with the accompanying notes.

Note 2: Significant Accounting Policies

2.1 Objectives and Funding

The Department of State Growth was established on 1 July 2014 to aggressively and strategically pursue jobs, growth and opportunity for Tasmanians. The Department of State Growth actively pursues and promotes investment, facilitates major projects, supports business and industry to grow and ensures strategic investment in infrastructure. The Department also works closely with business and industry to address barriers to growth; reduce red and green tape; provide a skilled workforce; develop our creative and cultural industries; and ensure efficient, cost effective transport and logistics systems.

The Department of State Growth was largely an amalgamation of the former Department of Infrastructure, Energy and Resources (DIER) and the former Department of Economic Development, Tourism and the Arts (DEDTA). The part of the Department of Education known as Skills Tasmania was amalgamated with the Department of State Growth. The part of the Department of State Growth known as Sport and Recreation Tasmania was amalgamated with the Department of Premier and Cabinet. The statutory authority Tourism Tasmania a division of the former DEDTA became a State authority in its own right. The departmental restructure took effect from 1 July 2014. The administrative change resulted in changing DIER's name to the Department of State Growth from 1 July 2014.

The Department provides portfolio support for the following Ministers:

Minister for Tourism, Hospitality and Events

Minister for State Growth

Minister for Energy

Minister for Infrastructure

Minister for Resources

Minister for Racing

Minister for the Arts

Minister for Planning and Local Government

Minister for Information Technology and Innovation

By providing a strategic approach to the provision of both physical infrastructure and regulatory frameworks, the Department aims to:

- » Facilitate industry and jobs growth, and reduce barriers to growth;
- » Support Tasmanian industry to succeed nationally and internationally, and encourage investment in Tasmania;
- » enhance infrastructure decision-making across Government;
- » facilitate a safe, sustainable and efficient transport system that enhances economic and social development, in the context of the challenges of climate change;
- » promote reliable, efficient, safe and sustainable energy systems;
- » facilitate forest policy for Tasmania's sustainable forestry practices and forest industries;
- » develop Tasmania's art community and promote cultural activity and events;
- » facilitate mineral exploration and land management of Tasmanian land and offshore waters; and
- » maintain probity and integrity in the racing industry.

Department activities contributing towards these outcomes are classified as either controlled or administered.

Controlled activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by the Department in its own right. Administered activities involve the management or oversight by the Department on behalf of the Government of items controlled or incurred by the Government.

The Department is a Tasmanian Government not-for-profit entity that is predominantly funded by parliamentary appropriations. Other funding sources include Commonwealth grants, industry grants and miscellaneous recoveries from various sources. Entities consolidated within these Financial Statements are detailed in Note 18.1.

2.2 Basis of Accounting

The Financial Statements are a general purpose financial report and have been prepared in accordance with:

- » Australian Accounting Standards issued by the Australian Accounting Standards Board and Interpretations; and
- » The Treasurer's Instructions issued under the provisions of the *Financial Management and Audit Act 1990*.

The Financial Statements were signed by the Secretary on 14 August 2015, and re-signed on 24 September 2015.

Compliance with the Australian Accounting Standards (AAS) may not result in compliance with International Financial Reporting Standards, as the AAS include requirements and options available to not-for-profit organisations that are inconsistent with IFRS. The Department is considered to be not-for-profit and has adopted some accounting policies under the AAS that do not comply with IFRS.

The Financial Statements have been prepared on an accrual basis and, except where stated, are in accordance with the historical cost convention. The accounting policies are generally consistent with the previous year except for those changes outlined in Note 2.5.

The Financial Statements have been prepared as a going concern. The continued existence of the Department in its present form, undertaking its current activities, is dependent on Government policy and on continuing appropriations by Parliament for the Department's administration and activities.

2.3 Reporting Entity

The Financial Statements include all the controlled activities of the Department. The Financial Statements consolidate material transactions and balances of the Department and entities included in its output groups. Material transactions and balances between the Department and such entities have been eliminated.

The Department consolidate with the following entities; refer to Note 18.

2.4 Functional and Presentation Currency

These Financial Statements are presented in Australian dollars, which is the Department's functional currency.

2.5 Changes in Accounting Policies

(a) Impact of new and revised Accounting Standards

In the current year, the Department has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. These include:

- » AASB 1055 Budgetary Reporting - The objective of this Standard is to specify budgetary disclosure requirements for the whole of government, General Government Sector (GGS) and not-for-profit entities within the GGS of each government. Disclosures made in accordance with this Standard provide users with information relevant to assessing performance of an entity, including accountability for resources entrusted to it. There is no financial impact, explanations of variances appear in notes 5 and 19.1.
- » 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments [Operative dates: Part A Conceptual Framework – 20 December 2013; Part B Materiality – 1 January 2014; Part C Financial Instruments – 1 January 2015] - The objective of this Standard is to make amendments to the Standards and Interpretations listed in the Appendix:
 - a) as a consequence of the issue of Accounting Framework AASB CF 2013-1 Amendments to the Australian Conceptual Framework, and editorial corrections, as set out in Part A of this Standard;
 - b) to delete references to AASB 1031 Materiality in other Australian Accounting Standards, and to make editorial corrections, as set out in Part B of this Standard; and
 - c) as a consequence of the issuance of IFRS 9 Financial Instruments – Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39 by the IASB in November 2013, as set out in Part C of this Standard.

There is no financial impact.

(b) Impact of new and revised Accounting Standards yet to be applied

The following applicable Standards have been issued by the AASB and are yet to be applied:

- » AASB 15 *Revenue from Contracts with Customers* – The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, an uncertainty of revenue and cash flows arising from a contract with a customer. This Standard applies to annual reporting periods beginning on or after 1 January 2017. Where an entity applies the Standard to an earlier annual reporting period, it shall disclose that fact. It is anticipated that there will not be any financial impact.
- » 2010-7, 2014-7 and 2014-8 *Amendments to Australian Accounting Standards arising from AASB 9* – The objective of these Standards is to make amendments to various standards as a consequence of the issuance of AASB 9 *Financial Instruments* in December 2010. The Department has not yet determined the potential effect of the revised Standard on the Department's Financial Statements.
- » 2014-4 *Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation* [AASB 116 & AASB 138] – The objective of this Standard is to make amendments to:
 - a) AASB 116 Property, Plant and Equipment; and
 - b) AASB 138 Intangible Assets;as a consequence of the issuance of International Financial Reporting Standard *Clarification of Acceptable Methods of Depreciation and Amortisation* (Amendments to IAS 16 and IAS 38) by the International Accounting Standards Board in May 2014. It is anticipated that there will not be any financial impact.
- » 2014-8 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) – Application of AASB 9 (December 2009) and AASB 9 (December 2010)* [AASB 9 (2009 & 2010)] – The objective of this Standard is to make amendments to:
 - a) AASB 9 Financial Instruments (December 2009); and
 - b) AASB 9 Financial Instruments (December 2010);as a consequence of the issuance of AASB 9 *Financial Instruments* in December 2014. It is anticipated that there will not be any financial impact.
- » 2015-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101* [AASB 7, AASB 101, AASB 134 & AASB 1049] – The objective of this Standard is to make amendments to various standards (as noted) as a consequence of the issuance of International Financial Reporting Standard Disclosure Initiative (Amendments to IAS 1) by the International Accounting Standards Board in December 2014, and to make an editorial correction. It is anticipated that there will not be any financial impact.
- » 2015-3 *Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality* - The objective of this Standard is to effect the withdrawal of AASB 1031 Materiality and to delete references to AASB 1031 in the Australian Accounting Standards, as set out in paragraph 13 of this Standard. The Department has determined that the potential impact is nil.
- » 2015-6 *Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities* - The objective of this Standard is to extend the scope of AASB 124 Related Party Disclosures to include not-for-profit public sector entities. There will be no material financial impact, however there will be additional disclosures.

2.6 Administered Transactions and Balances

The Department administers, but does not control, certain resources on behalf of the Government as a whole. It is accountable for the transactions involving such administered resources, but does not have the discretion to deploy resources for the achievement of the Department's objectives.

Administered assets, liabilities, expenses and revenues are disclosed in Note 1 to the Financial Statements. Administered expenses include employee expenses incurred in the conduct of Administered transactions.

2.7 Activities Undertaken Under a Trustee or Agency Relationship

Transactions relating to activities undertaken by the Department in a trust or fiduciary (agency) capacity do not form part of the Department's activities. Trustee and agency arrangements, and transactions/balances relating to those activities, are neither controlled nor administered.

Fees, commissions earned and expenses incurred in the course of rendering services as a trustee or through an agency arrangement are recognised as controlled transactions.

Transactions and balances relating to a trustee or an agency arrangement are not recognised as departmental revenues, expenses, assets or liabilities in these Financial Statements. Details of these transactions are provided in Note 20.

2.8 Transactions by the Government as Owner – Restructuring of Administrative Arrangements

Net assets received under a restructuring of administrative arrangements are designated as contributions by owners and adjusted directly against equity. Net assets relinquished are designated as distributions to owners. Net assets transferred are initially recognised at the amounts at which they were recognised by the transferring agency immediately prior to the transfer. Details of these transactions are provided in Note 15.2.

2.9 Income from transactions

Income is recognised in the Statement of Comprehensive Income when an increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

(a) Revenue from Government

Appropriations, whether recurrent or capital, are recognised as revenues in the period in which the Department gains control of the appropriated funds. Except for any amounts identified as carried forward in Notes 9.1 and 19.2, control arises in the period of appropriation.

(b) Grants

Grants payable by the Australian Government, State Government (eg Special Capital Investment Funds) or industry are recognised as revenue when the Department gains control of the underlying assets. Where grants are reciprocal, revenue is recognised as performance occurs under the grant.

Non-reciprocal grants are recognised as revenue when the grant is received or receivable. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

(c) State taxation

Revenue from State taxation is recognised upon the first occurrence of either:

- » receipt by the State of a taxpayer's self-assessed taxes; or
- » the time the obligation to pay arises, pursuant to the issue of an assessment.

(d) Sales of goods and services

Amounts earned in exchange for the provision of goods are recognised when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from the provision of services is recognised in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

Revenue from Mineral Royalties is recognised on receipt based on self assessment by mining companies. The royalties are calculated and paid based on mined volumes each quarter and supported by spot audits by Mineral Resources Tasmania staff. Due to inherent difficulties of accounting for this revenue on an accrual basis, mineral royalties revenue is accounted for on a cash basis.

(e) Fees and fines

Revenue from fees and fines is recognised when obligation to pay arises, pursuant to the issue of an assessment.

(f) Interest

Interest on funds invested is recognised as it accrues using the effective interest rate method. Interest revenue includes interest received by the Department on loan advances.

(g) Contributions received

Services received free of charge by the Department, are recognised as income when a fair value can be reliably determined and at the time the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised at their fair value when the Department obtains control of the asset, it is probable that future economic benefits comprising the contribution will flow to the Department and the amount can be measured reliably. However, where the contribution received is from another government agency as a consequence of restructuring of administrative arrangements, they are recognised as contributions by owners directly within equity and in these circumstances, book values from the transferor agency have been used.

(h) Other revenue

Revenue from sources other than those identified above are recognised in the Income Statement when an increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably. Other revenue includes sundry fee revenues and other income received relating to War Service Land Settlement Act 1950, and rural properties

2.10 Expenses from transactions

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

(a) Employee benefits

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

(b) Depreciation and amortisation

All applicable Non-financial assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential. Land and the earthworks component of major roadworks, being assets with an unlimited useful life, are not depreciated.

The following table details the asset lives, and depreciation rates and the methods for the various classes of assets employed in the current and previous reporting periods. Asset useful lives depreciation methods are reviewed annually and adjusted according to the expected rate and/or pattern of consumption, asset condition, and industry best practice.

Asset	Estimated Useful Life (years)	Depreciation Rate (per annum)	Method
Road Infrastructure:			
Earthworks	Unlimited	Nil	NA
Pavement – category 1	40	2.50%	Straight Line
category 2	40	2.50%	Straight Line
category 3	50	2.00%	Straight Line
category 4	55	1.82%	Straight Line
category 5	60	1.67%	Straight Line
<i>(Note: road categories are determined by freight carrying task, ie category 1 the highest freight task, category 5, the lowest)</i>			
Surface, seal	15	6.67%	Straight Line
Bridge Infrastructure:			
Steel, Concrete	70 - 100	1.00% - 1.43%	Parabolic
Timber	25	4.00%	Parabolic
T-Beam	50	2.00%	Parabolic
Historic	250	0.40%	Parabolic
Major Structures	100 - 150	0.067% - 1.00%	Parabolic
Traffic Signal Installations: (Residual value 10% applies to all traffic signals assets)			
Cable	50	2.00%	Straight Line
Above and below ground	30	3.33%	Straight Line
Electronics	25	4.00%	Straight Line
Site Hardware	10	10.00%	Straight Line
Buildings	20 - 80	1.25% - 5.00%	Straight Line
Leasehold improvements	5 - 12	8.33% - 20.00%	Straight Line
Electrical, technical and office equipment	5	20.00%	Straight Line
Plant	5 - 25	4.00% - 10.00%	Straight Line
Computer Hardware	3	33.33%	Straight Line
Marine Vessels and Equipment (Residual value 10%)	10.67	9.37%	Straight Line
Abt Railway Infrastructure:			
Tracks, bridges, structures, culverts and station buildings	40	2.50%	Straight Line
Railway carriages	30	3.33%	Straight Line
Locomotives	25	4.00%	Straight Line
Buildings	20	5.00%	Straight Line
Rail wagons	5	20.00%	Straight Line

Road Infrastructure

The identifiable components of the road infrastructure have been grouped into three major components for the purpose of assessing and of assigning an estimated useful life. Useful lives are based on analysis of historical data, road condition surveys, and best practice employed by other State Road Authorities.

The components that have a limited useful life (eg pavement, surfacing) are systematically depreciated over their useful lives in a manner that reflects the consumption of service potential embodied in those components. Earthworks, representing the cut and fill activity associated with major roadworks, is similar to land in that its useful life is unlimited, therefore is not depreciated.

Bridge Infrastructure

Bridges are depreciated systematically over their useful life having regard to their unique rate of deterioration. Bridge values are depreciated parabolically to reflect the greater depreciation towards the end of a bridge's life, i.e.:

$$\text{Present Value} = \text{Replacement Cost} \times (1 - (\text{age}/\text{life})^2)$$

Intangible Assets

All intangible assets having a limited useful life are systematically amortised over their useful lives reflecting the pattern in which the asset's future economic benefits are expected to be consumed by the Department.

Major amortisation rates applicable to intangible assets appear in the table below:

Asset	Estimated Useful Life (years)	Depreciation Rate (per annum)	Method
Motor Registry System	10	10.00%	Straight Line
Other computer software	3	33.33%	Straight Line

The Motor Registry System is computer software developed internally over a four year period and is essential for the collection of motor registry and driver licensing revenues and data maintenance. The system was implemented on 25 August 2008 and its useful life is estimated at 10 years.

(c) Supplies and consumables

Supplies and consumables, including audit fees, advertising and promotion, communications, consultants and contracted services, information technology, operating lease costs, property expenses, purchase of goods and services, travel and transport, and legal expenses, are recognised when it is probable that the consumption or loss of future economic benefits resulting in a reduction in assets and/or an increase in liabilities has occurred and the consumption or loss of future economic benefits can be measured reliably.

(d) Grants and subsidies

Grant and subsidies expenditure is recognised to the extent that:

- » the services required to be performed by the grantee have been performed; or
- » the grant eligibility criteria have been satisfied.

A liability is recorded when the Department has a binding agreement to make the grants but services have not been performed or criteria satisfied. Where grant monies are paid in advance of performance or eligibility, a prepayment is recognised.

Program / project commitments discloses amounts approved to clients payable over a period of one year or greater, where the actual amount payable is dependent upon expenditure being incurred and certain conditions being met by these clients and a claim submitted and approved for payment. The estimated commitment as at 30 June has been included in these cases in Note 14.1.

(e) Finance costs

All borrowing costs are expensed as incurred using the effective interest method.

Borrowing costs include:

- » interest on bank overdrafts and short term and long term borrowings;
- » unwinding of discounting of provisions;
- » amortisation of discounts or premiums related to borrowings, and;
- » amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

(f) Other expenses

Expenses from activities other than those identified above are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

2.11 Other Economic Flows included in Net Result

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions.

(a) Gain/(loss) on sale of non-financial assets

Gains or losses from the sale of Non-financial assets are recognised when control of the assets has passed to the buyer.

(b) Impairment – Financial assets

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that there are any financial assets that are impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss, in respect of a financial asset measured at amortised cost, is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

All impairment losses are recognised in the Statement of Comprehensive Income and Schedule of Administered Income and Expenses.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

(c) Impairment – Non-financial assets

All non-financial assets are assessed to determine whether any impairment exists. Impairment exists when the recoverable amount of an asset is less than its carrying amount. Recoverable amount is the higher of fair value less costs to sell and value in use. The Department's assets are not used for the purpose of generating cash flows; therefore value in use is based on depreciated replacement cost where the asset would be replaced if deprived of it.

All impairment losses are recognised in Statement of Comprehensive Income and Schedule of Administered Income and Expenses.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(d) Write down of assets measured at fair value

A revaluation decrement is recognised as an expense in the Statement of Comprehensive Income except to the extent that the decrement reverses a revaluation increment previously credited to, and still included in the balance of, an Asset Revaluation Reserve in respect of the same class of asset. In this case, it is debited direct to that Revaluation Reserve.

Where an increment reverses a revaluation decrement previously recognised as an expense in the Income Statement, in respect of that same class of Non-current assets, the revaluation increment is recognised as revenue.

(e) Other gains/(losses) from other economic flows

Other gains/(losses) from other economic flows includes gains or losses from reclassifications of amounts from reserves and/or accumulated surplus to net result, and from the revaluation of the present values of the long service leave liability due to changes in the bond interest rate.

2.12 Assets

Assets are recognised in the Statement of Financial Position when it is probable that the future economic benefits will flow to the Department and the asset has a cost or value that can be measured reliably.

(a) Cash and deposits

Cash means notes, coins, any deposits held at call with a bank or financial institution, as well as funds held in the Special Deposits and Trust Fund, being short term of three months or less and highly liquid. Deposits are recognised at amortised cost, being their face value.

(b) Receivables

Receivables are recognised at amortised cost, less any impairment losses, however, due to the short settlement period, receivables are not discounted back to their present value. Impairment losses are recognised when there is an indication that there is a measurable decrease in the collectability of receivables.

(c) Loan advances

Loan advances are held to maturity and are measured at amortised cost subsequent to initial recognition. Impairment of loan advances are reviewed on an ongoing basis. Impairment losses are recognised when there is an indication that there is a measurable decrease in the collectability of loan advances. Loan advances that are known to be uncollectable are written off. Loan advances include financial assistance provided by the government to the private sector in the form of loans.

(d) Equity investments

- » Equity investments are initially recorded at cost and at net recoverable value subsequent to initial recognition determined as follows:
- » Listed companies - the share's current market value for listed public companies; and
- » Unlisted companies – based on estimated recoverable amount.

Changes in the value of equity investments are accounted for as net increases or reversals of impairment losses.

The Department's investment in equity investments was made for the purpose of achieving industry development outcomes consistent with the goals and objectives of the Department, not for the purpose of achieving a commercial investment return or other standard commercial objectives.

As such, the Department considers that it would be inappropriate to apply the equity method of accounting. The incorporation into the Department's Financial Statements of financial information relating to these equity investments could provide users of the Department's Financial Statements with a misleading indication of its financial performance.

(e) Other financial assets

Other financial assets are recognised in the Statement of Financial Position when it is probable that the future economic benefits will flow to the Department and the asset has a cost or value that can be measured reliably.

Other financial assets consist mainly of accrued revenue such as Commonwealth funding expended not claimed from Treasury at year end to be redeemed in the next twelve months.

(f) Inventories

Inventories held for distribution are valued at cost adjusted, when applicable, for any loss of service potential. Inventories acquired for no cost or nominal considerations are valued at current replacement cost.

(g) Property, plant, equipment, infrastructure, artwork, heritage and cultural assets

(i) Valuation basis

Land, artwork, heritage and cultural assets are recorded at fair value. Infrastructure, buildings and other long-lived assets are recorded at fair value less accumulated depreciation. All other Non-current physical assets, including work in progress, are recorded at historic cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The costs of self-constructed assets includes the cost of materials and direct labour; any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment such as exhibitions.

The value of exhibitions is included in plant and equipment and represents capitalisation of the development and establishment costs of exhibitions that will continue to generate revenue or provide a community service beyond the financial year or years in which these costs were incurred.

Fair value is based on the highest and best use of the asset. Unless there is an explicit Government policy to the contrary, the highest and best use of an asset is the current purpose for which the asset is being used or build occupied.

Road Infrastructure

The Road Infrastructure valuation is based on depreciated replacement cost, calculated on a base unit construction cost rate per square metre of given road carriageway area. The rate is then adjusted to reflect the additional factors that contribute significantly to the replacement cost. These factors are as follows:

- » land use;
- » traffic volumes; and
- » national highway as the Commonwealth Government demands a higher standard.

The relative importance of each factor is determined by a statistical analysis of recent road construction project costs.

The road replacement cost gives the cost to provide a new road of the existing standard, less accumulated depreciation calculated on the basis of such cost to reflect the already consumed future economic benefits of the asset.

Road infrastructure is divided into three components or strata, primarily for depreciation purposes, as follows:

- » Earthworks, cut and fill – are in the nature of land and therefore are non-depreciable and represents 35% of the cost of building road infrastructure.
- » Pavement – the layer on which the road surface is placed. Typical useful life of road pavements is 40 to 60 years. Represents 58.5% of the cost of building road infrastructure.
- » Surface – the bitumen seal visible on the road surface, designed to protect the pavement from water and weathering. Typical useful life of road seal is 15 years. Represents 6.5% of the cost of building road infrastructure.

Full valuation occurs every 5 years, with the last valuation conducted in 2013. Values are indexed annually using the ABS Current Road and Bridge Construction Index Number (ABS 6427.0 Table 16).

Bridge Infrastructure

Bridge infrastructure valuation is based on depreciated replacement cost, calculated from base unit rates for construction of different bridge types.

The bridge replacement cost gives the cost to provide a new bridge of the existing standard, less accumulated depreciation calculated on the basis of such cost to reflect the already consumed future economic benefits of the asset.

Full valuation occurs every 5 years, with the last valuation completed in 2012. Values are indexed annually using the ABS Current Road and Bridge Construction Index Number (ABS 6427.0 Table 16).

Land Under Roads and within Road Reserves

Land under roads and within road reserves value is determined by the Valuer-General every 5 years from the most recent valuations of land titles adjoining and within a 200 metre corridor of the State road network. The Valuer General provides average values per hectare or square metre for the urban and non-urban sectors in each Municipality, and the Department inputs the average values into the land areas in each sector and Municipality.

Traffic Signals

Traffic Signals assets are valued every 5 years by the Australian Valuation Office on a depreciated replacement cost basis, with the last valuation completed in 2012. Replacement cost is based on the estimated current cost to build similar assets, which is depreciated on a straight line basis on the expired proportion of the estimated useful life of the asset.

ABT Railway Infrastructure

ABT Railway infrastructure comprises of the rail track, bridges, culverts, sidings, ramps and earthworks owned by the ABT Railway Ministerial Corporation. Railway assets are revalued every 5 years on a depreciated replacement cost basis, with the last valuation completed in 2012. Replacement cost is based on the estimated current cost to build similar assets, which is depreciated on a straight line basis on the expired proportion of the estimated useful life of the asset.

Property Acquired for Roadworks

Expenditure on the acquisition of land and buildings acquired for roadworks is recognised in the accounts at settlement date and is capitalised until such time as formal possession of the property takes place for the purpose of commencing construction on the roadway.

Three methods of valuation for property and land purchased for infrastructure purposes are used by the Department, which are:

- » Valuer-General Sale Valuation

A sale valuation is obtained from the Valuer-General for properties that are intended to be sold in the near future. In most cases, these are the pieces of property that are left over as a result of the completion of a road construction project.

- » Valuer-General Rates Valuation

The rates valuation is considered to be a reasonable valuation of properties held, mostly for future roadwork purposes.

» Department of State Growth Valuation

This valuation is applied to properties that remain as a result of completion of the relevant road construction project, where the Valuer-General valuation is considered inappropriate. Due to factors such as non-accessibility, usefulness of land and marketability, the true value of a property may be close to zero when accounting for disposal costs or, in any case, significantly lower than the Valuer-General's valuation.

Rail Corridor Land

Rail Corridor Land (ie the land beneath the State's rail lines) was transferred to the control of the Department by the Crown Lands (Railway Land) Order 2006 on 1 December 2009, as part of the purchase of the Tasmanian Rail operation and the Melba Line by Tasmanian Railway Pty Ltd, the associated corridor land was also transferred to the control of the Department.

The land is valued at either current Valuer-General valuation where one exists, or at the average rate per land area in each Municipality according to adjacent land zoning. Every 5 years the Valuer General provides average values per hectare or square metre for the urban and non-urban sectors in each Municipality, from the most recent valuations of land titles adjoining and within a 200 metre corridor of the rail lines.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Department and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of daytoday servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Asset recognition threshold

The asset capitalisation threshold adopted by the Department is \$10,000. Assets valued at less than \$10,000 are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total).

(iv) Revaluations

Assets are revalued at least once in every 5 years with the following exceptions:

- » plant and equipment having a cost or revaluation less than the threshold of \$50,000;
- » land and buildings that are to be utilised for future roadworks (as required);
- » land remaining after the completion of the relevant roadworks project which is regarded as non-saleable due to, for example, limited or no access (as required), and;
- » Road and Bridge infrastructure which is revalued every 5 years, with values indexed annually between valuations.

Assets are grouped on the basis of having a similar nature or function in the operations of the Department.

The recoverable amount test is not applicable to the Department of State Growth as its non-current assets are not held for the purpose of generating net cash inflows from services provided by the Department.

Those assets that are restricted by government directives or legislation are disclosed in the Statement of Financial Position as administered assets. The restriction on these assets includes the inability of the Department of State Growth to benefit from the asset in the pursuit of its objectives and to deny access of others to that benefit.

(h) Intangibles

An intangible asset is recognised where:

- » it is probable that an expected future benefit attributable to the asset will flow to the Department; and
- » the cost of the asset can be reliably measured.

Intangible assets held by the Department are valued at cost less any subsequent accumulated amortisation and any subsequent accumulated impairment losses where an active market exists. Where no active market exists, intangibles are valued at cost less any accumulated amortisation and any accumulated impairment losses.

(i) Other assets

Other assets are recognised in the Statement of Financial Position when it is probable that the future economic benefits will flow to the Department and the asset has a cost or value that can be measured reliably.

2.13 Liabilities

Liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

(a) Payables

Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period, equates to face value, when the Department becomes obliged to make future payments as a result of a purchase of assets or services.

(b) Interest bearing liabilities

Bank loans and other loans are initially measured at fair value, net of transaction costs. Bank loans and other loans are subsequently measured at amortised cost using the effective interest rate method, with interest expense recognised on an effective yield basis.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate, a shorter period.

(c) Provisions

A provision arises if, as a result of a past event, the Department has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability. Any right to reimbursement relating to some or all of the provision is recognised as an asset when it is virtually certain that the reimbursement will be received.

(d) Employee benefits

Liabilities for wages and salaries and annual leave are recognised when an employee becomes entitled to receive a benefit. Those liabilities expected to be realised within 12 months are measured as the amount expected to be paid. Other employee entitlements are measured as the present value of the benefit at 30 June, where the impact of discounting is material, and at the amount expected to be paid if discounting is not material.

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

A liability for on-costs (eg workers compensation premiums) is recognised and disclosed as part of Payables. On-costs are not classified as an employee benefit.

(e) Superannuation

The Department does not recognise a liability for the accruing superannuation benefits of Departmental employees. This liability is held centrally and is recognised within the FinanceGeneral Division of the Department of Treasury and Finance.

During the reporting period, the Department paid 12.75 percent of salary in respect of contributory members of the Retirement Benefits Fund into the Superannuation Provision Account within the Special Deposits and Trust Fund. The Department paid the appropriate Superannuation Guarantee Charge into the nominated superannuation fund in respect of non-contributors. Under these arrangements the Department has no further superannuation liability for the past service of its employees.

(f) Other liabilities

Other liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

2.14 Leases

The Department has entered into a number of operating lease agreements for property, plant and equipment, where the lessors effectively retain all the risks and benefits incidental to ownership of the items leased. Equal instalments of lease payments are charged to the Statement of Comprehensive Income over the lease term, as this is representative of the pattern of benefits to be derived from the leased property.

The Department is prohibited by Treasurer's Instruction 502 Leases from holding finance leases.

2.15 Judgements and Assumptions

In the application of Australian Accounting Standards, the Department is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Details of significant accounting judgements are included at Note 7.

2.16 Foreign Currency

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date. Associated gains and losses are not material.

2.17 Comparative Figures

Comparative figures have been adjusted to reflect any changes in accounting policy or the adoption of new standards. Details of the impact of changes in accounting policy on comparative figures are at Note 2.5.

Where amounts have been reclassified within the Financial Statements, the comparative statements have been restated.

Restructures of Outputs within the Department (internal restructures) that do not affect the results shown on the face of the Financial Statements are reflected in the comparatives in the Output Schedules at Note 3.

2.18 Budget Information

Budget information refers to original estimates as disclosed in the 2014-15 Budget Papers and is not subject to audit.

2.19 Rounding

All amounts in the Financial Statements have been rounded to the nearest thousand dollars, unless otherwise stated. As a consequence, rounded figures may not add to totals. Amounts less than \$500 are rounded to zero and are indicated by the symbol "...".

2.20 Departmental Taxation

The Department is exempt from all forms of taxation except Fringe Benefits Tax and the Goods and Services Tax (GST).

2.21 Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of Goods and Services Tax, except where the GST incurred is not recoverable from the Australian Taxation Office. Receivables and payables are stated inclusive of GST. The net amount recoverable, or payable, to the Australian Taxation Office is recognised as an asset or liability within the Statement of Financial Position.

In the Statement of Cash Flows, the GST component of cash flows arising from operating, investing or financing activities which is recoverable from, or payable to, the Australian Taxation Office is, in accordance with the Australian Accounting Standards, classified as operating cash flows.

Note 3: Departmental Output Schedules

3.1 Output Group Information

Comparative information has not been restated for external administrative restructures.

Budget information refers to original estimates and has not been subject to audit.

Output Group I – Industry, Skills Development and Business Growth

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
Continuing operations			
Revenue and other income from transactions			
Revenue from appropriation	144,624	124,839	...
Other revenue from government	3,024	1,800	...
Grants	26,922	13,022	...
Interest	2,480	1,953	...
Other revenue	2,453	3,537	...
Total revenue and other income from transactions	179,503	145,151	...
Expenses from transactions			
Employee Entitlements	22,297	21,303	...
Depreciation and Amortisation	1,074	546	...
Grants and subsidies	141,087	112,057	...
Supplies and Consumables:			
Consultants	1,397	747	...
Property Services	2,578	1,618	...
Maintenance	349	285	...
Communications	362	327	...
Information Technology	1,029	737	...
Travel and Transport	1,021	632	...
Operating Lease costs	...	54	...
Advertising and Promotion	616	1,007	...
Other Supplies and Consumables	4,409	5,029	...
Finance costs	1,575	1,114	...
Other expenses	460	(50)	...
Total expenses from transactions	178,254	145,406	...
Net result from transactions (net operating balance)	1,249	(255)	...
Other economic flows included in net result			
Net gain/(loss) on financial instruments and statutory receivables/payables	...	(428)	...
Net result	...	(683)	...
Other comprehensive income			
Changes in physical asset revaluation reserve	3,355	...	...
Other movements taken directly to equity	(33,041)	...	...
Total other comprehensive income	(29,686)	...	...
Comprehensive result	(28,437)	(683)	...

Output Group 1 – Industry, Skills Development and Business Growth (continued)

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
Expense by output			
I.1 Co-ordinator General	2,687	1,806	...
I.2 Industry and Business Development	52,485	29,866	...
I.3 Skills Development	123,082	113,734	...
Total	178,254	145,406	...
Net Assets			
Total assets deployed for Output Group 1		85,034	...
Total liabilities incurred for Output Group 1		51,616	...
Net assets deployed for Output Group 1		33,418	...

Output Group 2 – Infrastructure

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
Continuing operations			
Revenue and other income from transactions			
Revenue from appropriation	26,615	20,084	26,670
Other revenue from government	3,825	4,825	...
Grants	1,419	6,795	47,279
Sales of goods and services	592	3,521	928
Fees and fines	4,840	5,852	6,323
Other revenue	75	2,438	1,211
Total revenue and other income from transactions	37,366	43,515	82,411
Expenses from transactions			
Employee Entitlements	21,696	23,766	24,413
Depreciation and Amortisation	1,349	3,635	3,935
Grants and subsidies	3,957	1,892	1,108
Supplies and Consumables:			
Consultants	954	337	1,259
Property Services	1,281	57	550
Maintenance	3,453	1,406	3,677
Communications	696	1,077	1,205
Information Technology	2,204	1,670	2,606
Travel and Transport	602	363	722
Operating Lease costs	...	1,468	1,782
Advertising and Promotion	616	1,281	1,399
Other Supplies and Consumables	(7)	13,371	6,521
Other expenses	322	358	509
Total expenses from transactions	37,123	50,681	48,686
Net result from transactions (net operating balance)	243	(7,166)	33,725

Output Group 2 – Infrastructure (continued)

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
Other economic flows included in net result			
Net gain/(loss) on nonfinancial assets	4	(74)	(338)
Total other economic flows included in net result	4	(74)	(338)
Net result	247	(7,240)	33,387
Other comprehensive income			
Changes in physical asset revaluation reserve	...	749	(10,873)
Total other comprehensive income	...	749	(10,873)
Comprehensive result	247	(6,491)	22,514
Expense by output			
2.1 Infrastructure Tasmania	800	188	...
2.2 Infrastructure Strategy	2,996	8,186	13,430
2.3 Land Transport Safety	24,483	31,499	26,965
2.4 Passenger Transport	3,400	4,528	5,363
2.5 Traffic Management and Engineering Services	5,444	6,280	4,266
Total	37,123	50,681	50,024
Net Assets			
Total assets deployed for Output Group 2		145,993	146,820
Total liabilities incurred for Output Group 2		7,150	10,639
Net assets deployed for Output Group 2		138,843	136,181

Output Group 3 – Energy Policy and Advice

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
<i>Continuing operations</i>			
Revenue and other income from transactions			
Revenue from appropriation	2,357	1,725	1,525
Grants	...	532	503
Fees and fines	475	...	...
Other revenue	1	...	...
Total revenue and other income from transactions	2,833	2,257	2,028
Expenses from transactions			
Employee Entitlements	705	1,182	1,018
Depreciation and Amortisation	...	1	1
Grants and subsidies	475	(73)	...
Supplies and Consumables:			
Consultants	1,587	228	3
Property Services	24	64	3
Communications	14	10	9
Information Technology	13	105	8
Travel and Transport	24	22	15
Operating Lease costs	...	53	54
Advertising and Promotion	29	...	...
Other Supplies and Consumables	...	602	777
Other expenses	29	4	6
Total expenses from transactions	2,835	2,198	1,894
Net result from transactions (net operating balance)	(2)	59	134
Comprehensive result	(2)	59	134
Expense by output			
3.1 Energy Policy and Advice	2,835	2,198	1,894
Total	2,835	2,198	1,894
Net Assets			
Total assets deployed for Output Group 3		83	83
Total liabilities incurred for Output Group 3		131	251
Net assets deployed for Output Group 3		(48)	(168)

Output Group 4 – Resources Policy and Regulatory Services

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
<i>Continuing operations</i>			
Revenue and other income from transactions			
Revenue from appropriation	6,253	6,873	11,163
Other revenue from government	1,000	...	...
Other revenue	776	443	806
Total revenue and other income from transactions	8,029	7,316	11,969
Expenses from transactions			
Employee Entitlements	4,503	5,678	5,664
Depreciation and Amortisation	352	213	303
Grants and subsidies	275	136	(17)
Supplies and Consumables:			
Consultants	227	51	63
Property Services	569	279	208
Maintenance	(13)	57	91
Communications	62	55	57
Information Technology	523	436	377
Travel and Transport	125	129	202
Operating Lease costs	...	154	815
Advertising and Promotion	(1)	11	37
Other Supplies and Consumables	1,133	(414)	82
Other expenses	12	44	86
Total expenses from transactions	7,767	6,829	7,968
Net result from transactions (net operating balance)	262	487	4,001
Other comprehensive income			
Changes in physical asset revaluation reserve	...	...	65
Total other comprehensive income	...	...	65
Comprehensive result	262	487	4,066
Expense by output			
4.1 Forest Policy and Reform	2,304	24	1,378
4.2 Minerals Resources	5,463	6,805	6,590
Total	7,767	6,829	7,968
Net Assets			
Total assets deployed for Output Group 4		9,753	8,521
Total liabilities incurred for Output Group 4		7,444	7,418
Net assets deployed for Output Group 4		2,309	1,103

Output Group 5 – Racing Regulation and Policy

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
<i>Continuing operations</i>			
Revenue and other income from transactions			
Revenue from appropriation	2,822	2,484	3,100
Fees and fines	340	279	278
Other revenue	196	16	...
Total revenue and other income from transactions	3,358	2,779	3,378
Expenses from transactions			
Employee Entitlements	1,927	2,379	2,514
Depreciation and Amortisation	8	26	27
Grants and subsidies	307	...	...
Supplies and Consumables:			
Consultants	...	36	8
Property Services	191	8	10
Communications	56	50	63
Information Technology	71	173	235
Travel and Transport	169	126	137
Operating Lease costs	...	333	330
Maintenance	...	5	...
Other Supplies and Consumables	615	196	550
Other expenses	36	49	29
Total expenses from transactions	3,380	3,381	3,903
Net result from transactions (net operating balance)	(22)	(602)	(525)
Comprehensive result	(22)	(602)	(525)
Expense by output			
5.1 Racing Regulation and Policy	3,380	3,381	3,903
Total	3,380	3,381	3,903
Net Assets			
Total assets deployed for Output Group 5		(119)	(4)
Total liabilities incurred for Output Group 5		581	70
Net assets deployed for Output Group 5		(700)	(74)

Output Group 6 – Cultural and Creative Industry Development

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
Continuing operations			
Revenue and other income from transactions			
Revenue from appropriation	28,677	33,852	...
Sales of goods and services	700	289	...
Other revenue	...	1,447	...
Total revenue and other income from transactions	29,377	35,588	...
Expenses from transactions			
Employee Entitlements	9,844	12,226	...
Depreciation and Amortisation	35	595	...
Grants and subsidies	13,615	13,117	...
Supplies and Consumables:			
Consultants	880	96	...
Property Services	602	2,297	...
Maintenance	548	514	...
Communications	195	212	...
Information Technology	287	473	...
Travel and Transport	316	298	...
Operating Lease costs	10	16	...
Advertising and Promotion	366	637	...
Other Supplies and Consumables	1,868	2,146	...
Other expenses	136	614	...
Total expenses from transactions	28,702	33,241	...
Net result from transactions (net operating balance)	675	2,347	...
Other economic flows included in net result			
Net gain/(loss) on non-financial assets	...	7,495	...
Net gain/(loss) on financial instruments and statutory receivables/payables	...	(1,182)	...
Total other economic flows included in net result	...	6,313	...
Net result	...	8,660	...
Other comprehensive income			
Changes in physical asset revaluation reserve	10,140	(2,561)	...
Other movements taken directly to equity	503	...	...
Total other comprehensive income	10,643	(2,561)	...
Comprehensive result	11,318	6,099	...
Expense by output			
6.1 Tasmanian Museum and Art Gallery	8,132	11,668	...
6.2 Arts Industry Development	7,026	7,416	...
6.3 Screen Industry Development	1,403	1,403	...
6.4 Events and Hospitality	12,141	12,754	...
Total	28,702	33,241	...
Net Assets			
Total assets deployed for Output Group 6		442,183	...
Total liabilities incurred for Output Group 6		4,244	...
Net assets deployed for Output Group 6		437,939	...

Output Group 7 –Transport Subsidies and Concessions

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
Continuing operations			
Revenue and other income from transactions			
Revenue from appropriation	82,346	72,908	71,707
Reserved by Law	52	...	...
Total revenue and other income from transactions	82,398	72,908	71,707
Expenses from transactions			
Depreciation and Amortisation	...	362	349
Grants and subsidies	81,741	72,501	70,853
Supplies and Consumables:			
Consultants	...	...	51
Other Supplies and Consumables	657	275	841
Total expenses from transactions	82,398	73,138	72,094
Net result from transactions (net operating balance)	...	(230)	(387)
Comprehensive result	...	(230)	(387)
Expense by output			
7.1 Shipping and Ferry Subsidies	12,106	1,270	1,290
7.2 Metropolitan General Access Regular Passenger Transport Services	39,956	39,127	38,720
7.3 Rural and Special Needs School Buses	22,358	19,074	18,994
7.4 Non-Metropolitan General Access Regular Passenger Transport Services	7,926	13,667	13,090
7.5 Construction of Streets in Towns	52	...	...
Total	82,398	73,138	72,094
Net Assets			
Total assets deployed for Output Group 7		4,435	4,497
Total liabilities incurred for Output Group 7		338	170
Net assets deployed for Output Group 7		4,097	4,327

Output Group – Capital Investment Program

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
<i>Continuing operations</i>			
Revenue and other income from transactions			
Revenue from appropriation	117,479	110,467	123,077
Other revenue from government	4,346	4,346	...
Grants	66,800	36,318	39,371
Sales of goods and services	100	697	157
Fees and fines	7,500	7,271	6,302
Other revenue	...	67	72
Total revenue and other income from transactions	196,225	159,166	168,979
Expenses from transactions			
Employee Entitlements	7,320	403	3,954
Depreciation and Amortisation	105,763	81,316	83,217
Grants and subsidies		5,233	2,258
Supplies and Consumables:			
Consultants	...	872	433
Maintenance	31,680	54,144	38,013
Property Services	...	(1,762)	367
Communications	...	158	258
Information Technology	...	272	247
Travel and Transport	...	403	503
Operating Lease costs	...	830	833
Advertising and Promotion	...	10	16
Other Supplies and Consumables	21	390	3,407
Other expenses	1,515	239	273
Total expenses from transactions	146,299	142,508	133,779
Net result from transactions (net operating balance)	49,926	16,658	35,200
Other economic flows included in net result			
Net gain/(loss) on nonfinancial assets	...	(19,889)	(63,691)
Total other economic flows included in net result	...	(19,889)	(63,691)
Net result	49,926	(3,231)	(28,491)
Other comprehensive income			
Changes in physical asset revaluation reserve	136,211	23,037	54,460
Total other comprehensive income	136,211	23,037	54,460
Comprehensive result	186,137	19,806	25,969

Output Group – Capital Investment Program (continued)

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
Expense by output			
Midland Highway	32,000	19,114	...
Arthur Hwy	4,291	3,925	5,846
Rokeby Main Road	6,748	3,365	7,125
South Arm Road/ Rokeby Main Road	6,000	...	...
West Tamar Highway Bradys Lookout	...	247	1,826
Huon Highway upgrade	2,461	1,215	3,616
Huon Highway/Summerleas Road	2,000	...	...
Huon Highway upgrade - Glendevie	200	...	...
Ferry Road Kettering	300	271	4,223
Murchison Highway upgrade	4,346	5,509	10,858
Murchison Highway (Roads for our future)	1,000	...	...
Richmond Link Road	2,666	1,272	2,905
Esk Main Road	500	...	(275)
Tasman Highway Scottsdale to Launceston	550	874	53
Tasman Highway, St Helen's Point Road	1,350	...	...
Tasman Ramps	10,000	...	...
North East Freight Roads	7,196	8,435	21,912
Port Sorell Main Road	...	206	2,063
Lakes Secondary Road	100	...	1
Illawarra Main Road	...	...	29
Brighton Bypass	...	29	(281)
Bell Bay Intermodal Terminal	...	85	...
Bell Bay Main Road	...	52	555
Bass Highway/Stanley Highway Junction	...	244	1,210
Mudwalls Road	...	...	237
Tarkine Forest Drive	6,000	3,825	12,706
Bruny Island Road Sealing	...	...	49
Bruny Island Main Road	200	...	...
Brooker Hwy – Elwick, Goodwood, Howards Roads	5,900	...	...
Domain Highway planning	1,500	...	...
Hadspen Bridge walkway	100	...	...
Westbury Road traffic management	500	21	...
West Coast Roads, Strahan	4,949	...	...
Infrastructure Development	125	3,845	48,524
Infrastructure Maintenance	65,992	68,733	50,121
Road Safety and Traffic Management	9,810	12,110	6,818
Environmental	530	533	383
NBESP Heavy Vehicle Program	1,400	...	2,999
Bridge renewal program	1,300	...	...
Contingency funding – Australian Government	300	...	...
Forward planning	1,125	...	...
Program Management	2,280	4,052	8,040
Asset Management	5,175	1,735	3,063
Strategic Planning and Policy	2,731	2,811	2,800
Total	191,625	142,508	197,470

Output Group – Capital Investment Program (continued)

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
Net Assets			
Total assets deployed for Output – Capital Investment Program		4,081,121	4,062,350
Total liabilities incurred for Output – Capital Investment Program		18,844	14,666
Net assets deployed for Output – Capital Investment Program		4,062,277	4,047,684

Output Group–Special Capital (SCIF and ESIF) Allocations

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
<i>Continuing operations</i>			
Revenue and other income from transactions			
Revenue from Special Capital Investment Funds	...	58	180
Total revenue and other income from transactions	...	58	180
Expenses from transactions			
Supplies and Consumables	...	58	180
Total expenses from transactions	...	58	180
Net result from transactions (net operating balance)
Comprehensive result
Expense by output			
Smithton Wharf and Marina	180
TMAG Redevelopment	...	58	...
Total	...	58	180
Net Assets			
Total assets deployed for Output – Special Capital Investment Fund	
Net assets deployed for Output – Special Capital Investment Fund	

3.2 Reconciliation of Total Output Groups Comprehensive Result to Statement of Comprehensive Income

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
Total comprehensive result of Output Groups	169,503	18,444	51,771
Reconciliation to comprehensive result			
Revenues unallocated to Output Groups (overheads)	...	4,737	4,242
Expenses unallocated to Output Groups (accruals)	...	...	(1,002)
Other movements taken directly to equity (administrative restructures and TasRail)	...	460,762	...
Comprehensive result	169,503	483,943	55,011

3.3 Reconciliation of Total Output Groups Net Assets to Statement of Financial Position

	2015 Actual \$'000	DIER 2014 Actual \$'000
Total net assets deployed for Output Groups	4,678,135	4,189,053
Reconciliation to net assets		
Assets unallocated to Output Groups (overheads)	724	5,944
Liabilities unallocated to Output Groups (overheads)	(3,128)	(3,209)
Net assets	4,675,731	4,191,788

3.4 Administered Output Schedule

Comparative information has not been restated for external administrative restructures. Budget information refers to original estimates and has not been subject to audit.

Output Group – Grants and Subsidies

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
Administered revenue and other income from transactions			
Revenue from appropriation	90,251	82,229	82,305
Grants	155	10,545	39,391
Sales of goods and services	1,249	647	945
Fees and fines	16	5	13
Other revenue	25	74	48
Total administered revenue and other income from transactions	91,696	93,500	122,702
Administered expenses from transactions			
Employee Entitlements	983	1,534	1,378
Depreciation and Amortisation	1	5	8
Grants and subsidies	90,115	90,232	120,363
Supplies and Consumables:			
Consultants	6	512	510
Property Services	81	25	26
Maintenance	...	20	20
Communications	30	13	18
Information Technology	45	54	62
Travel and Transport	167	55	59
Operating Lease costs	...	103	125
Advertising and Promotion	...	3	3
Other Supplies and Consumables	385	446	205
Other expenses	4	10	10
Total administered expenses from transactions	91,817	93,012	122,787
Administered net result from transactions (net operating balance)	(121)	488	(85)
Administered other economic flows in administered net result			
Net gain/(loss) on sale of non-financial assets	1	...	...
Total administered other economic flows included in net result	1	...	...
Administered net result	(120)	488	(85)
Total administered comprehensive result	(120)	488	(85)
Administered expense by output			
91.580 Government contribution to Tasmanian Symphony Orchestra	1,519	1,519	...
91.595 Student-Only Passenger Services	24,174	15,449	15,524
91.598 National Road Transport Commission: Local Government Contribution	1,500	1,500	1,500
91.621 Payments on behalf of Forest Practices Authority	2,942	3,162	3,271
91.624 Conveyance Allowance	1,630	1,460	1,635
91.625 Pensioner Air Travel Subsidy	10	10	11
91.626 Transport Access Scheme	4,518	5,236	4,580
91.643 Contribution to Marine & Safety Authority	1,004	1,004	4,443
91.729 Tasmanian Racing Assistance	29,231	29,296	29,318

Output Group – Grants and Subsidies (continued)

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
91.739 Private Forests Tasmania	1,473	1,473	1,432
91.750 Tasmanian Icon Program - Tasmanian Symphony Orchestra	500	500	...
91.751 Ten Days on the Island	1,304	1,304	...
91.786 Tasmanian Forestry Agreement	...	8,678	36,316
91.878 Theatre Royal	178	178	...
91.882 Tasmanian Railway Pty Ltd	16,834	16,834	16,569
91.883 Abt Railway	5,000	5,409	8,188
Total	91,817	93,012	122,787
Net Assets			
Total assets deployed for Output – Grants and Subsidies		516	(307)
Total liabilities incurred for Output – Grants and Subsidies		294	317
Net assets deployed for Output – Grants and Subsidies		222	(624)

3.5 Reconciliation of Total Administered Output Groups Comprehensive Result to Administered Statement of Changes in Equity

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
Total administered comprehensive result of Output Groups	(120)	488	(85)
Reconciliation to administered net surplus (deficit)			
Administered revenue collections	79,478	76,169	82,720
Transfers to the Consolidated Fund	(79,478)	(75,639)	(82,231)
Other administered transactions (ie unallocated to Output Groups)	...	(543)	(571)
Administered comprehensive result	(120)	475	(167)

3.6 Reconciliation of Total Administered Output Groups Net Assets to Schedule of Administered Assets and Liabilities

	2015 Actual \$'000	2014 Actual \$'000
Total administered net assets deployed for Output Groups	222	(624)
Reconciliation to administered net assets		
Assets unallocated to Output Groups	2,777	3,788
Liabilities unallocated to Output Groups	(1,169)	(1,809)
Administered net assets	1,830	1,355

Note 4: Expenditure under Australian Government Funding Arrangements

	State Funds	Australian Govt Funds	State Funds	Australian Govt Funds
	2015	2015	2014	2014
	Actual	Actual	Actual	Actual
	\$'000	\$'000	\$'000	\$'000
National Partnership Payments				
<i>Infrastructure</i>				
Interstate Road Transport projects	3	367	103	375
Black Spot Projects	2	1,477	...	2,371
National Transport Regulators – Transitional assistance	...	...	654	424
West Coast Wilderness Railway	...	409	5,966	3,988
Nation Building program- Road	69,889	33,399	65,968	8,272
Nation Building program - Boom Gates Rail Crossing	...	88	...	3
Nation Building program - Heavy Vehicle Safety	1,210	1,151	796	2,200
Nation Building Program - Off-Network Projects – Road	3,305	1,116	4,698	21,421
Nation Building program – Rail	16,834	4,972	16,569	31,342
Nation Building Program - Off-Network Projects – Rail	...	...	...	337
<i>Education</i>				
Building Australia's Workforce Training for Single and Teen parent	...	546	...	...
Building Australia's Future Workforce - Vocational Education	115	6,392	...	...
Industry and Indigenous skills centre	...	39	...	...
<i>Skills and Workforce</i>				
Productivity places program	1	4,581	...	...
Pre-Apprenticeship Training	...	148	...	...
TAFE Fee Waivers for Childcare Qualifications	99	52	...	...
<i>Other</i>				
Temporary Assistance for Tasmanian Exporters	2,294	159	1,138	779
Tasmanian Forest Contractors Financial Support	300	8,772	2,152	34,013
Total	94,258	63,668	98,044	105,525

Additional details of capital expenditures included in the above note are included within Note 15.3.

Note 5: Explanations of Material Variances between Budget and Actual Outcomes

The following are brief explanations of material variances between Budget estimates and actual outcomes. Variances are considered material where the variance exceeds the greater of 10 per cent of Budget estimate and \$500,000.

5.1 Statement of Comprehensive Income

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Grants revenue	(a)	95,141	57,150	(37,991)	(40%)
Sales of goods and services	(b)	2,009	6,198	4,189	209%
Interest revenue	(c)	2,480	1,979	(501)	(20%)
Other revenue	(d)	2,884	5,500	2,616	91%
Depreciation and amortisation	(e)	108,581	85,731	22,850	21%
Supplies and consumables	(f)	64,379	92,463	(28,084)	(44%)
Grants and subsidies	(g)	241,457	208,605	32,852	14%
Other expenses	(h)	2,164	1,258	906	42%
Net gain/(loss) on non-financial assets	(i)	4	(12,468)	(12,472)	...
Net gain/(loss) on financial instruments and statutory receivables/payables	(j)	...	(1,610)	(1,610)	...
Changes in physical asset revaluation reserve	(k)	149,706	21,224	(128,482)	(86%)
Other movements taken directly to equity	(l)	(32,538)	460,762	493,300	...

Notes to Statement of Comprehensive Income variances

(a) Original budget was subsequently adjusted down to \$56.3M reflecting the re-alignment of cash flows from Australian Government grants in line with timings of projects and/or spending. Projects re-aligned included Midlands Highway (-\$9.6M), Tasman Ramps (-\$9.6M), Brooker Highway (-\$3.6M) and Skills workforce training and education (-\$11.9M).

(b) Budget did not include National Heavy Vehicle Regulator service fee (\$2.5M) due to being set off against associated expenses, rental revenue from Technopark properties not included in budget (\$1.5M).

(c) Unanticipated delays in drawdown of loans in the TDR portfolio resulted in lower than expected interest accruals.

(d) Variation reflects revenue generated by the Abt Railway tourist operation (\$2.4M).

(e) Lower depreciation is largely due to a significant proportion of the Road asset having reached its expected useful life, whereby depreciation ceases.

(f) Original budget overestimated the proportion of road contractor expenses that would be capitalised, compounded by delays in commencement of several large capital projects and higher activity in road maintenance activity. Budget included net expenses for Heavy Vehicle Regulator; however in practice \$2.5M is recorded as revenue and \$3.7M as expenditure.

(g) Original budget subsequently adjusted down reflecting project delays, including Theatre Royal Performing Arts and Education Centre Development (\$7.4M), and Regional Revival Fund Craggy Ridge project (\$3.4M), withdrawal of International Shipping subsidies (\$11.0M), and timings of Skills workforce training and education payments (\$11.9M).

(h) Original budget subsequently revised down by \$1.2M reflecting delay in the commencement of planning of the Domain Highway project.

(i) Reflects write-off of the remaining value of replaced/upgraded roads (-\$16.9M) and bridges (-\$2.7M), offset against revenue on the revaluation of TMAG buildings (+\$7.5M). These transactions were not anticipated when budgets were set.

(j) Reflects the unexpected impairment of loans in the TDR portfolio (\$0.4M) and impairment of Screen Tasmania investment in various film productions (\$1.2M).

(k) Reflects a lower than expected valuation increment resulting from the annual indexation of road infrastructure values (+\$23.0M), and the revaluations of TMAG collection (+\$10.7M), and decrement in revaluations of Princes Wharf No 1 (-\$2M) and TMAG land (-\$3M).

(l) Represents the assumption of the net assets of the former DEDTA (relinquishing Sport and Recreation and Tourism) net \$465.7M, less \$5.0M equity contribution to Tasmanian Railway Pty Ltd. Refer note 15.2 for details.

5.2 Statement of Financial Position

Budget estimates for the 2014-15 Statement of Financial Position were compiled prior to the completion of the actual outcomes for 2014-15. As a result, the actual variance from the Original Budget estimate will be impacted by the difference between estimated and actual opening balances for 2014-15. The following variance analysis therefore includes major movements between the 30 June 2014 and 30 June 2015 actual balances. Furthermore, 2014 comparatives are pre-merger DIER balances, therefore differences between 2015 and 2014 actuals will vary significantly in some cases due to the assumption of former DEDTA assets and liabilities in 2014-15.

	Note	Budget \$'000	2015 Actual \$'000	2014 Actual \$'000	Budget Variance \$'000	Actual Variance \$'000
Receivables	(a)	4,289	3,734	3,405	(555)	329
Loan advances	(b)	57,093	39,948	...	(17,145)	39,948
Equity investments	(c)	773	...	...	(773)	...
Other financial assets	(d)	...	481	6,955	481	(6,474)
Intangibles	(e)	7,362	5,633	7,577	(1,729)	(1,944)
Other assets	(f)	11,922	1,731	646	(10,191)	1,085
Payables	(g)	7,042	8,177	4,963	(1,135)	(3,214)
Interest bearing liabilities	(h)	74,330	40,513	...	33,817	(40,513)
Provisions	(i)	8,593	4,532	1,848	4,061	(2,684)
Other liabilities	(j)	7,667	18,599	17,042	(10,932)	1,557
Equity	(k)	5,006,212	4,675,731	4,191,788	(330,481)	483,943

Notes to Statement of Financial Position variances

(a) Original budget subsequently revised down to \$3.95M, reflecting more realistic expectation for GST receivable at year end. Actual marginally below revised budget, and \$0.3M above 2014 actual reflecting assumption of former DEDTA receivables.

(b) Original budget subsequently revised down to \$49.3M (-\$7.8M), however revised budget not achieved due to unanticipated delays in drawdown of loans in the TDR portfolio. Prior year difference due to DIER not having loan assets.

(c) Budget reflects Screen Tasmania investment in various film productions, however these are impaired to nil due to uncertainty as to future royalty cash flows.

(d) Unanticipated accrued revenue at year end. 2014 also accrued revenue, predominantly Australian Government funding of expenditure incurred prior to year end cut-off (\$6.9M).

(e) Movement from 2014 represents amortisation \$2.1M and additions \$0.2M.

(f) Includes budget for Investment Properties (\$9.6M), however Investment Properties were re-classified as Land and Buildings during 2014-15. Primary difference between 2014 and 2015 is the balance of prepayments.

(g) Budget exceeded due to larger than anticipated volume of road contractor progress payments due around the end of financial year, and a substantial increase in volumes over the prior year.

(h) Original budget subsequently revised down to \$42.0M (-\$32.3M), actual is marginally below revised budget due to delays in drawdowns of loans in the TDR portfolio. Prior year difference due to DIER not having borrowing liabilities.

(i) Original budget subsequently revised down to \$3.3M (-\$5.3M), however revised budget exceeded due to unanticipated increases in provisions for compulsory land acquisitions for roadworks (+\$2.0M).

(j) Actual comprised predominantly of revenue received in advance for carry forward to 2015-16 under s8A of the Public Account Act (\$11.0M) and moneys held in trust (\$7.2M). The revenue in advance was not anticipated in the original budget.

(k) Variance from prior year represents the assumption of the net assets of the former DEDTA (relinquishing Sport and Recreation and Tourism) net \$465.7M, including \$49M taken to Reserves (refer note 15.2 for details), net result \$1.9M and other comprehensive income including revaluation reserve +\$21.2M and equity contribution to TasRail -\$5.0M. Budget variance reflects a lower than expected valuation increment resulting from the annual indexation of road infrastructure and revaluations of other assets.

5.3 Statement of Cash Flows

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Appropriation receipts - works and services (operating)	(a)	69,308	55,825	(13,483)	(19%)
Receipts from non-operational capital funding – works & services	(b)	48,171	59,642	11,471	24%
Grants revenue (operating)	(c)	42,061	32,932	(9,129)	(22%)
Receipts from Australian Government Funding (investing)	(d)	53,080	30,472	(22,608)	(43%)
Sales of goods and services	(e)	2,014	6,140	4,126	205%
GST receipts/payments (net)	(f)	(1)	874	875	...
Interest receipts	(g)	2,480	1,702	(778)	(31%)
Other cash receipts	(h)	2,884	5,626	2,742	95%
Grants and subsidies	(i)	(241,382)	(210,758)	30,624	13%
Supplies and consumables	(j)	(64,569)	(94,881)	(30,312)	(47%)
Interest payments	(k)	(1,645)	(1,077)	568	35%
Other cash payments	(l)	(2,164)	(756)	1,408	65%
Loan repayments received	(m)	...	11,509	11,509	...
Cash inflow on administrative restructure	(n)	...	30,658	30,658	...
Payments for acquisition of non-financial assets	(o)	(152,550)	(93,943)	58,607	38%
Loans advanced	(p)	(12,250)	(17,215)	(4,965)	(41%)
Payments for investments	(q)	(700)	(1,305)	(605)	(86%)
Equity transfers to other Government entities	(r)	...	(4,972)	(4,972)	...
Cash outflow on administrative restructure	(s)	(1,260)	(1,804)	(544)	(43%)
Proceeds from borrowings	(t)	32,532	15,000	(17,532)	(54%)
Repayment of borrowings	(u)	...	(10,598)	(10,598)	...

Notes to Statement of Cash Flows variances

(a) and (b) Lower than anticipated proportion of funding for expenditure to be capitalised. Overall works and services appropriation budget shortfall was less than 2%.

(c) and (d) Original budget for grant receipts was subsequently adjusted down by \$38.8M reflecting the re-alignment of cash flows from Australian Government grants in line with timings of projects and/or spending. Projects re-aligned included Midlands Highway (-\$9.6M), Tasman Ramps (-\$9.6M), Brooker Highway (-\$3.6M) and Skills workforce training and education (-\$11.9M).

(e) Budget did not include National Heavy Vehicle Regulator service fee (\$2.5M) due to being set off against associated expenses, rental revenue from Technopark properties not included in budget (\$1.5M).

(f) Reflects timing differences of the receipt of GST refunds over the end of financial years.

(g) Unanticipated delays in drawdown of loans in the TDR portfolio resulted in lower than expected interest receipts.

(h) Variation reflects revenue generated by the Abt Railway tourist operation (\$2.4M).

(i) Original budget subsequently adjusted down reflecting project delays, including Theatre Royal Performing Arts and Education Centre Development (\$7.4M), Regional Revival Fund Craggy Ridge project (\$3.4M) and Lion industry support package (\$1.5M), withdrawal of International Shipping subsidies (\$11.0M), and timings of Skills workforce training and education payments (\$11.9M).

(j) Budget overestimated the proportion of road contractor expenses that would be capitalised, compounded by delays in commencement of several large capital projects and higher activity in road maintenance activity. Budget included net expenses for Heavy Vehicle Regulator; however in practice \$2.5M is recorded as revenue and \$3.7M as expenditure.

(k) Unanticipated delays in drawdown of loans in the TDR portfolio resulted in lower than expected interest on funding of those loans.

(l) Original budget subsequently revised down by \$1.2M reflecting delay in the commencement of planning of the Domain Highway project.

(m) and (p) Budget is set on a net basis. Net loans advanced/repaid (\$5.7M) below budget due to unanticipated delays in drawdown of loans in the TDR portfolio.

(n) and (s) Represents transfers of cash holdings as a result of administrative restructures taking effect 1 July 2014, includes inflows from DEDTA \$29.3M and Skills Tas \$1.3M, and outflows to Tourism (\$0.02M) and DPAC Sport and Recreation (\$1.26M).

(o) Original budget subsequently revised down by \$31M reflecting timing adjustments of major roadworks projects including Midlands Highway (-\$9.6M), Tasman Ramps (-\$9.6M), West Coast Roads (-\$5.0M), Brooker Highway (-\$3.6M). In addition budget overestimated the proportion of road contractor expenses that would be capitalised.

(q) Represents higher than anticipated demand for Screen Tasmania investment in various film productions including 'The Kettering Incident'.

(r) Represents the first quarterly payment of Australian Government funding to Tasmanian Railway Pty Ltd, a function that has been assumed by Finance General as the budget sat with that entity.

(t) and (u) Budget was set on a net basis (borrowings - repayments), and was subsequently revised down to \$5.8M reflecting reduced demand for Farm Finance loans. Net result \$4.4M is 24% below revised budget, again due to lower than expected demand.

Note 6: Events Occurring After Balance Date

The following occurred after the reporting date, effective from 1 July 2015:

- The part of the Department of State Growth known as Racing Services Tasmania, is amalgamated with the Department of Primary Industries, Parks, Water and Environment.

The financial effect of this event has not been recognised. The following is an estimate of the financial effect of the event:

<i>Statement of Financial Position</i>	Assets/ Liabilities Relinquished \$'000
Assets	
Cash and deposits	(244)
Receivables	11
Other financial assets	11
Property, plant and equipment	103
Total assets	(119)
Liabilities	
Payables	18
Employee benefits	535
Monies held in trust	28
Total liabilities	581
Net assets (liabilities) assumed on restructure	(700)

- The government has approved a guarantee of \$29 million to support the redevelopment of the Nyrstar Risdon smelter. It is expected the guarantee will be formalised in the latter half of 2015.

Note 7: Significant Accounting Judgements

Judgements made by the Department that have significant effects on the Financial Statements are disclosed in the relevant notes as follows:

- » Net gain/(loss) on financial instruments and statutory receivables/payables (refer Note 11.2);
- » Loan advances (refer Notes 2.12(c), 12.2);
- » Equity investments (refer Notes 2.12(d), 12.3);
- » Property, plant and equipment, artwork, heritage and cultural assets (refer Notes 2.12(g), 12.6);
- » Infrastructure (refer Notes 2.12(g), 12.7);
- » Provisions and contingencies (refer Notes 2.13(c), 2.13(f), 13.4, 14; and
- » Employee benefits (refer Notes 2.13(d), 13.3).

The Department has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Note 8: Underlying net operating balance

Non-operational capital funding is the income from transactions relating to funding for capital projects and equity contributions to Tasmanian Railway. This funding is classified as income from transactions and included in the net operating balance. However, the corresponding capital expenditure is not included in the calculation of the net operating balance. Accordingly, the net operating balance will portray a position that is better than the true underlying financial result.

For this reason, the net operating result is adjusted to remove the effects of funding for capital projects.

	Notes	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
Net result from transactions (net operating balance)		52,331	16,035	74,501
<i>Less impact of Non-operational capital funding</i>				
Revenue from Government – recurrent	2.9(a), 9.1	...	1,327	5,110
Revenue from Government – works and services	2.9(a), 9.1	48,171	60,141	75,752
Revenue from Australian Government	2.9(a), 9.3	53,080	30,546	57,645
Contributions received	2.9(g), 9.7	...	250	...
Total		101,251	92,264	138,507
Underlying Net operating balance		(48,920)	(76,229)	(64,006)

Note 9: Income from transactions

9.1 Revenue from Government

Revenue from Government includes revenue from appropriations, appropriations carried forward under section 8A(2) of the Public Account Act 1986 and Items Reserved by Law.

The Budget information is based on original estimates and has not been subject to audit.

	2015 Budget \$'000	2015 Actual \$'000	DIER 2014 Actual \$'000
Continuing operations			
Appropriation revenue – recurrent			
Current year	293,694	276,923	115,446
Items Reserved by Law:			
Contribution towards Construction of Streets in Towns by Municipal Councils (Local Government Act 1993)	52	...	...
Appropriation carried forward under section 8A(2) of the <i>Public Account Act 1986</i> taken up as revenue in the current year	7,849	6,624	2,365
Less: unexpended appropriation carried forward under section 8A(2) of the <i>Public</i> <i>Account Act 1986</i> , returned to Finance General	...	(1,224)	...
Less: Revenue received in advance	...	(6,024)	(4,825)
Total	301,595	276,299	112,986
Appropriation revenue – works and services	69,308	55,326	47,718
Total	370,903	331,625	160,704
Non-operational capital funding			
Appropriation revenue – recurrent	...	1,327	5,110
Appropriation revenue – works and services	48,171	60,141	75,752
Revenue from Government – other			
Appropriation carried forward under section 8A(2) of the <i>Public Account Act 1986</i> taken up as revenue in the current year	4,346	4,346	4,264
Less: Revenue received in advance	...	(5,000)	(4,346)
Total	52,517	60,814	80,780
Total revenue from Government	423,420	392,439	241,484

Section 8A(2) of the Public Account Act allows for an unexpended balance of an appropriation to be transferred to an Account in the Special Deposits and Trust Fund for such purposes and conditions as approved by the Treasurer. In the initial year, the carry forward is recognised as a liability, Revenue Received in Advance. The carry forward from the initial year is recognised as revenue in the reporting year, assuming that the conditions of the carry forward are met and the funds are expended.

9.2 Revenue from Special Capital Investment Funds

Funding for major infrastructure projects is provided through Special Capital Investment Funds. The Department is allocated funding for specific projects from the Special Capital Investment Funds as part of the Budget process.

	2015 \$'000	2014 \$'000
<i>Continuing operations</i>		
Major Capital Projects Fund	...	180
Economic Social Infrastructure Fund	58	...
Total	58	180
Total revenue from Special Capital Investment Funds	58	180

Details of total Special Capital Investment Funds revenues and expenses are provided as part of Note 3 Departmental Output Schedules. Details of total cash flows for each project are at Note 15.3.

9.3 Grants

	2015 \$'000	2014 \$'000
<i>Continuing operations</i>		
Grants from the Australian Government	13,049	5,191
Grants from the Tasmanian Government	5,639	5,084
Industry contributions	1,735	1,739
Total	20,423	12,014
<i>Non-operational capital funding</i>		
Grants from the Australian Government	36,510	75,139
Grants from the Tasmanian Government	217	...
Total	36,727	75,139
Total revenue from Grants	57,150	87,153

9.4 Sales of goods and services

	2015 \$'000	2014 \$'000
Goods	1,737	823
Services	2,619	166
Rental revenue	1,842	144
Total	6,198	1,133

9.5 Fees and fines

	2015	2014
	\$'000	\$'000
Road Safety Levy	12,977	12,513
Racing Services	222	211
Other	202	179
Total	13,401	12,903

9.6 Interest

	2015	2014
	\$'000	\$'000
Interest – loan advances	1,979	...
Total	1,979	...

9.7 Contributions received

	2015	2014
	\$'000	\$'000
Fair value of additions to TMAG Collections at no cost	250	...
Total	250	...

9.8 Other revenue

	2015	2014
	\$'000	\$'000
Abt Railway ticketing sales and retail revenue	2,413	1,203
Corporate support fee – Tourism Tasmania	1,214	...
Venue management services	301	...
Recoveries and contributions received	909	...
Miscellaneous revenue	663	335
Total	5,500	1,538

Note 10: Expenses from transactions

10.1 Employee benefits

(a) Employee benefits

	2015	2014
	\$'000	\$'000
Wages and salaries	57,747	34,507
Annual leave	1,168	...
Long service leave	1,417	1,245
Superannuation	7,220	4,127
Other post-employment benefits	3,790	...
Other employee benefits - Fringe Benefits Tax	411	291
Total	71,753	40,170

Superannuation expenses relating to defined benefits schemes relate to payments into the Superannuation Provision Account held centrally and recognised within the FinanceGeneral Division of the Department of Treasury and Finance. The amount of the payment is based on an employer contribution rate determined by the Treasurer, on the advice of the State Actuary. The current employer contribution is 12.75 per cent (2014: 12.5 per cent) of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to the superannuation funds at a rate of 9.5 per cent (2014: 9.25 per cent) of salary. In addition, departments are also required to pay into the SPA a "gap" payment equivalent to 3.25 per cent (2014: 3.5 per cent) of salary in respect of employees who are members of the contribution scheme.

(b) Remuneration of Key management personnel

2015	Name, position, appointment date	Short-term benefits		Long-term benefits			Total
		Salary \$'000	Other Benefits \$'000	Super- annuation \$'000	Post- Employment Benefits \$'000	Termi- nation Benefits \$'000		Other Benefits & Long- Service Leave $'000
Key management personnel							
Office of the Co-ordinator General, 19/11/2015							
	John Perry, Co-ordinator General, 19/11/2015	157	4	15	...	...	185
Department of State Growth 19/12/2014 to 30/6/2015:							
	Kim Evans, Secretary, 2/9/2015	316	20	47	...	27	410
	Bob Rutherford, Deputy Secretary Transport Services, 19/12/2014 to 26/3/2015, Deputy Secretary Industry and Business Growth, 27/3/2015	239	22	36	...	22	319
	Gary Swain, Deputy Secretary Policy and Strategy, 19/12/2014 to 26/3/2015, Deputy Secretary Transport Services, 27/3/2015	185	20	18	...	12	235
	Amanda Russell, General Manager Corporate Services, 19/12/2014 to 31/5/2015, Deputy Secretary Business Services, 1/6/2015	156	20	20	...	8	204
	Allan Garcia, Chief Executive Officer Infrastructure Tasmania, 4/5/2015	32	...	3	...	...	35
	Jonathan Wood, Deputy Secretary Industry and Business Growth, 19/12/2014 to 26/3/2015	213	22	21	...	226	550
Department of State Growth 1/7/2014 to 18/12/2014:							
	Kim Evans, Secretary 2/9/2015	*					
	Bob Rutherford, Deputy Secretary Transport Regulatory and Customer Services, 1/7/2014	*					
	Gary Swain, Deputy Secretary Policy and Reform, 1/7/2014	*					
	Jonathan Wood, Deputy Secretary Industry and Business Growth, 1/7/2014	*					
	Amanda Russell, General Manager Corporate Services, 1/7/2014	*					
	Jacqui Allen, Deputy Secretary Cultural & Creative Industry Development, 1/7/2014	87	10	8	...	3	108
	Fiona Wilson, Deputy Secretary Strategy Enterprise & Regions, 1/7/2014 to 1/9/2014	44	10	4	...	155	213
	Christie Berryman, General Manager Workforce Development and Training, 1/7/2014	80	6	8	...	5	99
Acting key management personnel							
	Alex Tay, acting Deputy Secretary Policy and Strategy, 13/4/2015 to 30/6/2015	31	4	3	...	5	44
Total		1,540	138	183	...	381	2,401

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the agency, directly or indirectly.

Department of State Growth organisation structure that took effect on 1 July 2014 consisted of a wider key management structure than the structure that exists at 30 June 2015. A further restructure took effect on 19 December 2015. The key management personnel identified in the table above reflect the two structures and personnel occupying key positions as they existed at those periods. (*Note: where remuneration arrangements in the above table are subject to restructure arrangements, the remuneration for each key manager is disclosed once for the full period of appointments).

Remuneration during 2014-15 for key personnel is set by the State Service Act 2000. Remuneration and other terms of employment are specified in employment contracts. Remuneration includes salary, motor vehicle and other non-monetary benefits.

Longterm employee expenses include long service leave, superannuation obligations and termination payments.

Acting Arrangements

When members of key management personnel are unable to fulfil their duties, consideration is given to appointing other members of senior staff to their position during their period of absence. Individuals are considered members of key management personnel when acting arrangements are for more than a period of one month.

10.2 Depreciation and amortisation

(a) Depreciation

	2015 \$'000	2014 \$'000
Plant and equipment	965	803
Marine vessels and equipment	361	347
Traffic signal installations	779	775
Buildings	852	434
Aerodromes	12	12
Road infrastructure	57,158	59,121
Bridges	22,340	22,657
Other infrastructure	827	818
Total	83,294	84,967

(b) Amortisation

	2015 \$'000	2014 \$'000
Intangibles	2,183	2,000
Leasehold improvements	254	...
Total	2,437	2,000
Total depreciation and amortisation	85,731	86,967

10.3 Supplies and consumables

	2015 \$'000	2014 \$'000
Audit fees – financial audit	265	139
Audit fees – internal audit	73	79
Operating lease costs	3,174	4,024
Consultants	2,431	1,920
Property services	2,593	1,196
Maintenance	55,586	42,378
Communications	2,084	1,693
Information technology	4,204	3,712
Travel and transport	2,043	1,651
Advertising and promotion	3,178	1,570
Contractor payments (non road-works)	7,121	3,176
National Heavy Vehicle Regulator contribution	3,676	550
Other supplies and consumables	6,035	5,498
Total	92,463	67,586

10.4 Grants and subsidies

	2015 \$'000	2014 \$'000
Grants		
Grants to Councils - road works	5,403	2,016
Grants to Councils - other	1,320	...
Major Capital Projects funding - Smithton Wharf & Marina	...	180
Passenger Transport Innovation program	596	1,126
Learner Driver Mentoring program	502	70
Environmental management	118	210
Brand Tasmania	200	...
Screen grants	317	...
Vodafone	480	...
AFL Agreement - Hawthorn Football Club	3,561	...
Museums and Art Galleries	1,812	...
Arts Grants	2,821	...
Menzies Development	500	...
Major events	6,140	...
Tasmanian Government Innovation and Investment Fund	1,532	...
Major Development Infrastructure Assistance Fund	600	...
CSIRO ICT funding	1,900	...
Tasmanian Demand Driver Infrastructure Program	606	...
West Coast Strahan Footpath Infrastructure Program	450	...
Development of Great Eastern Drive	210	...
CCAMLR	265	...
Enterprise development	450	...
Renewable Energy Loan Scheme	188	...
West Coast Recovery RACT Loan assistance	250	...
Business and industry assistance	2,073	...
Other grants	47	65
Total grants	32,341	3,667
Subsidies		
Shipping and ferry subsidies	908	54
Metropolitan and general access regular passenger transport services	39,127	38,580
Rural and special needs school bus services	19,074	18,832
Non-Metropolitan and general access regular passenger transport services	13,392	13,090
Vocational Education Training (VET) delivery	102,147	...
Apprentice and trainee subsidies	1,616	...
Total subsidies	176,264	70,556
Total grants and subsidies	208,605	74,223

10.5 Finance costs

	Note	2015 \$'000	2014 \$'000
Interest expense			
Interest on loans		1,060	...
Total		1,060	...
Other finance costs			
Unwinding of discounting of provisions	13.4(b)	53	...
Penalty interest on late payments to creditors		18	...
Total		71	...
Total finance costs		1,131	...

10.6 Other expenses

	2015 \$'000	2014 \$'000
Workers compensation	438	158
Other employee expenses (including training/development, OH&S, recruitment)	637	786
Miscellaneous expenses	183	...
Total	1,258	944

Note II: Other economic flows included in net result

II.1 Net gain/(loss) on non-financial assets

	2015 \$'000	2014 \$'000
Revaluation increment of TMAG buildings applied to Statement of Comprehensive Income	7,495	...
Write off of replaced road assets	(16,944)	(57,007)
Write off of replaced bridge assets	(2,664)	(4,408)
Net gain/(loss) on disposal of physical assets	(355)	(1,721)
	(12,468)	(63,136)

II.2 Net gain/(loss) on financial instruments and statutory receivables/payables

	2015 \$'000	2014 \$'000
Impairment of Statutory receivables	...	(5)
Impairment reversals/(losses) of:		
Loans advances	(428)	...
Equity investments	(1,182)	...
Total net gain/(loss) on financial instruments	(1,610)	(5)

Note 12: Assets

12.1 Receivables

	2015 \$'000	2014 \$'000
Receivables	4,610	4,139
Less: Provision for impairment	(876)	(734)
Total	3,734	3,405
Sales of goods and services (inclusive of GST)	322	107
Fees and fines (inclusive of GST)	47	...
Tax assets	3,135	3,053
Other receivables(inclusive of GST)	230	245
Total	3,734	3,405
Settled within 12 months	3,593	3,264
Settled in more than 12 months	141	141
Total	3,734	3,405
	2015 \$'000	2014 \$'000
Reconciliation of movement in provision for impairment of receivables		
Carrying amount at 1 July	(734)	(734)
Amounts written off during the year	...	...
Amounts recovered during the year	5	(5)
Increase/(decrease) in provision recognised in profit or loss	...	5
Increase through administrative restructure	(147)	...
Carrying amount at 30 June	(876)	(734)

12.2 Loan advances

	2015 \$'000	2014 \$'000
Section 35 Loans Administered by TDR	22,220	...
Bushfire Recovery Loan Program	1,114	...
Tasmanian Development Act 1983	5,590	...
Renewable Energy Loan Scheme	2,222	...
Fire Damage Relief Act 1967	23	...
Farm Water Development Act 1985	...	...
Farm Finance Loan Scheme	7,490	...
Screen Tasmania Loans	270	...
Arts Loans	1,064	...
No Interest Loan Scheme	900	...
Social Enterprise Loan Fund	2	...
Less: Provision for impairment	(947)	...
Total	39,948	...
Settled within 12 months	17,604	...
Settled in more than 12 months	22,344	...
Total	39,948	...

Loan advances include financial assistance provided by the government to the private sector in the form of loans.

Under the provisions of the Tasmanian Development Act 1983, the Department (through TDR) has the power to provide loans to clients that assist in the development and expansion of the Tasmanian economy. Generally, these loans are provided on the basis of commercial terms, conditions, interest rates and security.

	2015 \$'000	2014 \$'000
Reconciliation of movement in provision for impairment of other financial assets		
Carrying amount at 1 July (transferred in through administrative restructure)	519	...
Increase/(decrease) in provision recognised in net result	428	...
Carrying amount at 30 June	947	...

Tasmanian Development Act 1983 loan advances impaired in previous years relate to J & A Gretschmann (\$300,000). Section 35 loans administered by TDR impaired in previous years relate to Training Opportunities and Options for Learning Inc (\$70,000) and Blockmack Pty Ltd (\$160,000). New loans impaired in 2014-15 by the TDR Board relate to Ratho Developments Pty Ltd (\$350,000) and Vision 35 Pty Ltd (\$67,420).

12.3 Equity investments

	2015 \$'000	2014 \$'000
Listed shares – at cost	2,412	...
Listed shares – converted	944	...
Unlisted equity instruments	13,259	...
Less: Provision for impairment	(16,616)	...
Total	...	...
Settled within 12 months	...	...
Settled in more than 12 months	...	...
Total	...	...

	2015 \$'000	2014 \$'000
Reconciliation of movement in provision for impairment of equity investments	...	...
Carrying amount at 1 July (transferred in through administrative restructure)	15,434	...
Increase in provision recognised in net result	1,182	...
Carrying amount at 30 June	16,616	...

The Provision for Impairment movement is the result of the revaluation of Screen Tasmania's equity portfolio and First Tasmania Investment Ltd.

12.4 Other financial assets

	2015 \$'000	2014 \$'000
Accrued revenue	481	6,955
Total	481	6,955
Settled within 12 months	481	6,955
Total	481	6,955

12.5 Inventories

	2015 \$'000	2014 \$'000
Inventory held for sale - TMAG	335	...
Inventory held for sale – Abt Railway	79	10
Total	414	10
Consumed within 12 months	414	10
Total	414	10

12.6 Property, plant and equipment, artwork, heritage and cultural assets

(a) Carrying amount

	2015 \$'000	2014 \$'000
Land holdings		
Vacant land - at fair value (30 June 2015)	37,492	17,315
Rural properties - at fair value (30 June 2015)	2,815	...
Rail Corridor land - at fair value (30 June 2014)	56,811	56,793
Land under buildings - at fair value (30 June 2015)	2,927	2,270
Total	100,045	76,378
Buildings		
At fair value (30 June 2015)	41,512	10,611
Less: Accumulated depreciation	(3,009)	(3,776)
Total	38,503	6,835
Aerodromes		
At fair value (30 June 2015)	1,103	1,103
Less: Accumulated depreciation	(117)	(105)
Total	986	998
Plant and equipment (including computer equipment)		
At cost	13,056	9,079
Less: Accumulated depreciation	(9,791)	(7,567)
Total	3,265	1,512
Marine vessels and equipment		
At fair value (30 June 2012)	14,131	14,131
Less: Accumulated depreciation	(10,065)	(9,704)
Total	4,066	4,427
Abt Railway rolling stock		
At fair value (30 June 2012)	6,760	6,760
Less: Accumulated depreciation	(2,942)	(2,679)
Total	3,818	4,081
Traffic Signal installations		
At fair value (30 June 2012)	32,180	32,061
Less: Accumulated depreciation	(16,091)	(15,324)
Total	16,089	16,737
Leasehold improvements		
At cost	2,826	...
Less: Accumulated depreciation	(1,660)	...
Total	1,166	...
Artwork		
At fair value (30 June 2014)	277	...
Total	277	...

	2015 \$'000	2014 \$'000
Heritage and cultural assets		
At fair value (30 June 2015)	400,618	...
Total	400,618	...
Total property, plant and equipment, artwork, heritage and cultural assets	568,833	110,968

Rural properties

Rural properties are valued as at 30 June 2015 at fair value. Fair value of these properties equates to the option prices deemed on the individual properties. These option prices are the amounts receivable should the tenants exercise the option to purchase the freehold title.

Rail Corridor land

The land is valued at either current Valuer-General valuation where one exists, or at the average rate per land area in each Municipality according to adjacent land zoning. Every 5 years the Valuer General provides average values per hectare or square metre for the urban and non-urban sectors in each Municipality, from the most recent valuations of land titles adjoining and within a 200 metre corridor of the rail lines. The most recent update of average values was provided by the Valuer-General as at 30 June 2014.

Other properties and buildings

Other land and buildings are valued at either the most recent Valuer-General valuation as available on LIST, or valuations as at 30 June 2014 undertaken by independent valuers Brothers and Newton Opteon. The independent valuations were prepared in accordance with the International Valuation Standards (IVS) 2011 which are endorsed by the Australian Property Institute and in accordance with the International Financial Reporting Standards (IFRS) 13 Fair Value Measurement.

Marine vessels and Traffic Signals installations

Marine vessel and Traffic Signals assets last valued in 2012 by the Australian Valuation Office on a depreciated replacement cost basis. Replacement cost is based on the estimated current cost to build similar assets, which is depreciated on a straight line basis on the expired proportion of the estimated useful life of the asset.

Abt Railway rolling stock

The latest revaluation of ABT Railway rolling stock as at 30 June 2012 was completed by the Project Manager on a depreciated replacement cost basis. Replacement cost is based on the estimated current cost to build similar assets, which is depreciated on a straight line basis on the expired proportion of the estimated useful life of the asset.

Heritage and cultural assets - Tasmanian Museum and Art Gallery (TMAG) Collections

TMAG Collections were independently valued with an effective date of 30 June 2015 by RHAS Chartered Valuers and Brokers. The revaluation of these assets was on a fair value basis in accordance with relevant accounting standards and Treasurer's Instruction No 303 Recognition and Measurement of Non-Current Assets.

The valuation of TMAG Collections is undertaken by a specialist valuer who has expertise with the objects in question. However, due to the volume and diversity of TMAG Collections, a number of valuers are required.

The valuation methodology involves selecting a random sample of individual collection items to determine a representative value for the collection, and each valuer brings a unique perspective on how to divide TMAG Collections into these samples. The valuation exercise is undertaken in accordance with accounting standards for fair value applicable to cultural and heritage collections (AASBI3).

The determination of the fair market value of TMAG Collections is a combination of two distinct components – individual valuation of iconic items in the collection, and representative sampling of the remaining objects. Individual valuation relies upon the specialist expertise of the valuer and their knowledge of the market. The representative sampling derives an average value which is assigned to the remaining objects.

The valuation was based on a combination of internal records, specialised knowledge and market information about reproduction materials.

Artwork

Artwork assets were independently valued with an effective date of 30 June 2014 by Bett Gallery Valuers. The valuation of these assets was on a fair value basis in accordance with relevant accounting standards.

The valuation was undertaken by a specialist valuer who has expertise with the objects in question. For the majority of these assets the valuers use the market value basis, however for a small number of items with no current commercial activity, the valuers used the cost of these items at the time of commissioning with consideration for damage, wear and tear.

(b) Reconciliation of movements (including fair value levels)

Reconciliations of the carrying amounts of each class of Property, plant and equipment, artwork, heritage and cultural assets at the beginning and end of the current and previous financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation and accumulated impairment losses:

	Land Level 2 (land in active markets)	Land Level 3 (specific purpose/use land)	Buildings Level 2 (general office buildings)	Buildings Level 3 (specific purpose/use buildings)	Aerodromes Level 3 (specific purpose/use)	Plant and equipment (including computer equipment)	Marine Vessels Level 3 (specific purpose/use)	Abt Railway Rolling Stock Level 3 (specific purpose/use)	Traffic Signal installations Level 3 (specific purpose/use)	Leasehold improvements Level 2	Heritage and cultural assets and artwork Level 2	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2015												
Carrying value at 1 July	19,585	56,793	2,704	4,131	998	1,512	4,427	4,081	16,737	...	...	110,968
Additions	3,814		11	1,804					139			5,768
Contributions received											250	250
Disposals	(434)		(161)	(44)	(8)				(8)			(647)
Net additions through restructuring	25,023		32,943	694						1,420	389,953	450,033
Gains/losses recognised in operating result			7,495									7,495
Revaluation increments/ (decrements)												
Gains/losses recognised in other comprehensive income	(4,754)	18	(7,769)								10,692	(1,813)
Revaluation increments/ (decrements)												
Depreciation & amortisation			(628)	(223)	(12)	(701)	(361)	(263)	(779)	(254)		(3,221)
Carrying value at 30 June	43,234	56,811	34,595	3,908	986	3,265	4,066	3,818	16,099	1,166	400,895	568,833
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2014												
Carrying value at 1 July	20,699	67,665	3,275	4,290	1,010	1,104	4,644	4,314	17,066	...	...	124,067
Additions	214		640	62		514	130	9	712			2,281
Disposals	(951)		(405)			(99)			(266)			(1,721)
Gains/losses recognised in other comprehensive income	(70)	(10,872)	65									(10,877)
Revaluation increments/ (decrements)												
Depreciation & amortisation			(156)	(221)	(12)	(596)	(347)	(263)	(775)			(2,370)
Net transfers	(307)		(715)			589	21					(412)
Carrying value at 30 June	19,585	56,793	2,704	4,131	998	1,512	4,427	4,081	16,737	...	...	110,968

(c) Level 3 significant valuation inputs and relationship to fair value

Description	Fair value at 30 June \$'000	Significant unobservable inputs used in valuation	Possible alternative values for level 3 inputs	Sensitivity of fair value to changes in level 3 inputs
Land – Rural properties - specific purpose/use land	2,815	A – option price in individual contracts	Nil alternatives	Option prices are locked in individual contracts
Land - Rail Corridor – specific purpose/use land	56,811	A – market value of adjacent land per square metre	\$0.01 - \$324 per sq metre	Increase / decrease in rates per square metre would increase / decrease the fair value
		B – discount factor on market value of adjacent land to reflect specialised nature of asset	30%	Increase / decrease in discount rate would decrease / increase the fair value
Buildings – specific purpose/use (eg Abt Railway buildings)	3,908	A – labour and materials cost to replace	Highly variable due to location	Increase / decrease in rates per square metre would increase / decrease the fair value
		B – useful life of specialised buildings	20 years	Increase / decrease in discount rate would decrease / increase the fair value
Aerodromes – specific purpose/use	986	A – market value of land	Highly variable due to location	Increase / decrease in rates per square metre would increase / decrease the fair value
		B - labour and materials cost to replace	Highly variable due to location	Increase / decrease in rates per square metre would increase / decrease the fair value
		C – useful life of specialised buildings	20 years	Increase / decrease in discount rate would decrease / increase the fair value
Marine Vessels and equipment – specific purpose/use vessel (Bruny Island Ferry)	4,066	A – Australian Valuation Office valuation based on a depreciated replacement cost methodology	10% - 30%	Increase / decrease in rates per square metre would increase / decrease the fair value
		B – useful life of Ferry	10.7 years	Increase / decrease in discount rate would decrease / increase the fair value
Abt Railway Rolling Stock – specific purpose/use	3,818	A – labour and materials cost to replace	Highly variable due to specialised nature	Increase / decrease in rates per square metre would increase / decrease the fair value
		B – useful life of rolling stock	5 – 30 years	Increase / decrease in discount rate would decrease / increase the fair value
Traffic Signal installations –specific purpose/use	16,089	A – labour costs to replace	\$2,000 to \$39,000 /site	Increase / decrease in rates per square metre would increase / decrease the fair value
		B – materials costs to replace	\$3,000 to \$130,000 /site	Increase / decrease in rates per square metre would increase / decrease the fair value
		C – useful life of installation components	10 – 50 years	Increase / decrease in discount rate would decrease / increase the fair value

(d) Assets where current use is not the highest and best use

The agency holds vacant land that is specifically acquired for future roadworks. Unless there is an explicit Government policy to the contrary, the highest and best use of an asset is the purpose for which that asset is currently being used/occupied. The Department considers that the highest and best use for these assets is vacant land in an active market. The fair value of this vacant land reflects its estimated selling price in the principal market.

12.7 Infrastructure

Roads

(a) Carrying amount

	2015 \$'000	2014 \$'000
At fair value (30 June 2015)	4,992,197	4,991,901
Less: Accumulated depreciation	(2,328,065)	(2,347,050)
Total	2,664,132	2,644,851

The latest revaluation of the Road asset as at 30 June 2013 was completed by The Department's Asset Management Branch on a depreciated replacement cost basis. Replacement cost was calculated using most recent contract cost experience for Tasmanian road construction. Values are indexed annually between revaluations using the ABS Current Road and Bridge Construction Index Number (ABS 6427.0 Table 16). Current replacement cost is depreciated by the proportion of the asset that has been consumed.

(b) Reconciliation of movements

	Notes	2015 Level 3 \$'000	2014 \$'000
Carrying amount at 1 July		2,644,851	2,565,544
Capital improvements		88,827	97,788
Write-off of replaced road assets	11.1	(16,944)	(15,259)
Revaluation increments (decrements)	15.1	4,556	55,899
Depreciation expense		(57,158)	(59,121)
Carrying amount at 30 June		2,664,132	2,644,851

(c) Level 3 significant valuation inputs and relationship to fair value

Description	Fair value at 30 June \$'000	Significant unobservable inputs used in valuation	Possible alternative values for level 3 inputs	Sensitivity of fair value to changes in level 3 inputs
Road Infrastructure	2,664,132	A – labour and materials cost to replace	\$94 to \$171 per sq metre	Increase / decrease in replacement costs would increase / decrease the fair value
		B – useful life of road components	15 years - unlimited	Increase / decrease in useful life would increase / decrease the fair value
		C – annual indexation factor (ABS Current Road and Bridge Construction Index Number (ABS 6427.0 Table 16))	2.8%	Increase / decrease in indexation factor would increase / decrease the fair value

Land Under Roads and within Road Reserves

(a) Carrying amount

	2015 \$'000	2014 \$'000
At fair value(30 June 2014)	160,430	158,122
Total	160,430	158,122

The latest valuation of land under road assets was completed in 2014 calculated on Valuer-General provided average rateable values per hectare or square metre as determined by the Valuer-General from the most recent valuations (at 2014) of land titles adjoining and within a 200 metre corridor of the State road network.

(b) Reconciliation of movements

	Notes	2015 Level 3 \$'000	2014 \$'000
Carrying amount at 1 July		158,122	199,869
Additions		2,308	...
Revaluation increments (decrements)	11.1	...	(41,747)
Carrying amount at 30 June		160,430	158,122

(c) Level 3 significant valuation inputs and relationship to fair value

Description	Fair value at 30 June \$'000	Significant unobservable inputs used in valuation	Possible alternative values for level 3 inputs	Sensitivity of fair value to changes in level 3 inputs
Land under Roads	160,430	A – market value of adjacent land per square metre	\$0.01 - \$193 per sq metre	Increase / decrease in rates per square metre would increase / decrease the fair value
		B – discount factor on market value of adjacent land to reflect specialised nature of asset	30%	Increase / decrease in discount rate would decrease / increase the fair value

Bridges

(a) Carrying amount

	2015 \$'000	2014 \$'000
At fair value(30 June 2015)	1,794,818	1,776,952
Less: Accumulated depreciation	(560,458)	(538,118)
Total	1,234,360	1,238,834

The latest revaluation of the Bridge assets as at 30 June 2012 was completed by the Department's Asset Management Branch on a depreciated replacement cost basis, based on an independent valuation of the seven major Tasmanian bridge structures completed by GHD Pty Ltd as at 30 June 2012. Values are indexed annually between revaluations using the ABS Current Road and Bridge Construction Index Number (ABS 6427.0 Table 16).

(b) Reconciliation of movements

	2015 Level 3 Notes \$'000	2014 \$'000
Carrying amount at 1 July	1,238,834	1,255,592
Capital improvements	2,049	11,677
Write-off of replaced bridges	11.1 (2,664)	(4,408)
Revaluation increments (decrements)	15.1 18,481	(1,370)
Depreciation expense	(22,340)	(22,657)
Carrying amount at 30 June	1,234,360	1,238,834

(c) Level 3 significant valuation inputs and relationship to fair value

Description	Fair value at 30 June \$'000	Significant unobservable inputs used in valuation	Possible alternative values for level 3 inputs	Sensitivity of fair value to changes in level 3 inputs
Bridges	1,234,360	A – labour and materials cost to replace	\$1,589 to \$10,587 per sq metre	Increase / decrease in replacement costs would increase / decrease the fair value
		B – useful life of bridges	25 – 250 years	Increase / decrease in useful life would increase / decrease the fair value
		C – annual indexation factor (ABS Current Road and Bridge Construction Index Number (ABS 6427.0 Table 16)	2.8%	Increase / decrease in indexation factor would increase / decrease the fair value

Abt Railway Infrastructure

(a) Carrying amount

	2015 \$'000	2014 \$'000
At fair value(30 June 2015)	33,169	32,968
Less: Accumulated depreciation	(10,131)	(9,304)
Total	23,038	23,664

The latest revaluation of ABT Railway infrastructure as at 30 June 2012 was completed by the Project Manager on a depreciated replacement cost basis. Replacement cost is based on the estimated current cost to build similar assets, which is depreciated on a straight line basis on the expired proportion of the estimated useful life of the asset.

(b) Reconciliation of movements

	2015 Level 3 \$'000	2014 \$'000
Carrying amount at 1 July	23,664	24,068
Additions	201	414
Depreciation expense	(827)	(818)
Carrying amount at 30 June	23,038	23,664

(c) Level 3 significant valuation inputs and relationship to fair value

Description	Fair value at 30 June \$'000	Significant unobservable inputs used in valuation	Possible alternative values for level 3 inputs	Sensitivity of fair value to changes in level 3 inputs
Abt Railway Infrastructure	23,038	A – labour and materials cost to replace:		Increase / decrease in replacement costs would increase / decrease the fair value
		Rail lines (35.8 Klm)	\$400 - \$500 per metre	
		Other infrastructure	Highly variable due to location	
		B – useful life of infrastructure	40 years	Increase / decrease in useful life would increase / decrease the fair value
Total Infrastructure				4,081,960 4,065,471

12.8 Intangibles

(a) Carrying amount

	2015 \$'000	2014 \$'000
Intangibles with a finite useful life (at cost)		
Motor Registry System	17,504	17,504
Other software systems	2,822	1,831
Less: Accumulated amortisation	(14,693)	(11,818)
Total	5,633	7,517
Work in progress (at cost)		
Work-in-progress (in-house software development)	...	60
Total	...	60
Total intangibles	5,633	7,577

(b) Reconciliation of movements

	2015 \$'000	2014 \$'000
Carrying amount at 1 July	7,577	9,517
Additions – internal development	...	60
Net additions through administrative restructure	239	...
Amortisation expense	(2,183)	(2,000)
Carrying amount at 30 June	5,633	7,577

The above listed Intangible assets are all in-house developed specialised computer software systems. Work in progress represents computer software undergoing internal development that has not yet been released into production.

12.9 Other assets

(a) Carrying amount

	2015 \$'000	2014 \$'000
Prepayments	1,731	646
Total	1,731	646
Recovered within 12 months	1,731	646
Recovered in more than 12 months	...	...
Total	1,731	646

(b) Reconciliation of movements

	2015 \$'000	2014 \$'000
Carrying amount at 1 July	646	1,164
Additions	1,731	646
Settled/consumed	(646)	(1,164)
Carrying amount at 30 June	1,731	646

Note 13: Liabilities

13.1 Payables

	2015 \$'000	2014 \$'000
Creditors	6,729	3,708
Accrued expenses	1,448	1,255
Total	8,177	4,963
Settled within 12 months	8,177	4,963
Settled in more than 12 months	...	...
Total	8,177	4,963

Settlement is usually made within 30 days.

13.2 Interest bearing liabilities

(a) Carrying amount

	2015 \$'000	2014 \$'000
Loans from the State Government	5,640	...
Loans from the Australian Government	19,873	...
Loans from Tascorp	15,000	...
Total	40,513	...

(b) Maturity schedule

	2015 \$'000	2014 \$'000
One year or less	470	...
From one to five years	40,043	...
Total	40,513	...

During 2012-13 under the *State Advances Act 1935* and *Tasmanian Development Act 1983* a non-repayable loan of \$7.895 million was renegotiated with the Department of Treasury and Finance to an interest-free loan of \$7.050 million repayable in full over 15 years. In addition a cost of \$419,000 was incurred as a result of making a partial repayment off an existing long-term borrowing with Tascorp.

During July 2014, the Department repaid \$9.478 million of its \$15.0 million borrowing with the Australian Government relating to unused Farm Finance Loan Scheme round one funding. However, under the same agreement, the Department will receive round two funding from the Australian Government in the form of an additional \$15.0 million borrowing.

13.3 Employee benefits

	2015 \$'000	2014 \$'000
Accrued salaries	2,476	1,422
Annual leave	5,433	3,658
Long service leave	12,922	7,490
Provision for termination payments	823	...
Total	21,654	12,570
Expected to settle within 12 months	10,346	10,412
Expected to settle in more than 12 months	11,308	2,158
Total	21,654	12,570

13.4 Provisions

(a) Carrying amount

	2015 \$'000	2014 \$'000
Compulsory acquisition of land for roadworks	3,944	1,848
Operating lease make-good provisions	588	...
Total	4,532	1,848
Settled within 12 months	3,404	932
Settled in more than 12 months	1,128	916
Total	4,532	1,848

(b) Reconciliation of movements in provisions

	Provisions for acquisition of land		Operating lease make-good provisions		Total Provisions	
	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July	1,848	6,679	...	...	1,848	6,679
Additions/increases	2,757	624	19	...	2,776	624
Charges against provision	(661)	(5,455)	...	...	(661)	(5,455)
Reversals	...	...	...	...	...	...
Changes in discounting	...	...	20	...	20	...
Net increase through administrative restructure	...	...	549	...	549	...
Balance at 30 June	3,944	1,848	588	...	4,532	1,848

13.5 Other liabilities

	2015 \$'000	2014 \$'000
Revenue received in advance		
Appropriation carried forward from current and previous years under section 8A of the <i>Public Account Act 1986</i>	11,024	9,171
Other revenue received in advance	10	38
Other liabilities		
Monies held in trust	7,201	7,916
Suspense accounts	219	(83)
Employee benefits – on costs	145	
Total	18,599	17,042
Settled within 12 months	18,573	17,042
Settled in more than 12 months	26	...
Total	18,599	17,042

Monies held in Trust are primarily Mines Deposit Accounts (\$5.9M), which are held by the Department in trust as mine rehabilitation bonds.

Note 14: Commitments and Contingencies

14.1 Schedule of Commitments

	2015 \$'000	2014 \$'000
By type		
<i>Capital commitments</i>		
Infrastructure – National Roads	93,295	110,747
Infrastructure – State Roads	9,408	21,815
Other	...	17
Total capital commitments	102,703	132,579
<i>Lease Commitments</i>		
Operating leases	33,228	4,936
Total lease commitments	33,228	4,936
<i>Other commitments</i>		
Loan commitments	18,081	...
Program/project commitments	113,609	...
Total other commitments	131,690	...
By maturity		
<i>Capital commitments</i>		
One year or less	48,289	48,454
From one to five years	54,414	65,683
More than five years	...	18,442
Total capital commitments	102,703	132,579
<i>Operating lease commitments</i>		
One year or less	2,876	1,726
From one to five years	14,468	1,958
More than five years	15,884	1,252
Total operating lease commitments	33,228	4,936
<i>Other commitments</i>		
One year or less	92,380	...
From one to five years	36,995	...
More than five years	2,315	...
Total other commitments	131,690	...
Total	267,621	137,515

NB: Commitments are shown as GST exclusive.

Capital commitments are predominantly associated with maintenance and development of State and National road and bridge infrastructure. State Roads infrastructure commitments will be funded by capital appropriations by the State Government, together with funds provided and held over from prior years. Funding of commitments for National Roads is provided by the Australian Government through the Nation Building, Strategic Regional and Blackspots programs.

The majority of the Department's leases are represented by land and building rental costs and motor vehicles leased through the government's fleet manager. The rentals on leased premises generally contain renewal options that extend the lease to match the current lease periods. These range from 2 to 14 years. The total lease commitment excludes local government and other executory costs where they are paid directly to a party other than the lessor. These costs are included elsewhere in the Department's expenditures.

The minimum lease payment for vehicles is based on the average age of the vehicle fleet and a standard lease period of 30 months.

Loans commitments are loans approved but not drawn down by clients as at 30 June.

The program / project commitments shows amounts approved to clients payable over a period of one year or greater on which the actual amount payable is dependent upon expenditure being incurred and certain conditions being met by these clients and a claim submitted and approved for payment. The estimated commitment as at 30 June has been included in these cases.

14.2 Contingent Assets and Liabilities

Contingent assets and liabilities are not recognised in the Statement of Financial Position due to uncertainty regarding any possible amount or timing of any possible underlying claim or obligation.

(a) Quantifiable contingencies

A quantifiable contingent asset is any possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A quantifiable contingent liability is any possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or any present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. To the extent that any quantifiable contingencies are insured, details provided below are recorded net.

	2015 \$'000	2014 \$'000
Quantifiable Contingent Assets		
The Abt Railway Surrender and Transition Deed provides for the purchase of certain items of plant and equipment to be completed within two years at written down value, currently estimated at:	...	2,011
Total	...	2,011
Quantifiable Contingent Liabilities		
The Abt Railway Surrender and Transition Deed provides for the settlement of the purchase of certain items of plant and equipment to be completed within two years at written down value, currently estimated at:	...	2,011
Loan Guarantee:		
Liability in respect of a guarantee given to Export Finance and Insurance Corporation in 2014-15 for a value of €13 million (EUROS) to support further loan funding being provided to Adriatic Fast Ferries Ltd, (an associated entity within the Incat Group of companies), under its existing loan facility agreement. Ultimately, the provision of the guarantee will support the retention of jobs at the Hobart shipyard while further contracts for ferry construction are being negotiated. Conversion factor of 1.44 was used.	18,720	...
Asbestos removal from traffic signal sites:		
This involves the identification and removal of any asbestos from approximately 890 traffic signal sites, predominantly pits, associated with traffic signals. The nature and location of the individual traffic signal sites will have a significant impact on the cost of any remediation with the cost range from a few hundred dollars per site to more than \$10,000 for some complex sites. The extent of work on each site will be based on individual assessment which creates significant uncertainty about the final cost.	3,500	3,500
Total quantifiable contingent liabilities	22,220	5,511

(b) Unquantifiable Contingencies

The Department has not identified any unquantifiable contingent assets as at 30 June 2015.

At 30 June 2015 the Department had a number of legal claims against it for:

- » A dispute over the ownership of a strip of foreshore land at Tinderbox valued by TDR at \$50,000;
- » compensation in relation to the acquisition of property for road construction; and
- » personal injury or damage allegedly caused by the actions or inactions of the Department.

It is not possible at the reporting date to accurately estimate the amounts of any eventual payments that may be required in relation to these claims.

Note 15: Reserves

15.1 Reserves

2014	Vacant Land \$'000	Land under Buildings \$'000	Rail corridor land \$'000	Aero-dromes \$'000	Plant and Equipment \$'000	Traffic Signals \$'000	Road Infrastructure \$'000	Bridges \$'000	Other Infrastructure \$'000	Artwork \$'000	Heritage and Cultural assets \$'000	Total \$'000
Asset revaluation reserve	6,441	3,736	6,361	710	4,127	7,156	1,086,321	421,579	6,415	...	...	1,546,189
Balance at 1 July	6,441	3,736	6,361	710	4,127	7,156	1,086,321	421,579	6,415	...	...	1,546,189
Net movement through restructuring	8,502	...	...	...	...	...	...	...	...	17	26,958	48,988
Revaluation increments/ (decrements)	(5,494)	740	18	...	...	...	4,556	18,481	...	...	10,692	21,224
Impairment losses	...	...	...	...	...	...	...	...	...	...	...	...
Reversals of impairment losses	...	...	...	...	...	...	...	...	...	...	...	...
Balance at 30 June	9,449	4,476	6,379	710	4,127	7,156	1,090,877	440,060	6,415	17	37,650	1,616,401
2015												
Asset revaluation reserve	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July	6,595	3,651	17,234	710	4,127	7,156	1,030,422	422,949	6,415	...	...	1,502,538
Revaluation increments/ (decrements)	(154)	85	(10,873)	64	...	...	55,899	(1,370)	...	...	...	43,651
Impairment losses	...	...	...	...	...	...	...	...	...	...	...	...
Reversals of impairment losses	...	...	...	...	...	...	...	...	...	...	...	...
Balance at 30 June	6,441	3,736	6,361	710	4,127	7,156	1,086,321	421,579	6,415	...	...	1,546,189

(a) Nature and purpose of reserves

The Asset revaluation reserve is used to record increments and decrements on the revaluation of non-financial assets, as described in Note 2.12(g)(iv).

15.2 Administrative Restructuring

As a result of an administrative order, the former Department of Infrastructure, Energy and Resources changed its name to Department of State Growth effective on 1 July 2014. The administrative order also amalgamates the Department of Economic Development, Tourism and the Arts (DEDTA) with the Department of State Growth. A further administrative order enacted the following departmental restructure, also effective on 1 July 2014:

- » The part of the Department of State Growth known as Sport and Recreation Tasmania was amalgamated with the Department of Premier and Cabinet,
- » The part of the Department of State Growth known as Tourism Tasmania was amalgamated with the State authority established as Tourism Tasmania,
- » The part of the Department of Education known as Skills Tasmania was amalgamated with the Department of State Growth.

In respect of activities assumed, the net book values of assets and liabilities transferred to the Department from DEDTA for no consideration and recognised as at the date of transfer were:

	2015 \$'000	2014 \$'000
Net assets assumed on restructure		
Cash and deposits	29,265	...
Receivables	1,212	...
Other financial assets	34,465	...
Property, plant and equipment	90,630	...
Heritage and cultural assets	389,676	...
Intangibles	951	...
Other assets	2,292	...
Total assets recognised	548,491	...
Payables	2,222	...
Employee benefits	8,756	...
Interest bearing liabilities	36,110	...
Provisions	1,842	...
Other liabilities	3,923	...
Total liabilities recognised	52,853	...
Net assets (liabilities) assumed on restructure	495,638	...
Comprising of:		
Contributed equity	441,606	...
Reserves:		
Land	9,329	...
Buildings	17,722	...
Artwork	23	...
Heritage and cultural assets	26,958	...
Total equity assumed	495,638	...

In respect of activities assumed, the net book values of assets and liabilities transferred to the Department from Department of Education for no consideration and recognised as at the date of transfer were:

	2015 \$'000	2014 \$'000
Net assets assumed on restructure		
Cash and deposits	1,393	...
Property, plant and equipment	25	...
Total assets recognised	1,418	...
Employee benefits	1,125	...
Total liabilities recognised	1,125	...
Net assets (liabilities) assumed on restructure	293	...
Comprising of contributed equity	293	...

In respect of activities relinquished, the Department transferred the following assets and liabilities to the Department of Premier and Cabinet:

	2015 \$'000	2014 \$'000
Net assets relinquished on restructure		
Cash and deposits	1,791	...
Receivables	50	...
Property, plant and equipment	30,039	...
Other assets	64	...
Total assets relinquished	31,944	...
Payables	727	...
Provisions	19	...
Employee benefits	981	...
Other liabilities	59	...
Total liabilities relinquished	1,786	...
Net assets (liabilities) relinquished on restructure	30,158	...
Comprising of:		
Contributed equity	25,114	...
Reserves:		
Artwork	6	...
Land	827	...
Buildings	4,211	...
Total equity relinquished	30,158	...

In respect of activities relinquished, the Department transferred the following assets and liabilities to Tourism Tasmania:

	2015 \$'000	2014 \$'000
Net assets relinquished on restructure		
Cash and deposits	16	...
Receivables	108	...
Leasehold improvements	234	...
Intangibles	711	...
Other assets	541	...
Total assets relinquished	1,610	...
Payables	60	...
Provisions	340	...
Employee benefits	1,165	...
Other liabilities	5	...
Total liabilities relinquished	1,570	...
Net assets (liabilities) relinquished on restructure	40	...
Comprising of contributed equity	40	
Net contribution by the Government as owner during the period through restructuring, (including reserves \$48,988)	465,734	...

Expense and income items of the activities transferred to Department of Premier and Cabinet and Tourism Tasmania, during the reporting period were as follows. These expense and income items are included in the transferee Department's Statement of Comprehensive Income:

	2015 \$'000	2014 \$'000
Revenues		
Recognised by Tourism Tasmania	25,006	...
Recognised by the Department of Premier and Cabinet	33,641	...
Total revenues	58,647	...
Expenses		
Recognised by Tourism Tasmania	25,196	...
Recognised by the Department of Premier and Cabinet	32,750	...
Total expenses	57,946	...

Prior year comparatives have not been adjusted or realigned to reflect the restructure.

Note 16: Cash Flow Reconciliation

16.1 Cash and deposits

Cash and deposits includes the balance of the Special Deposits and Trust Fund Accounts held by the Department, and other cash held, excluding those accounts which are administered or held in a trustee capacity or agency arrangement.

	2015 \$'000	2014 \$'000
Special Deposits and Trust Fund balance:		
T466 Mines deposit account	5,804	5,894
T524 State Growth Operating account	56,213	24,560
T636 Princes Wharf No 1 management account	62	...
T661 Traffic Management operating account	44	18
T790 Government Guarantees Reserve account	774	...
T796 Abt Railway account	880	2,320
T801 Taxi Industry administration account	253	200
T941 Fire Relief account	1	...
T797 Intelligent Island Project account	162	...
Total	64,192	32,992
Other cash held:		
Commonwealth Bank account – Queenstown (Abt Railway)	2,268	182
Petty cash	12	5
Total	2,280	187
Total cash and deposits	66,472	33,179

16.2 Reconciliation of Net Result to Net Cash from Operating Activities

	2015 \$'000	2014 \$'000
Net result from transactions	16,035	74,501
Depreciation and amortisation	85,731	86,967
Decrease (increase) in Receivables	1,029	(526)
Decrease (increase) in other financial assets	5,337	(6,447)
Increase (decrease) in Employee entitlements	328	409
Increase (decrease) in Payables	992	328
Increase (decrease) in Other liabilities	(3,139)	(2,944)
Less: contributions received	(250)	...
Less: non-operational capital funding – recurrent appropriation	(1,633)	(5,449)
Less: non-operational capital funding - works & services appropriation	(59,642)	(75,949)
Less: non-operational capital funding – Australian Government grants	(30,472)	(58,405)
Net cash from (used by) operating activities	14,316	12,485

16.3 Acquittal of Capital Investment and Special Capital Investment Funds

The Department received Works and Services Appropriation funding and revenues from Special Capital Investment Funds to fund specific projects.

Cash outflows relating to these projects are listed below by category.

Budget information refers to original estimates and has not been subject to audit.

(a) Project expenditure

	2015 Budget \$'000	2015 Actual \$'000	2014 Actual \$'000
Capital Investment Program			
National Highway System			
Infrastructure Development - Continuing Projects	125	943	5,821
Infrastructure Maintenance	7,300	8,220	8,288
Road Safety and Traffic Management Works	1,600	1,477	2,600
Brighton Bypass	...	...	(1,236)
Port Sorell Main Road	...	88	598
North East Freight Roads	5,000	5,693	20,572
Illawarra Main Road	...	...	122
Brooker Highway – Elwick, Goodwood, Howards Roads	5,900	1,600	...
Domain Highway planning	1,500	...	...
Huon Highway/Summerleas Road	2,000	...	...
Midland Highway	30,000	17,038	...
Tasman Ramps	10,000	979	...
NBESP Heavy Vehicle Routes	...	...	2,192
Contingency fund – Australian Government	300	...	...
State Funded Projects			
Infrastructure Development - Continuing Projects	...	4,361	5,315
Midland Highway	2,000	1,981	...
Brighton Bypass	...	29	(2)
Bruny Island road sealing	...	...	49
Bruny Island Main Road	200	64	...
Illawarra Main Road	...	...	(109)
North East Freight Roads	2,196	2,736	3,600
Kingston Bypass	...	...	59
Heavy Vehicle Safety and productivity	1,400	...	806
Rokeby Main Road	6,748	3,510	6,979
South Arm Highway/Rokeby Main Road	6,000	8,824	...
Huon Highway upgrade	2,461	1,232	3,599
Huon Highway upgrade - Glendevie	200	60	...
Ferry Road Kettering	300	825	3,686
Mudwalls Road	...	...	237
Richmond Link Road	2,666	1,403	2,784
Esk Main Road	500	173	153
Lakes Secondary Road	100	45	1
Arthur Highway upgrade	4,291	4,135	6,231
Bass Highway/Stanley Highway Junction	...	249	1,205
Tasman Highway Scottsdale to Launceston	550	874	53
Tasman Highway, St Helen's Point Road	1,350	...	...

	2015 Budget \$'000	2015 Actual \$'000	2014 Actual \$'000
West Tamar Highway Bradys Lookout	...	162	2,716
Westbury Road Traffic Management	500	...	...
Murchison Highway Upgrade	4,346	5,501	7,454
Murchison Highway (Roads for our future)	1,000	1,435	...
Bell Bay Intermodal Terminal	...	85	3,620
Bell Bay Main Road port access	...	16	555
Port Sorell Main Road	...	263	1,337
Tarkine Drive	6,000	3,688	12,707
Bridge renewal program	1,300	...	...
Hadspen Bridge walkway	100	...	...
West Coast Roads, Strahan	4,949	...	...
Infrastructure Maintenance	58,692	56,644	42,004
Road Safety and Traffic Management	8,210	11,983	11,450
Environmental Management	530	556	266
Program Management	2,280	4,053	4,701
Asset Management	5,175	2,464	6,840
Strategic Policy and Planning	2,731	2,906	2,800
Forward Planning	1,125	...	...
Total	191,625	156,295	170,053
<i>Urban Renewal and Heritage Fund</i>			
Smithton Wharf	...	...	180
Total	...	...	180
Total cash outflows	191,625	156,295	170,233

(b) Classification of cash flows

The project expenditure above is reflected in the Statement of Cash Flows as follows.

	2015 \$'000	2014 \$'000
Cash outflows		
Other cash payments		
Maintenance	54,246	44,536
Other (overheads, management, systems)	9,979	14,341
Payments for acquisition of assets	92,070	111,356
Total cash outflows	156,295	170,233

Note 17: Financial Instruments

17.1 Risk exposures

(a) Risk management policies

The Department has exposure to the following risks from its use of financial instruments:

- » credit risk;
- » liquidity risk; and
- » market risk.

The Head of Agency has overall responsibility for the establishment and oversight of the Department's risk management framework. Risk management policies are established to identify and analyse risks faced by the Department, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

The Department does not hold any derivative financial instruments.

(b) Credit risk exposures

Credit risk is the risk of financial loss to the Department if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Financial Instrument	Accounting and strategic policies (including recognition criteria and measurement basis and credit quality of instrument)	Nature of underlying instrument (including significant terms and conditions affecting the amount. Timing and certainty of cash flows)
Financial Assets		
Receivables (including Tax assets)	Recognised upon the provision of a good or service and the issuance of an invoice or claim eg BAS, measured at face value	Payment terms generally 30 days. Collectability of receivables is reviewed at balance date and a provision for impairment raised when collection of a debt is judged to be doubtful.
Cash and deposits	Recognised upon receipt of cash, measured at face value	At call
Loan advances	Loan advances are held to maturity and are measured at amortised cost subsequent to initial recognition. Impairment of Loan advances are reviewed on an ongoing basis.	Loan advances include financial assistance provided by the government to the private sector in the form of loans.
Other financial assets (eg accrued revenue)	Recognised upon the accrual of the future benefit, measured at face value	Majority of accrued revenues are settled within 6 months

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Department's maximum exposure to credit risk. The Department is not exposed to credit risk of any significance.

The following tables analyse financial assets that are past due but not impaired:

Analysis of financial assets that are past due at 30 June 2015 but not impaired					
	Past due 31 to 60 days \$'000	Past due 61 to 90 days \$'000	Past due over 90 days \$'000	Total \$'000	
Receivables	67	83	395	545	
Loan advances	3	4	59	66	

Analysis of financial assets that are past due at 30 June 2014 but not impaired					
	Past due 31 to 60 days \$'000	Past due 61 to 90 days \$'000	Past due over 90 days \$'000	Total \$'000	
Receivables	68	10	347	425	
Loan advances	...	...	...	...

(c) Liquidity risk

Liquidity risk is the risk that the Department will not be able to meet its financial obligations as they fall due. The Department's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

Financial Instrument	Accounting and strategic policies (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms and conditions affecting the amount. Timing and certainty of cash flows)
Financial Liabilities		
Payables	Recognised upon the receipt of a good or service that has not been paid for, measured at face value	Settled within 30 days
Interest bearing liabilities	Bank loans and other loans are initially measured at fair value, net of transaction costs. These loans are subsequently measured at amortised cost using the effective interest rate method, with interest expense recognised on an effective yield basis. The Department regularly reviews its contractual outflows to ensure that there is sufficient cash available to meet contracted payments.	Contractual payments made on a regular basis.
Monies held in Trust	Recognised upon receipt of monies, measured at face value	At call
Revenue received in advance	Recognised upon receipt of monies, measured at face value	Expended by 30 September of the following year in terms of section 8A of the <i>Public Account Act 1986</i>

The Department is not exposed to liquidity risk of any significance. Appropriation funding is provided to the Department from State Treasury as funds are spent by the Department, provided the Department does not exceed its budget. The following tables detail the undiscounted cash flows payable by the Department by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted, totals may not reconcile to the carrying amounts presented in the Statement of Financial Position:

2015

Maturity analysis for financial liabilities:								
	1 Year	2 Years	3 Years	4 Years	5 Years	More than 5 Years	Undiscounted Total	Carrying Amount
Financial liabilities								
Payables	8,177	...	...	...	...	...	8,177	8,177
Interest bearing liabilities	470	...	...	...	...	40,043	40,513	40,513
Monies held in Trust	7,201	...	...	...	...	...	7,201	7,201
Total	15,848	...	...	...	...	40,043	55,891	55,891

2014

Maturity analysis for financial liabilities:								
	1 Year	2 Years	3 Years	4 Years	5 Years	More than 5 Years	Undiscounted Total	Carrying Amount
Financial liabilities								
Payables	4,963	...	...	...	...	...	4,963	4,963
Interest bearing liabilities	...	...	...	...	...	...	...	...
Monies held in Trust	7,916	...	...	...	...	...	7,916	7,916
Total	12,879	...	...	...	...	...	12,879	12,879

(d) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The primary market risk that the Department is exposed to is interest rate risk.

At the reporting date, the interest rate profile of the Department's interest bearing financial instruments was:

	2015 \$'000	2014 \$'000
Fixed rate instruments		
Financial assets	...	...
Financial liabilities	(15,000)	...
Total	(15,000)	...
Variable rate instruments		
Financial assets	50,719	...
Financial liabilities	(331)	(827)
Total	50,388	(827)

Changes in variable rates of 100 basis points at reporting date would have the following effect on the Department's profit or loss and equity:

Sensitivity Analysis of Department's Exposure to Possible Changes in Interest Rates:

	Statement of Comprehensive Income		Equity	
	100 basis points increase \$'000	100 basis points decrease \$'000	100 basis points increase	100 basis points decrease
30 June 2015				
Cash and deposits	108	(108)	...	...
Loan advances	399	(399)	...	...
Monies held in Trust	(3)	3	...	...
Interest bearing facilities	...	...	...	...
Net sensitivity	504	(504)	...	...
30 June 2014				
Cash in Special Deposits and Trust Fund	...	...	...	...
Loan advances	...	...	...	...
Monies held in Trust	(8)	8	...	...
Interest bearing facilities	...	...	...	...
Net sensitivity	(8)	8	...	...

This analysis assumes all other variables remain constant. The analysis was performed on the same basis for 2014.

17.2 Categories of Financial Assets and Liabilities

	2015 \$'000	2014 \$'000
Financial assets		
Cash and deposits	66,472	33,179
Loans and receivables	43,682	10,360
Total	110,154	43,539
Financial Liabilities		
Financial liabilities measured at amortised cost	55,891	14,727
Total	55,891	14,727

There has been no change, during the period and cumulatively, in the fair value of any receivables or financial liabilities that is attributable to changes in the credit risk of that asset or liability.

17.3 Reclassifications of Financial Assets

The Department has not reclassified any financial assets.

17.4 Derecognition of Financial Assets

The Department has not transferred financial assets in such a way that part or all of the financial assets do not qualify for derecognition.

17.5 Comparison between Carrying Amount and Net Fair Value of Financial Assets and Liabilities

	Carrying Amount 2015 \$'000	Net Fair Value 2015 \$'000	Carrying Amount 2014 \$'000	Net Fair Value 2014 \$'000
Financial assets				
Cash at bank	2,268	2,268	187	187
Cash in Special Deposits and Trust Fund	64,192	64,192	32,992	32,992
Receivables	3,734	3,734	10,360	10,360
Loan advances	39,948	39,948	...	...
Other financial assets:				
Equity investments	...	...	...	...
Total financial assets	110,142	110,142	43,539	43,539
Financial liabilities				
Trade creditors	8,177	8,177	4,963	4,963
Interest bearing facilities	40,513	40,513	...	...
Other financial liabilities:				
Monies held in Trust	7,201	7,201	7,916	7,916
Total financial liabilities	55,891	55,891	12,879	12,879

17.6 Net Fair Values of Financial Assets and Liabilities

2015

	Net Fair Value Level 1 \$'000	Net Fair Value Level 2 \$'000	Net Fair Value Level 3 \$'000	Net Fair Value Total \$'000
Financial assets				
Cash at bank	...	2,268	...	2,268
Cash in Special Deposits and Trust Fund	...	64,192	...	64,192
Receivables	3,734	3,734
Loan advances	39,948	39,948
Other financial assets:				
Equity investments
Total financial assets	...	66,460	43,682	110,142
Financial liabilities				
Trade creditors	8,177	8,177
Interest bearing facilities	40,513	40,513
Other financial liabilities:				
Monies held in Trust	7,201	7,201
Total financial liabilities	55,891	55,891

2014

	Net Fair Value Level 1 \$'000	Net Fair Value Level 2 \$'000	Net Fair Value Level 3 \$'000	Net Fair Value Total \$'000
Financial assets				
Cash at bank	...	187	...	187
Cash in Special Deposits and Trust Fund	...	32,992	...	32,992
Receivables	10,360	10,360
Loan advances
Other financial assets:				
Equity investments
Total financial assets	...	33,179	10,360	43,539
Financial liabilities				
Trade creditors	4,963	4,963
Interest bearing facilities
Other financial liabilities:				
Monies held in Trust	...	7,916	...	7,916
Total financial liabilities	...	7,916	4,963	12,879

The recognised fair values of financial assets and financial liabilities are classified according to the fair value hierarchy that reflects the significance of the inputs used in making these measurements. The Department uses various methods in estimating the fair value of a financial instrument. The methods comprise:

Level 1 – the fair value is calculated using quoted prices in active markets;

Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The Department uses various methods in estimating the fair value of a financial instrument. The methods comprise:

Financial Assets

The net fair values of cash and non-interest bearing monetary financial assets approximate their carrying amounts.

The net fair values of receivables are based on the nominal amounts due less any provision for impairment.

The net fair values of other financial assets approximate their carrying amounts.

Financial Liabilities

The net fair values for trade creditors and other financial liabilities are approximated by their carrying amounts.

Note 18: Details of Consolidated Entities

18.1 List of Entities

The following entities have been consolidated by the Department:

Entity	Ownership Interest	Proportion of Ownership Interest
Tasmania Development and Resources	State of Tasmania	100%
The Tasmanian Museum and Art Gallery	State of Tasmania	100%
Abt Railway Ministerial Corporation	State of Tasmania	100%
Forest Practices Authority (consolidated within the Administered Financial Statements)	State of Tasmania	100%

Note 19: Notes to Administered Statements

19.1 Explanations of Material Variances between Budget and Actual Outcomes

The following are brief explanations of material variances between budget estimates and actual outcomes. Variances are considered material where the variance exceeds the greater of 10 per cent of budget estimate and \$500,000.

(a) Schedule of Administered Income and Expenses

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Grants revenue	(i)	235	10,545	10,310	4387%
Sales of goods and services	(ii)	6,197	4,710	(1,487)	(24%)
Other revenue	(iii)	26,707	23,059	(3,648)	(14%)
Employee benefits	(iv)	983	1,534	(551)	(56%)
Supplies and consumables	(v)	714	1,752	(1,038)	(145%)

Notes to Schedule of Administered Income and Expenses variances

- (i) Variance is predominantly Australian Government funding receipts for the Forest Contractors financial support program.
- (ii) Original budget subsequently revised down to \$4.9M (-\$1.2M), with actual result marginally below revised budget.
- (iii) Mineral Royalties \$3.6M under budget due to tightening commodities markets and diminishing mining profits.
- (iv) Difference reflects the budget exclusion of Forest Practices Authority salaries funded from revenues (ie salaries budget only includes salaries funded from the consolidated fund).
- (v) Budget treats the revenue/production cost of custom number plates and other costs incurred in the collection of administered revenues on a net basis, therefore no budget for these expenditures is provided, however Australian Accounting Standards do not allow for the aggregation of revenues and expenditures (+\$0.3M). Unanticipated expenses in the introduction of Cabcharge system for taxi subsidies (\$0.3M) and the procurement of Speciality Timber Management plans (\$0.4M).

(b) Schedule of Administered Assets and Liabilities

	Note	Budget \$'000	2015 Actual \$'000	2014 Actual \$'000	Budget Variance \$'000	Actual Variance \$'000
Other liabilities	(i)	1,530	944	1,537	586	593

Notes to Schedule of Administered Assets and Liabilities Variances

- (i) Represents monies collected on behalf of third parties (eg MAIB, Fire Levy, Stamp Duty) but unremitted over the end of year, and held in trust. Greater proportion remitted as at 30 June 2015, hence lower holding than past years. Refer note 20.

(c) Schedule of Administered Cash Flows

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Grants revenue	(i)	235	10,850	10,615	4517%
Sales of goods and services	(ii)	6,197	4,708	(1,489)	(24%)
Other cash receipts	(iii)	26,707	23,053	(3,654)	(14%)
Employee benefits	(iv)	(968)	(1,536)	(568)	(59%)
Other cash payments	(v)	(718)	(1,797)	(1,079)	(150%)

Notes to Schedule of Administered Cash Flow variances

- (i) Variance is predominantly Australian Government funding receipts for the Forest Contractors financial support program.
- (ii) Original budget subsequently revised down to \$4.9M (-\$1.2M), with actual result marginally below revised budget.
- (iii) Mineral Royalties \$3.6M under budget due to tightening commodities markets and diminishing mining profits.
- (iv) Difference reflects the budget exclusion of Forest Practices Authority salaries funded from revenues (ie salaries budget only includes salaries funded from the consolidated fund).
- (v) Budget treats the revenue/production cost of custom number plates and other costs incurred in the collection of administered revenues on a net basis, therefore no budget for these expenditures is provided, however Australian Accounting Standards do not allow for the aggregation of revenues and expenditures (+\$0.3M). Unanticipated expenses in the introduction of Cabcharge system for taxi subsidies (\$0.3M) and the procurement of Speciality Timber Management plans (\$0.4M).

19.2 Administered revenue from Government

Administered revenue from Government includes revenue from appropriations, appropriations carried forward under section 8A(2) of the Public Account Act 1986 and Items Reserved by Law.

The Budget information is based on original estimates and has not been subject to audit.

	2015 Budget \$'000	2015 Actual \$'000	2014 Actual \$'000
Continuing operations			
Appropriation revenue - recurrent			
Current year	90,251	82,229	82,305
Total	90,251	82,229	82,305

19.3 Administered Grants

	2015 \$'000	2014 \$'000
Tasmanian Forestry Agreement	9,141	34,014
Grants from other Government Department	1,388	5,377
Industry contributions	16	...
Total	10,545	39,391

19.4 Administered State taxation

	2015	2014
	\$'000	\$'000
Vehicle Registration Fees	38,168	36,390
Total	38,168	36,390

19.5 Administered Sales of goods and services

	2015	2014
	\$'000	\$'000
Goods		
Mineral Land Rentals	947	986
Custom Plates	650	712
Services		
MAIB Commission	2,267	2,193
Registration and Licensing	152	171
Forest Practice Plan fees	491	613
Forest Practice consulting fees	103	301
Other	100	50
Total	4,710	5,026

19.6 Administered Fees and fines

	2015	2014
	\$'000	\$'000
Regulatory Fees		
Public Vehicle Licensing	1,655	457
Fees from Mineral Lands	1,025	1,083
Driver Licensing	8,271	8,654
Fines		
Weighbridge	3	3
Other	5	13
Total	10,959	10,210

19.7 Administered other revenue

	2015	2014
	\$'000	\$'000
Mineral Royalties	22,972	32,040
Other	87	30
Total	23,059	32,070

Revenue from Mineral Royalties is recognised on receipt based on self-assessment by mining companies. The royalties are calculated and paid based on mined volumes each quarter and supported by spot audits by Mineral Resources Tasmania staff. Due to inherent difficulties of accounting for this revenue on an accrual basis, mineral royalties' revenue is accounted for on a cash basis.

19.8 Administered Employee benefits

	2015	2014
	\$'000	\$'000
Wages and salaries	1,292	1,188
Long service leave	65	33
Superannuation	169	150
Fringe Benefits Tax	8	8
Total	1,534	1,379

Superannuation expenses relating to defined benefits schemes relate to payments into the Superannuation Provision Account held centrally and recognised within the Finance General Division of the Department of Treasury and Finance. The amount of the payment is based on an employer contribution rate determined by the Treasurer, on the advice of the State Actuary. The current employer contribution is 12.5 per cent of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to the superannuation funds at a rate of 9.25 per cent (2014: 9.0 per cent) of salary. In addition, departments are also required to pay into the SPA a "gap" payment equivalent to 3.5 per cent of salary in respect of employees who are members of the contribution scheme.

19.9 Administered Depreciation and amortisation

(a) Depreciation

	2015	2014
	\$'000	\$'000
Plant and equipment	5	5
Total	5	5

(b) Amortisation

	2015	2014
	\$'000	\$'000
Intangibles	...	3
Total	...	3
Total depreciation and amortisation	5	8

19.10 Administered Supplies and consumables

	2015	2014
	\$'000	\$'000
Consultants	513	528
Property services	30	42
Maintenance	21	36
Communications	13	18
Information technology	54	94
Travel and transport	55	59
Advertising and promotion	18	14
Operating Lease costs	103	125
Contractor payments	362	281
Personalised number plate production costs	407	474
Audit fees – financial audit	3	3
Other supplies and consumables	173	149
Total	1,752	1,823

19.11 Administered Grants and subsidies

	2015	2014
	\$'000	\$'000
Grants		
National Road Transport Commission: Local Government Contribution	1,500	1,500
Tasmanian Racing Assistance	29,296	29,318
Private Forests Tasmania	1,473	1,432
Forest Practices Authority	1,388	1,514
Contribution to Marine and Safety Tasmania	1,004	4,443
Tasmanian Railway Pty Ltd	16,834	16,569
Abt Railway	5,409	8,188
Forest Contractors financial support program	7,981	35,411
Government contribution to the Tasmanian Symphony Orchestra	1,519	...
Tasmanian Icon program – Tasmanian Symphony Orchestra	500	...
Ten Days on the Island	1,304	...
Theatre Royal	178	...
Total Grants	68,386	98,375
Subsidies		
Student-Only Passenger Services	15,449	15,524
Conveyance Allowances	1,460	1,635
Pensioner Air Travel Subsidy	10	11
Transport Access Scheme	4,927	4,580
Total Subsidies	21,846	21,750
Total	90,232	120,125

19.12 Administered Other expenses

	2015	2014
	\$'000	\$'000
Workers Compensation	5	3
Bad debts written off	22	14
Miscellaneous expenses	6	6
Total	33	23

19.13 Administered Net gain/(loss) on financial instruments and statutory receivables/payables

	2015	2014
	\$'000	\$'000
Impairment of Statutory receivables	...	(1)
Reversal of impairment of Statutory receivables
Total net gain/(loss) on financial instruments	...	(1)

19.14 Administered Receivables

	2015	2014
	\$'000	\$'000
Receivables	27	98
Less: Provision for impairment	...	(1)
Total	27	97

Sales of goods and services (inclusive of GST)	24	75
Fees and fines (inclusive of GST)	...	12
Other receivables	3	10
Total	27	97

Settled within 12 months	27	97
Settled in more than 12 months	...	...
Total	27	97

Reconciliation of movement in provision for impairment of administered receivables	2015	2014
	\$'000	\$'000
Carrying amount at 1 July	1	...
Increase/(decrease) in provision recognised in profit or loss	(1)	1
Carrying amount at 30 June	...	1

19.15 Administered other financial assets

	2015	2014
	\$'000	\$'000
Accrued revenue	54	20
Accrued interest	10	...
Total	64	20
Settled within 12 months	64	20
Total	64	20

19.16 Administered Property, plant and equipment

(a) Carrying amount

	2015	2014
	\$'000	\$'000
Plant and equipment		
At cost	47	47
Less: Accumulated depreciation	(47)	(42)
Total property, plant and equipment	...	5

(b) Reconciliation of movements

Reconciliations of the carrying amounts of each class of Property, plant and equipment at the beginning and end of the current and previous financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation and accumulated impairment losses.

	2015	2014
	\$'000	\$'000
Plant, equipment and vehicles		
Carrying value at 1 July	5	10
Depreciation expense	(5)	(5)
Carrying value at 30 June	...	5

19.17 Administered Intangible assets

(a) Carrying amount

	2015	2014
	\$'000	\$'000
Intangibles with a finite useful life (at cost)		
Software systems	67	67
Less: Accumulated amortisation	(67)	(67)
Total intangibles	...	...

(b) Reconciliation of movements

	2015	2014
	\$'000	\$'000
Carrying amount at 1 July	...	3
Amortisation expense	...	(3)
Carrying amount at 30 June

19.18 Administered other assets

	2015	2014
	\$'000	\$'000
Prepayments	16	...
Total	16	...
Settled within 12 months	16	...
Total	16	...

19.19 Administered Payables

	2015	2014
	\$'000	\$'000
Creditors	208	202
Accrued expenses	2	82
Total	210	284
Settled within 12 months	210	284
Total	210	284

Settlement is usually made within 30 days.

19.20 Administered Employee benefits

	2015	2014
	\$'000	\$'000
Accrued salaries	54	37
Annual leave	74	93
Long service leave	181	174
Total	309	304
Settled within 12 months	154	228
Settled in more than 12 months	155	76
Total	309	304

19.21 Administered Other liabilities

	2015	2014
	\$'000	\$'000
Other liabilities		
Monies held in trust	944	1,537
Total	944	1,537
Settled within 12 months	944	1,537
Total	944	1,537

Monies held in Trust are primarily third party revenues collected by the Department through motor registration receipts, held pending daily transfer to the owning third parties. Third parties include MAIB, State Revenue Office and Tasmania Fire Service (refer Note 20).

19.22 Schedule of Administered Commitments

	2015	2014
	\$'000	\$'000
By type		
<i>Lease Commitments</i>		
Operating leases	180	248
<i>Total lease commitments</i>	180	248
By maturity		
<i>Operating lease commitments</i>		
One year or less	125	119
From one to five years	55	129
<i>Total operating lease commitments</i>	180	248
Total	180	248

Note: Commitments are GST exclusive where relevant.

The majority of the Department's leases are represented by land and building rental costs and motor vehicles leased through the government's fleet manager. The rentals on leased premises generally contain renewal options that extend the lease to match the current lease periods. These range from 2 to 14 years. The total lease commitment excludes local government and other executory costs where they are paid directly to a party other than the lessor. These costs are included elsewhere in the Department's expenditures.

The minimum lease payment for vehicles is based on the average age of the vehicle fleet and a standard lease period of 30 months.

19.23 Administered Cash and deposits

Administered Cash and deposits includes the balance of the Special Deposits and Trust Fund Accounts held by the Department, and other cash held, which are administered or held in a trustee capacity or agency arrangement.

	2015	2014
	\$'000	\$'000
Special Deposits and Trust Fund balance	1,912	2,211
Total	1,912	2,211
<i>Other cash held</i>		
National Australia Bank term deposit	1,200	...
Tascorp Interest Bearing Deposit	74	1,147
Total	1,274	1,147
Total cash and deposits	3,186	3,358

19.24 Reconciliation of Administered Net Result to Net Cash from Administered Operating Activities

	2015 \$'000	2014 \$'000
Net operating result from transactions	475	(166)
Depreciation and amortisation	5	8
Bad and doubtful debt provision	...	(1)
Decrease (increase) in Receivables	70	(53)
Decrease (increase) in Accrued revenue	(44)	(5)
Decrease (increase) in Prepayments	(16)	...
Increase (decrease) in Employee entitlements	5	64
Increase (decrease) in Payables	(74)	76
Increase (decrease) in Other liabilities	214	149
Net cash from (used by) operating activities	635	72

19.25 Administered Financial Instruments

19.26 Risk exposures

(a) Risk management policies

The Department has exposure to the following risks from its use of financial instruments:

- » credit risk;
- » liquidity risk; and
- » market risk.

The Head of Agency has overall responsibility for the establishment and oversight of the Department's risk management framework. Risk management policies are established to identify and analyse risks faced by the Department, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

The Department does not hold any derivative financial instruments.

(b) Credit risk exposures

Credit risk is the risk of financial loss to the Department if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Financial Instrument	Accounting and strategic policies (including recognition criteria and measurement basis and credit quality of instrument)	Nature of underlying instrument (including significant terms and conditions affecting the amount. Timing and certainty of cash flows)
Financial Assets		
Receivables (including Tax assets)	Recognised upon the provision of a good or service and the issuance of an invoice or claim eg BAS, measured at face value	Payment terms generally 30 days. Collectability of receivables is reviewed at balance date and a provision for impairment raised when collection of a debt is judged to be doubtful.
Cash and deposits	Recognised upon receipt of cash, measured at face value	At call
Other financial assets (eg accrued revenue)	Recognised upon the accrual of the future benefit, measured at face value	Majority of accrued revenues are settled within 6 months

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Department's maximum exposure to credit risk. The Department is not exposed to credit risk of any significance.

The following tables analyse financial assets that are past due but not impaired:

Analysis of financial assets that are past due at 30 June 2015 but not impaired

	Past due 31 to 60 days \$'000	Past due 61 to 90 days \$'000	Past due over 90 days \$'000	Total \$'000
Receivables	2	...	...	2

Analysis of financial assets that are past due at 30 June 2014 but not impaired

	Past due 31 to 60 days \$'000	Past due 61 to 90 days \$'000	Past due over 90 days \$'000	Total \$'000
Receivables	15	1	26	42

(c) Liquidity risk

Liquidity risk is the risk that the Department will not be able to meet its financial obligations as they fall due. The Department's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

Financial Instrument	Accounting and strategic policies (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms and conditions affecting the amount. Timing and certainty of cash flows)
Financial Liabilities		
Payables	Recognised upon the receipt of a good or service that has not been paid for, measured at face value	Settled within 30 days
Monies held in Trust	Recognised upon receipt of monies, measured at face value	At call
Revenue received in advance	Recognised upon receipt of monies, measured at face value	Expended by 30 September of the following year in terms of section 8A of the Public Account Act 1986

The Department is not exposed to liquidity risk of any significance. Appropriation funding is provided to the Department from State Treasury as funds are spent by the Department, provided the Department does not exceed its budget. The following tables detail the undiscounted cash flows payable by the Department by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted, totals may not reconcile to the carrying amounts presented in the Statement of Financial Position:

2015

Maturity analysis for financial liabilities:									
	1 Year	2 Years	3 Years	4 Years	5 Years	More than 5 Years	Undiscounted Total	Carrying Amount	
Financial liabilities									
Payables	210	...	...	...	...	...	210	210
Monies held in Trust	944	...	...	...	...	...	944	944
Total	1,154	...	...	...	...	...	1,154	1,154

2014

Maturity analysis for financial liabilities:									
	1 Year	2 Years	3 Years	4 Years	5 Years	More than 5 Years	Undiscounted Total	Carrying Amount	
Financial liabilities									
Payables	284	...	...	...	...	...	284	284
Monies held in Trust	1,537	...	...	...	...	...	1,537	1,537
Total	1,821	...	...	...	...	...	1,821	1,821

(d) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The primary market risk that the Department is exposed to is interest rate risk.

At the reporting date, the interest rate profile of the Department's interest bearing financial instruments was:

	2015	2014
	\$'000	\$'000
Fixed rate instruments		
Financial assets	1,200	...
Financial liabilities	...	...
Total	1,200	...
Variable rate instruments		
Financial assets	74	1,147
Financial liabilities	...	...
Total	74	1,147

Changes in variable rates of 100 basis points at reporting date would have the following effect on the Department's profit or loss and equity:

Sensitivity Analysis of Department's Exposure to Possible Changes in Interest Rates:

	Statement of Comprehensive Income		Equity	
	100 basis points increase	100 basis points decrease	100 basis points increase	100 basis points decrease
	\$'000	\$'000		
30 June 2015				
Cash and deposits	13	(13)	...	...
Net sensitivity	13	(13)	...	...
30 June 2014				
Cash and deposits	11	(11)	...	...
Net sensitivity	11	(11)	...	...

This analysis assumes all other variables remain constant. The analysis was performed on the same basis for 2014.

19.27 Categories of Administered Financial Assets and Liabilities

	2015	2014
	\$'000	\$'000
Financial assets		
Cash and deposits	3,186	3,358
Receivables and accrued revenue	91	117
Total	3,277	3,475
Financial Liabilities		
Financial liabilities measured at amortised cost	1,154	1,821
Total	1,154	1,821

There has been no change, during the period and cumulatively, in the fair value of any receivables or financial liabilities that is attributable to changes in the credit risk of that asset or liability.

19.28 Reclassifications of Administered Financial Assets

The Department has not reclassified any financial assets.

19.29 Derecognition of Administered Financial Assets

The Department has not transferred financial assets in such a way that part or all of the financial assets do not qualify for derecognition.

19.30 Comparison between Carrying Amount and Net Fair Value of Administered Financial Assets and Liabilities

	Carrying Amount 2015	Net Fair Value 2015	Carrying Amount 2014	Net fair Value 2014
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash and deposits	3,186	3,186	3,358	3,358
Receivables	27	27	97	97
Other financial assets:				
Accrued revenue	64	64	20	20
Total financial assets	3,277	3,277	3,475	3,475
Financial liabilities				
Trade creditors	210	210	284	284
Other financial liabilities:				
Monies held in Trust	944	944	1,537	1,537
Total financial liabilities	1,154	1,154	1,821	1,821

19.31 Net Fair Values of Administered Financial Assets and Liabilities

2015	Net Fair Value Level 1 \$'000	Net Fair Value Level 2 \$'000	Net Fair Value Level 3 \$'000	Net Fair Value Total \$'000
Financial assets				
Cash at Tascorp	...	74	...	74
National Australia Bank term deposit	...	1,200	...	1,200
Cash in Special Deposits and Trust Fund	...	1,912	...	1,912
Receivables	...	...	27	27
Other financial assets:				
Accrued revenue and interest	...	...	64	64
Total financial assets	...	3,186	91	3,277
Financial liabilities				
Trade creditors	...	...	210	210
Other financial liabilities:				
Monies held in Trust	...	944	...	944
Total financial liabilities	...	944	210	1,154
2014				
	Net Fair Value Level 1 \$'000	Net Fair Value Level 2 \$'000	Net Fair Value Level 3 \$'000	Net Fair Value Total \$'000
Financial assets				
Cash at Tascorp	...	1,147	...	1,147
Cash in Special Deposits and Trust Fund	...	2,211	...	2,211
Receivables	...	...	97	97
Other financial assets:				
Accrued revenue and interest	...	...	20	20
Total financial assets	...	3,358	117	3,475
Financial liabilities (Recognised)				
Trade creditors	...	...	284	284
Other financial liabilities:				
Monies held in Trust	...	1,537	...	1,537
Total financial liabilities (Recognised)	...	1,537	284	1,821

The recognised fair values of financial assets and financial liabilities are classified according to the fair value hierarchy that reflects the significance of the inputs used in making these measurements. The Department uses various methods in estimating the fair value of a financial instrument. The methods comprise:

Level 1 – the fair value is calculated using quoted prices in active markets;

Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The Department uses various methods in estimating the fair value of a financial instrument. The methods comprise:

Administered Financial Assets

The net fair values of cash and non-interest bearing monetary financial assets approximate their carrying amounts.

The net fair values of receivables are based on the nominal amounts due less any provision for impairment.

The net fair values of other financial assets approximate their carrying amounts.

Financial Liabilities

The net fair values for trade creditors and other financial liabilities are approximated by their carrying amounts.

Note 20: Transactions and Balances Relating to a Trustee or Agency Arrangement

Account/Activity	Opening balance \$'000	Net transactions during 2014-15 \$'000	Closing balance \$'000
Monies collected on behalf of external bodies through Motor Registrations	1,665	294,192	
Less: Monies collected through Motor Registrations transferred to external bodies		(294,978)	879
Agreement for the Conservation of Albatrosses and Petrels (ACAP)	699	(139)	560
Brand Tasmania Council Incorporated	261	(240)	21
Mine Rehabilitation Bonds	5,894	(86)	5,808
Bookmakers Bonds	34	(6)	28
Pacific National Compensation Fund	554	(494)	60
Provision for land acquisition	1,084	...	1,084

The Department is responsible for the collection of revenue on behalf of other agencies and organisations and the transfer of those funds on an agreed basis, through the function of collecting and processing Motor Vehicle registrations. The following revenues are processed through the Department's Operating Account and then forwarded to the relevant organisation:

- » Motor tax;
- » Duties;
- » Motor Accidents Insurance Board premiums;
- » State Fire Service levy; and
- » Federal Interstate Registration Scheme payments.

The balance of these activities merely reflects a timing difference between receipt of the revenue and forwarding the funds to the relevant body.

The Department holds monies in trust and performs transactions on behalf of various bodies as listed above, and in those instances trustee funds are held within the Department's Operating Account in separate true trust accounts for each trustee.



Independent Auditor's Report

To Members of the Tasmanian Parliament

Department of State Growth

Financial Statements for the Year Ended 30 June 2015

Report on the Financial Statements

I have audited the accompanying financial statements of the Department of State Growth, which comprise the statement of financial position as at 30 June 2015 and the statements of comprehensive income, changes in equity and cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by the Secretary of the Department.

Auditor's Opinion

In my opinion the Department's financial statements:

- (a) present fairly, in all material respects, its financial position as at 30 June 2015 and its financial performance, cash flows and changes in equity for the year then ended
- (b) are in accordance with the *Financial Management and Audit Act 1990* and Australian Accounting Standards.

The Responsibility of the Secretary for the Financial Statements

The Secretary of the Department is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and Section 27 (1) of the *Financial Management and Audit Act 1990*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based upon my audit. My audit was conducted in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan

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To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public sector.
Professionalism | Respect | Camaraderie | Continuous Improvement | Customer Focus

Strive | Lead | Excel | To Make a Difference

and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on my judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, I considered internal control relevant to the Secretary's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Secretary, as well as evaluating the overall presentation of the financial statements.

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

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information in the Department's financial statements.

Independence

In conducting this audit, I have complied with the independence requirements of Australian Auditing Standards and other relevant ethical requirements. The *Audit Act 2008* further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of State Entities but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Tasmanian Audit Office are not compromised in their role by the possibility of losing clients or income.

Tasmanian Audit Office



H M Blake
Auditor-General

Hobart
28 September 2015

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Financial Statements

for the year ended 30 June 2015

ABT RAILWAY MINISTERIAL CORPORATION

ABT RAILWAY MINISTERIAL CORPORATION

Statement of Comprehensive Income for the year ended 30 June 2015

	Notes	2015 \$'000	2014 \$'000
Continuing operations			
Revenue and other income from transactions			
Revenue from Government			
Appropriation revenue - recurrent	1.3(a)	5,060	4,200
Australian Government Grants	1.3(b)	409	3,988
Sales of goods and services	1.3(c), 3.1	2,259	1,047
Other revenue	1.3(d), 3.2	71	194
Total revenue and other income from transactions		7,799	9,429
Expenses from transactions			
Employee benefits	1.4(a)	2,309	2,722
Superannuation	1.4(a)	203	230
Depreciation and amortisation	1.4(b)	1,416	1,343
Supplies and consumables:	1.4(c)		
Consultants		51	439
Property services		69	275
Communications		35	148
Information technology		...	71
Maintenance		250	3,580
Travel and transport		17	139
Advertising and promotion		120	143
Operating lease costs		83	210
Other supplies and consumables	4.1	1,773	1,571
Other expenses	1.4(c), 4.2	48	196
Total expenses from transactions		6,374	11,067
Net result from transactions (net operating balance)		1,425	(1,638)
Other economic flows included in net result			
Net gain/(loss) on non-financial assets	1.5(a), 5.1	...	(100)
Total other economic flows included in net result		...	(100)
Net result from continuing operations		1,425	(1,738)
Net result		1,425	(1,738)
Comprehensive result		1,425	(1,738)

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

ABT RAILWAY MINISTERIAL CORPORATION

Statement of Financial Position as at 30 June 2015

	Notes	2015 \$'000	2014 \$'000
Assets			
<i>Financial assets</i>			
Cash and deposits	1.6(a), 8.1	3,151	2,502
Receivables	1.6(b)	12	12
Prepayments		481	...
Goods & Services Tax		54	...
<i>Non-financial assets</i>			
Inventory	1.6(c)	79	10
Plant and equipment	1.6(d), 6.1	5,298	4,286
Land & Buildings	1.6(d), 6.1	5,008	5,231
Infrastructure	1.6(d), 6.1	23,038	23,664
Total assets		37,121	35,705
Liabilities			
<i>Liabilities</i>			
Payables	1.7(a), 7.1	201	267
Income in Advance	7.3	83	...
Employee benefits	1.7(b), 7.2	257	283
Monies held in Trust		226	226
Total liabilities		767	776
Net assets (liabilities)		36,354	34,929
Equity			
Accumulated funds		27,791	26,366
Reserves		8,563	8,563
Total equity		36,354	34,929

This Statement of Financial Position should be read in conjunction with the accompanying notes.

ABT RAILWAY MINISTERIAL CORPORATION

Statement of Cash Flows for the year ended 30 June 2015

	Notes	2015 \$'000	2014 \$'000
		Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities			
Cash inflows			
Revenue from Government			
Appropriation revenue - recurrent		5,060	4,200
Australian Government Grants		409	3,988
Other cash receipts		2,413	1,228
Total cash inflows		7,882	9,416
Cash outflows			
Employee benefits		(2,522)	(2,669)
Supplies and consumables		(3,131)	(6,363)
Other cash payments		...	(202)
Total cash outflows		(5,653)	(9,234)
Net cash from (used by) operating activities	8.2	2,229	182
Cash flows from investing activities			
Cash outflows			
Payments for acquisition of non-financial assets		(1,579)	(851)
Total cash outflows		(1,579)	(851)
Net cash from (used by) investing activities		(1,579)	(851)
Net increase (decrease) in cash held and cash equivalents		650	(669)
Cash and deposits at the beginning of the reporting period		2,502	3,171
Cash and deposits at the end of the reporting period	8.1	3,152	2,502

This Statement of Cash Flows should be read in conjunction with the accompanying notes.

ABT RAILWAY MINISTERIAL CORPORATION

Statement of Changes in Equity for the year ended 30 June 2015

	Reserves \$'000	Accumulated funds \$'000	Total equity \$'000
Balance as at 1 July 2014	8,563	26,366	34,929
Total comprehensive result	...	1,425	1,425
Balance as at 30 June 2015	8,563	27,791	36,354

	Reserves \$'000	Accumulated funds \$'000	Total equity \$'000
Balance as at 1 July 2013	8,563	28,104	36,667
Total comprehensive result	...	(1,738)	(1,738)
Balance as at 30 June 2014	8,563	26,366	34,929

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Notes to and forming part of the Special Purpose Financial Statements for the year ended 30 June 2015

Note I: Significant Accounting Policies

1.1 Objectives and Funding

The Abt Railway Ministerial Corporation (the Ministerial Corporation) is a body corporate, established by the *Abt Railway Development Act 1999*.

When in operation, the main activity of Abt railway is passenger and freight services between Queenstown Station and Regatta Point Station at Strahan. The railway provides the only means of access between Lowana and Lower Landing (Teepookana Plateau), which is State Forest under the control of Forestry Tasmania (FT).

Since the 1st May 2014, the West Coast Wilderness Railway (WCWR) has been managed by the Ministerial Corporation. Passenger and freight services were suspended during 2013 allowing for infrastructure maintenance and capital improvements to be undertaken. The WCWR tourist railway was re-opened for business in January 2014.

1.2 Basis of Accounting

As there are no users dependent on a general purpose financial report, the financial statements are therefore a special purpose financial report that has been prepared in order to meet the financial reporting obligations of the Corporation.

This Special Purpose Financial Statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flow', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1031 'Materiality', AASB 1048 'Interpretation and Application of Standards' and AASB 116 'Property Plant and Equipment'.

The financial statements have been prepared as a going concern.

The financial statements were initially signed by the Delegate of the Minister on 14 August 2015.

1.3 Income from transactions

Income is recognised in the Statement of Comprehensive Income when an increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

(a) Revenue from Government

Appropriations, whether recurrent or capital, are recognised as revenues in the period in which the Ministerial Corporation gains control of the appropriated funds.

(b) Grants

Grants payable by the Australian Government, State Government or industry are recognised as revenue when the Ministerial Corporation gains control of the underlying assets. Where grants are reciprocal, revenue is recognised as performance occurs under the grant.

Non-reciprocal grants are recognised as revenue when the grant is received or receivable. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

(c) Sales of goods and services

Amounts earned in exchange for the provision of goods are recognised when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from the provision of services is recognised in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

(d) Other revenue

Revenue from such sources is recognised in the Statement of Comprehensive Income when an increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

1.4 Expenses from transactions

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

(a) Employee benefits

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

(b) Depreciation and amortisation

All applicable Non-financial assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential.

The following table details the asset lives, and depreciation rates and the methods for the various classes of assets employed in the current and previous reporting periods. Asset useful lives depreciation methods are reviewed annually and adjusted according to the expected rate and/or pattern of consumption, asset condition, and industry best practice.

Asset	Estimated Useful Life (years)	Depreciation Rate (per annum)	Method
Tracks, bridges, structures, culverts and station buildings	40	2.50%	Straight Line
Railway carriages	30	3.33%	Straight Line
Locomotives	25	4.00%	Straight Line
Turntables, ramps, shelters	20	5.00%	Straight Line
Buildings	20	5.00%	Straight Line
Rail wagons	5	20.00%	Straight Line
Plant and equipment	5	20.00%	Straight Line

(c) Other expenses

Expenses from activities other than those identified above are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

1.5 Other Economic Flows included in Net Result

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions.

(a) Gain/(loss) on non-financial assets

Gains or losses from the disposal of Non-financial assets are recognised when control of the assets has passed from the Ministerial Corporation.

1.6 Assets

Assets are recognised in the Statement of Financial Position when it is probable that the future economic benefits will flow to the Ministerial Corporation and the asset has a cost or value that can be measured reliably.

(a) Cash and deposits

Cash means notes, coins, any deposits held at call with a bank or financial institution, as well as funds held in the Special Deposits and Trust Fund.

(b) Receivables

Receivables are recognised at amortised cost, less any impairment losses, however, due to the short settlement period, receivables are not discounted back to their present value. Impairment losses are recognised when there is an indication that there is a measurable decrease in the collectability of receivables.

(c) Inventories

Inventories held for distribution are valued at cost adjusted, when applicable, for any loss of service potential.

(d) Infrastructure, property, plant and equipment

(i) Valuation basis

ABT Railway infrastructure comprises of the rail track, bridges, culverts, sidings, ramps and earthworks. Railway infrastructure is revalued every 5 years on a depreciated replacement cost basis, with the last valuation completed in 2012. Replacement cost is based on the estimated current cost to build similar assets, which is depreciated on a straight line basis on the expired proportion of the estimated useful life of the asset.

Land and buildings are recorded at fair value less accumulated depreciation, and are revalued every 5 years by the Valuer General, the last valuation completed in 2012.

Railway Rolling Stock is revalued every 5 years on a depreciated replacement cost basis, with the last valuation completed in 2012. Replacement cost is based on the estimated current cost to build similar assets, which are depreciated on a straight line basis on the expired proportion of the estimated useful life of the assets.

The next valuation is required on 30 June 2017.

(ii) Asset recognition threshold

The asset capitalisation threshold adopted by the Ministerial Corporation is \$5,000. Assets valued at less than \$5,000 are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total).

(iii) Contract to acquire plant and equipment

The Ministerial Corporation has entered into a contract to purchase plant and equipment from the former operator of the WCWR. The contract provides for settlement within two years for the items listed in the contract that can be identified and are used by the Ministerial Corporation during the period.

1.7 Liabilities

Liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

(a) Payables

Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period, equates to face value, when the Ministerial Corporation becomes obliged to make future payments as a result of a purchase of assets or services.

(b) Employee benefits

Liabilities for wages and salaries and annual leave are recognised when an employee becomes entitled to receive a benefit. Those liabilities expected to be realised within 12 months are measured as the amount expected to be paid. Other employee entitlements are measured as the present value of the benefit at 30 June, where the impact of discounting is material, and at the amount expected to be paid if discounting is not material.

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

Note 2: Events after Balance

There have been no events subsequent to balance date which would have a material effect of the Ministerial Corporation's Financial Statements as at 30 June 2015.

Note 3: Income from transactions

3.1 Sales of goods and services

	2015	2014
	\$'000	\$'000
Ticket sales – West Coast Wilderness Railway	1,695	728
Café sales	459	219
Retail sales	105	100
Total	2,259	1,047

3.2 Other revenue

	2015	2014
	\$'000	\$'000
Insurance claim settlement	...	178
Interest	11	...
Miscellaneous revenue	60	16
Total	71	194

Note 4: Expenses from transactions

4.1 Other supplies and consumables

	2015	2014
	\$'000	\$'000
Insurance	750	969
Contractor payments – other	...	366
Contract labour	...	74
Other supplies and consumables	1,023	162
Total	1,773	1,571

4.2 Other expenses

	2015	2014
	\$'000	\$'000
Other employment expenses	48	196
Total	48	196

Note 5: Other Economic Flows included in Net Result

5.1 Net gain/(loss) on non-financial assets

	2015 \$'000	2014 \$'000
Vehicle write-off resulting from accident	...	(100)
Total	...	(100)

Note 6: Assets

6.1 Infrastructure, property, plant and equipment

(a) Carrying amount

	Note	2015 \$'000	2014 \$'000
Plant and equipment:			
Plant and equipment (at cost)			
At cost		1,674	295
Less: Accumulated depreciation		(195)	(91)
Total	1.6(d)(i)	1,479	204
Railway Rolling Stock (at fair value)			
At fair value		6,760	6,760
Less: Accumulated depreciation		(2,941)	(2,678)
Total	1.6(d)(i)	3,819	4,082
Total Plant and equipment		5,298	4,286
Land and Buildings:			
Land (at fair value)			
At fair value		1,100	1,100
Total	1.6(d)(i)	1,100	1,100
Buildings (at fair value)			
At fair value		4,462	4,462
Less: Accumulated depreciation		(554)	(331)
Total		3,908	4,131
Total Land and Buildings	1.6(d)(i)	5,008	5,231
Abt Railway infrastructure (at fair value)			
At fair value		33,169	32,968
Less: Accumulated depreciation		(10,131)	(9,304)
Total		23,038	23,664
Total infrastructure, property, plant and equipment	1.6(d)(i)	33,344	33,181

(b) Reconciliation of infrastructure, property, plant and equipment

Reconciliations of the carrying amounts of each class of infrastructure, property, plant and equipment at the beginning and end of the current and previous financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation and accumulated impairment losses.

2015	Land	Buildings	Railway Rolling Stock	Abt Railway Infras- tructure	Plant and Equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying value at 1 July 2014	1,100	4,131	4,082	23,664	204	33,181
Additions	...	...	...	201	1,378	1,579
Disposals	...	...	...	...	...	...
Depreciation	...	(223)	(263)	(827)	(103)	(1,416)
Net transfers	...	...	...	...	...	...
Carrying value at 30 June 2015	1,100	3,908	3,819	23,038	1,479	33,344

2014	Land	Buildings	Railway Rolling Stock	Abt Railway Infras- tructure	Plant and Equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying value at 1 July 2013	1,100	4,290	4,314	24,068	...	33,7721
Additions	...	62	9	414	367	852
Disposals	...	...	...	...	(100)	(100)
Depreciation	...	(221)	(263)	(818)	(41)	(1,343)
Net transfers	...	...	22	...	(22)	...
Carrying value at 30 June 2014	1,100	4,131	4,082	23,664	204	33,181

Note 7: Liabilities

7.1 Payables

	2015	2014
	\$'000	\$'000
Creditors	99	257
Payroll Liabilities	102	...
Accrued expenses	...	10
Total	201	267
Settled within 12 months	201	267
Total	202	267

Settlement is usually made within 30 days

7.2 Employee benefits

	2015 \$'000	2014 \$'000
Accrued salaries	12	71
Annual leave	132	109
Long service leave	113	103
Total	257	283
Settled within 12 months	214	214
Settled in more than 12 months	43	69
Total	257	283

7.3 Income in Advance

Income in Advance is from advance ticketing sales where customers have prepaid their ticket and have yet to receive the service. The income is recognised in the period when the service is provided.

Note 8: Cash Flow Reconciliation

8.1 Cash and deposits

Cash and deposits includes the balance of the Special Deposits and Trust Fund Accounts held by the Ministerial Corporation, and other cash held, excluding those accounts which are administered or held in a trustee capacity or agency arrangement.

	2015 \$'000	2014 \$'000
Special Deposits and Trust Fund balance	880	2,320
Total Special Deposits and Trust Fund	880	2,320
Deposits:		
Commonwealth Bank cheque account (Queenstown)	2,268	182
Till Float & Petty Cash (Queenstown)	3	...
Total Deposits	2,271	182
Total Cash and deposits	3,151	2,502

8.2 Reconciliation of Net Result to Net Cash from Operating Activities

	2015 \$'000	2014 \$'000
Net result	1,425	(1,738)
Decrease (Increase) in Stock	(69)	...
Depreciation and amortisation	1,416	1,343
(Gain) loss on non-financial assets	...	100
Decrease (increase) in Receivables	(53)	(12)
Decrease (increase) in Prepayments	(481)	...
Increase (decrease) in Employee entitlements	(26)	283
Increase (decrease) in Payables	(66)	206
Increase (decrease) in Income in Advance	83	...
Net cash from (used by) operating activities	2,229	182

Note 9: Commitments and Contingent Liabilities

9.1 Schedule of Commitments

	2015 \$'000	2014 \$'000
By type		
<i>Lease Commitments</i>		
Operating leases	56	105
<i>Total lease commitments</i>	56	105
By maturity		
<i>Operating lease commitments</i>		
One year or less	30	48
From one to five years	26	57
<i>Total operating lease commitments</i>	56	105
Total	56	105

Operating leases were for the following vehicles; Toyota Landcruiser Prado, Volkswagen Amarok

9.2 Contingent Assets and Liabilities

The Ministerial Corporation has not identified nor recognised any contingent assets and liabilities as at 30 June 2015.

Certification of financial statements for the year ended 30 June 2015

The accompanying special purpose financial statement of Abt Railway Ministerial Corporation is in agreement with the relevant accounts and records and has been prepared in compliance with the *Abt Railway Development Act 1999* to present fairly the financial transactions for the year ended 30 June 2015 and the financial position as at end of the year.

At the date of signing, I am not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



Kim Evans

(Delegate of the Minister)

Date 14 August 2015



Independent Auditor's Report

To Members of the Tasmanian Parliament

Abt Railway Ministerial Corporation

Special Purpose Financial Report for the Year Ended 30 June 2015

Report on the Special Purpose Financial Report

I have audited the accompanying special purpose financial report (the financial report) of Abt Railway Ministerial Corporation (the Ministerial Corporation), which comprises the statement of financial position as at 30 June 2015 and the statements of comprehensive income, changes in equity and cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement of compliance by the Delegate of the Minister.

Auditor's Opinion

In my opinion the Ministerial Corporation's financial report:

- (a) presents fairly, in all material respects, its financial position as at 30 June 2015, and its financial performance, cash flows and changes in equity for the year then ended
- (b) is in accordance with the *Abt Railway Development Act 1999*, the *Audit Act 2008* and Australian Accounting Standards.

Basis of Presentation and Restrictions on Distribution

Without modifying my opinion, I draw attention to Note 1.2 to the financial report, which describes the purpose of the financial report and the basis of presentation, which is as special purpose framework. The financial report has been prepared solely for the purpose of fulfilling the Corporation's financial reporting responsibilities under the *Abt Railway Development Act 1999* and under the *Audit Act 2008*. As a result, the financial report may not be suitable for another purpose.

The Responsibility of the Delegate of the Minister for the Financial Report

The Delegate of the Minister is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Abt Railway Development Act 1999* and the *Audit Act 2008* and has determined that the basis of preparation, which is a special purpose framework, is appropriate to meet their financial reporting obligations. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from

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material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based upon my audit. My audit was conducted in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on my judgement, including the assessment of risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, I considered internal control relevant to the preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministerial Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Delegate of the Minister, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting this audit, I have complied with the independence requirements of Australian Auditing Standards and other relevant ethical requirements. The *Audit Act 2008* further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of State Entities but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Tasmanian Audit Office are not compromised in their role by the possibility of losing clients or income.

Tasmanian Audit Office



H M Blake
Auditor-General

Hobart
30 September 2015

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