

**PORTFOLIO
ADDITIONAL ESTIMATES
STATEMENTS
2004 – 2005**

**ENVIRONMENT AND HERITAGE
PORTFOLIO**

EXPLANATIONS OF
ADDITIONAL ESTIMATES 2004–2005

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SENATOR THE HON IAN CAMPBELL

Minister for the Environment and Heritage
Senator for Western Australia

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

I hereby submit these Portfolio Additional Estimates Statements in support of the 2004–05 Additional Estimates for the Environment and Heritage Portfolio.

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

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

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ian Campbell'.

IAN CAMPBELL

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PART A

USER GUIDE

INTRODUCTION

The purpose of the Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements, is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes by agencies within the portfolio. They also facilitate understanding of the proposed appropriations in the *Appropriation Bills (Nos. 3 and 4) 2004–05*.

In this sense the PAES is declared by the Additional Estimates Appropriations Bills to be a ‘relevant document’ to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

STRUCTURE OF THE PORTFOLIO ADDITIONAL ESTIMATES STATEMENTS

The Portfolio Additional Estimates Statements are presented in three parts as outlined below.

PART A: User Guide

Provides an introduction explaining the purpose of the Portfolio Additional Estimates Statements as well as information in relation to the structure of the document, styles and conventions used.

PART B: Portfolio Overview

Provides a brief overview of the portfolio. Portfolio outcomes are depicted in a chart that outlines the structure of the outcomes to which the portfolio contributes.

PART C: Agency Additional Estimates Statements

For each agency within the portfolio that has an impact of Additional Estimates a statement is presented under the name of the agency. These are presented in three sections as outlined below.

Section 1: Overview, additional estimates and variations to outcomes

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

Section 2: Revisions to outcomes and outputs

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

Section 3: Budgeted financial statements

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

Glossaries are provided at the end of the document.

STYLES AND CONVENTIONS USED

Generally amounts in tables and charts have been rounded to the nearest thousand dollars (\$'000) using the standard rounding conventions. Due to rounding, the aggregation of elements within a table may not match the actual 'total' of the table. Amounts in explanatory texts are generally rounded to the nearest million dollars (\$m) but may vary between one and three decimal places to facilitate easy identification in the relevant tables and charts.

Where out-year estimates are shown they are expressed in outturn prices.

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

PART B

PORTFOLIO OVERVIEW

ROLE OF THE PORTFOLIO

There have been two significant changes to the structure of the Portfolio since the 2004–05 Budget.

The first of these changes was the transfer of Indigenous programme functions to the Department of the Environment and Heritage (Outcome 1 – Environment) from the Department of Immigration and Multicultural and Indigenous Affairs, following the Government decision on 20 June 2004 to abolish the Aboriginal and Torres Strait Islander Commission and cease the Aboriginal and Torres Strait Islander Services functions.

The second major change was the abolition of the Australian Greenhouse Office and the National Oceans Office as executive agencies under the *Public Service Act 1999* on 26 October 2004 and as prescribed agencies under the *Financial Management and Accountability Act (FMA Act) 1997* on 3 November 2004. These agencies were incorporated into the Department of the Environment and Heritage following the Administrative Arrangements Order changes announced after the recent election. Prior to the 2004–05 Additional Estimates, both agencies received annual appropriations and published their own Annual Reports.

ADDITIONAL ESTIMATES AND VARIATIONS FOR THE PORTFOLIO

Additional Estimates

Overall, the Portfolio is seeking a total increase of **\$80.710m** in government appropriations consisting of a **\$79.860m** increase through *Appropriation Bill (No. 3) 2004–05* and **\$0.850m** increase through *Appropriation Bill (No. 4) 2004–05*.

Of the total increase in appropriations, the **Department of the Environment and Heritage** is seeking **\$79.552m** through *Appropriation Bill (No. 3) 2004–05*. This represents 99% of the Portfolio's total additional estimates. The increase relates primarily to additional appropriations the Department (Outcome 1 – Environment) is receiving for: the Great Barrier Reef Structural Adjustment Package Enhancement; Protecting Australia's Biodiversity Hotspots; Securing Australia's Energy Future; the Australian Water Fund – Communities Programme; and the Director of National Parks for the management of Kakadu National Park following the abolition of entry fees to the Park.

The **Commonwealth Bureau of Meteorology** is seeking **\$0.308m** through *Appropriation Bill (No. 3) 2004–05* for funding for the National Tidal Centre and the Australian–United States Free Trade Agreement. In addition, the Bureau will receive an equity injection of **\$0.300m** through *Appropriation Bill (No. 4) 2004–05* to fund the operations of the National Tidal Centre.

The remaining Portfolio's additional estimates represent an increase of **\$0.550m** for the **Department of the Environment and Heritage** through *Appropriation Bill (No. 4) 2004–05*

representing Administered appropriations for the Strengthening Tasmania additional estimates measure.

Variations – Administrative Arrangements Order Changes

Under Section 32 Directions (FMA Act), the following 2004–05 annual appropriations have been transferred to the Department of the Environment and Heritage – Outcome 1 Environment:

Departmental Output Appropriation through Appropriation Bill (No. 1) 2004–05

\$1.322m from the Department of the Immigration and Multicultural and Indigenous Affairs

\$6.108m from the National Oceans Office

\$39.406m from the Australian Greenhouse Office

Administered Expenses Appropriation through Appropriations Bill (No. 1) 2004–05

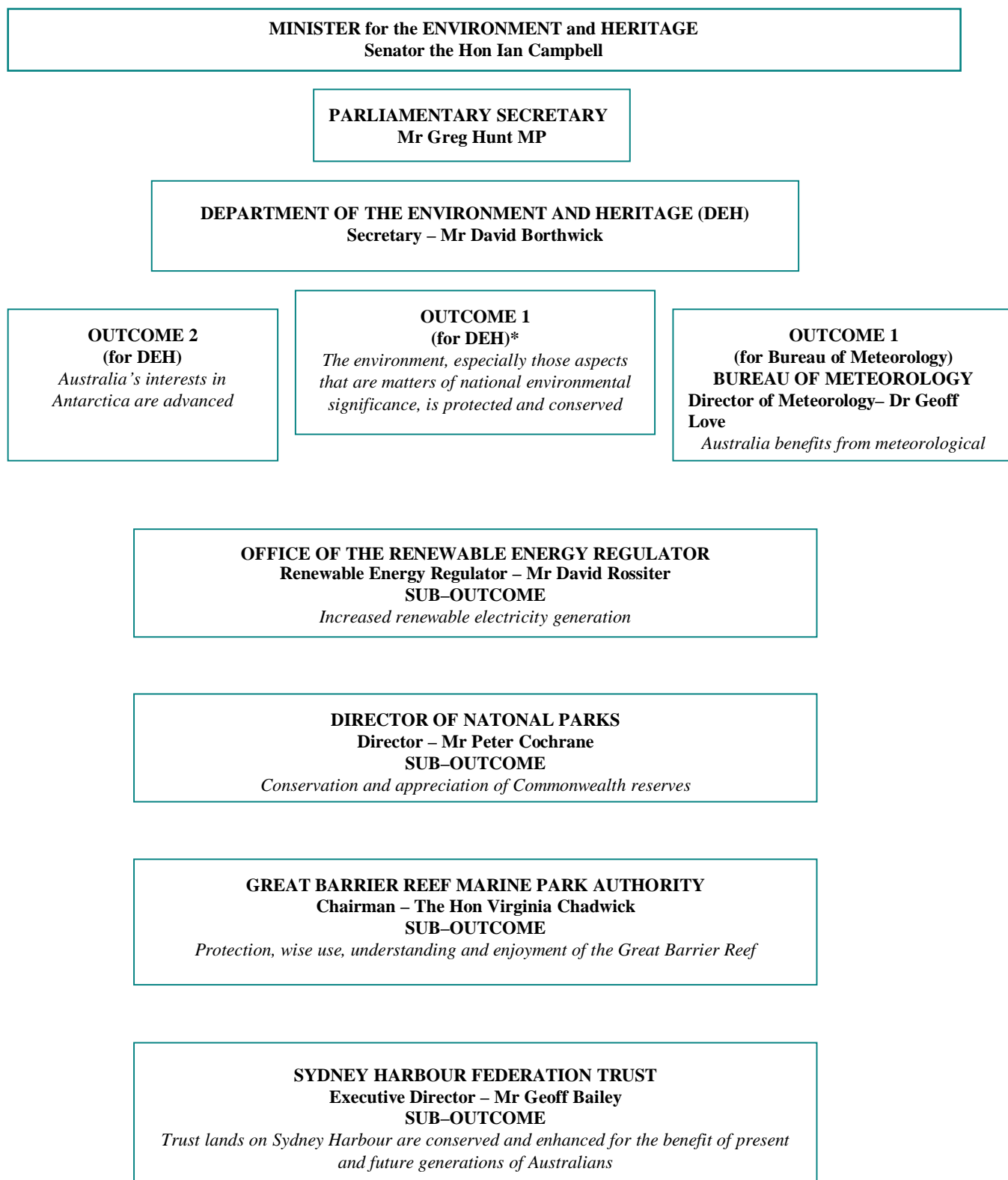
\$1.934m from the Department of Immigration and Multicultural and Indigenous Affairs

\$41.012m from the Australian Greenhouse Office

Specific Payments to the States and Territories Appropriation through Appropriation Bill (No. 2) 2004–05

\$26.525m from the Australian Greenhouse Office

MAP 1 – STRUCTURE OF PORTFOLIO OUTCOMES – ENVIRONMENT AND HERITAGE PORTFOLIO



* The Australian Greenhouse Office (AGO) and National Oceans Office (NOO) are now part of Outcome 1 (DEH) following their abolition as prescribed agencies on 3 November 2004.

REVISED APPROPRIATIONS AND OTHER REVENUE FOR 2004–05 (\$'000)

OUTCOMES	DEPARTMENTAL (Price of Outputs)					ADMINISTERED				TOTAL APPROP
	Revenue from Government (appropriations)			Revenue		Annual Appropriations Bill Nos. 2 & 4		Total		
	Bill Nos. 1 & 3	Special Approp	Total	from other Sources ⁽²⁾	Total Price of Outputs	Bill Nos. 1 & 3 ⁽⁴⁾	(SPPs & NAOs) ⁽¹⁾	Special Approp	Administered Approps	
	A	B	(C =A+B)	(D)	(E=C+D)	F	G	H	(I =F+G+H)	
<i>Outcome 1 – The environment, especially those aspects that are matters of national environmental significance, is protected and conserved</i>										
Environment ⁽³⁾ *	207,975	0	207,975	25,022	232,997	425,670	28,075	20,050	473,795	681,770
Australian Greenhouse Office ⁽³⁾	5,313	0	5,313	0	5,313	2,445	1,863	0	4,308	9,621
Director of National Parks	0	0	0	55,860	55,860	0	0	0	0	0
Great Barrier Reef Marine Park Authority	16,394	7,400	23,794	15,227	39,021	0	0	0	0	23,794
National Oceans Office ⁽³⁾	3,234	0	3,234	46	3,280	0	0	0	0	3,234
Office of the Renewable Energy Regulator	2,646	0	2,646	0	2,646	0	0	502	502	3,148
Sydney Harbour Federation Trust	5,137	0	5,137	3,500	8,637	0	0	0	0	5,137
Sub-total Outcome 1	240,699	7,400	248,099	99,655	347,754	428,115	29,938	20,552	478,605	726,704
<i>Outcome 2 – Australia's interests in Antarctica are advanced *</i>	86,472	0	86,472	919	87,391	0	0	0	0	86,472
<i>Outcome 1 – Australia benefits from meteorological and related science and services</i>	190,755	0	190,755	17,242	207,997	0	0	0	0	190,755
TOTALS	517,926	7,400	525,326	117,816	643,142	428,115	29,938	20,552	478,605	1,003,931
									Departmental Capital (Equity Injections) ⁽¹⁾	25,900
									Administered Capital	
									TOTAL APPROPRIATIONS	1,029,831

- Under the Appropriation Structure, Bill 2 includes Specific Purpose Payments (SPPs) and departmental capital via departmental equity injections.
 - Revenue from other sources includes other revenue from Government agencies. Refer Table 1.6 Revenue from Independent Sources.
 - Appropriations reflect funding transfers following Administrative Arrangements Order changes for the Department of Immigration and Multicultural and Indigenous Affairs, the National Oceans Office and the Australian Greenhouse Office.
 - Natural Heritage Trust of Australia expenses of \$310 million will be met from appropriations and existing Special Account funds (refer Table 1.8 Estimates of Special Accounts Flows and Balances) for the Department of the Environment and Heritage Outcome 1. Portfolio revenue estimates do not show any funding that may be provided in the contingency reserve.
- * The combined estimates for Environment and Antarctic comprise the total estimates for the agency – *Department of the Environment and Heritage*.