

**PORTFOLIO
SUPPLEMENTARY
ADDITIONAL ESTIMATES
STATEMENTS**

**APPROPRIATION BILL (NO. 5) 2006-07
AND
APPROPRIATION BILL (NO. 6) 2006-07**

**ENVIRONMENT AND WATER RESOURCES
PORTFOLIO**

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THE HON MALCOLM TURNBULL MP
Minister for the Environment and Water Resources

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 Portfolio Supplementary Additional Estimates Statements in support of the additional appropriation sought for the Environment and Water Resources Portfolio through *Appropriation Bills (No. 5 and 6) 2006-07*.

These statements have been developed, and are submitted to the Parliament, as a statement of 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

MALCOLM TURNBULL

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USER GUIDE

The purpose of the Portfolio Supplementary Additional Estimates Statements (SAES) is to explain Appropriation Bill (No. 5) 2006-07 and Appropriation Bill (No. 6) 2006-07. This document serves to inform senators and members of Parliament of the proposed allocation of extra appropriation resources to Government outcomes by agencies within the portfolio.

Appropriation Bill (No. 5), which follows on from Appropriation Bill (No. 1), found in Budget Paper No. 4 and Appropriation Bill (No. 3) produced at Additional Estimates, will provide additional expenditure authority for the ordinary annual services of government in respect of the 2006-07 financial year. Appropriation Bill (No. 6), which follows on from Appropriation Bill (No. 2), found in Budget Paper No. 4 and Appropriation Bill (No. 4) produced at Additional Estimates, will provide additional expenditure authority in respect of the 2006-07 financial year for capital works and services, payments to or for the States, Territories and local government authorities, and new administered outcomes not authorised by specific legislation.

The SAES are declared by Appropriation Bill (No. 5) 2006-07 and Appropriation Bill (No. 6) 2006-07 to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

The SAES should be read in conjunction with the 2007-08 Portfolio Budget Statements (PBS), which accompany this document, and include information from the appropriation bills explained in this document.

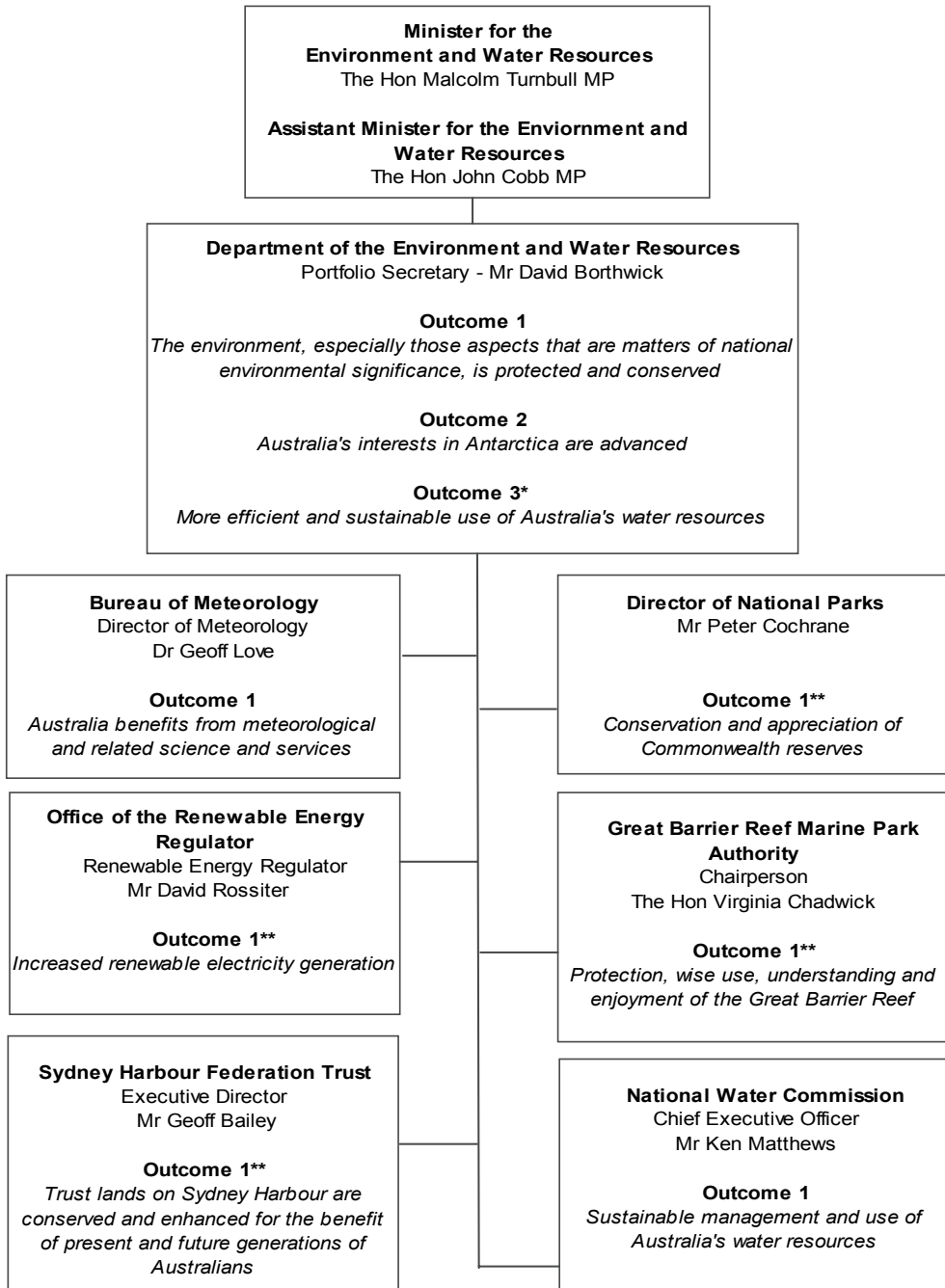
**ENVIRONMENT AND WATER
RESOURCES PORTFOLIO
SUPPLEMENTARY ADDITIONAL
ESTIMATES STATEMENTS**

ENVIRONMENT AND WATER RESOURCES PORTFOLIO

OVERVIEW OF ADDITIONAL APPROPRIATIONS SOUGHT

Overall, the Portfolio is seeking a net reduction of **(\$64.990m)** in government appropriations comprising a **(\$73.005m) reduction** through *Appropriation Bill (No. 5) 2006–07* and an **\$8.015m** increase through *Appropriation Bill (No. 6) 2006–07*. The changes to the appropriations wholly relate to the Department of the Environment and Water Resources.

FIGURE 1: PORTFOLIO STRUCTURE AND OUTCOMES



* A new Outcome 3 which covers, inter alia, the implementation of a National Plan for Water Security announced by the Prime Minister on 25 January 2007 is presented in the 2007-08 PBS. Outcome 1 of the National Water Commission (which joined the Portfolio following the Administrative Arrangement Orders of 30 January 2007), relates to the overall management of Australia's water resources.

** These outcomes contribute to protecting the environment under the Department of the Environment and Water Resources' Outcome 1: the environment, especially those aspects that are matters of national environmental significance, is protected and conserved.

REVISED APPROPRIATIONS AND OTHER REVENUE — PORTFOLIO SUMMARY

Agency/Outcome/ Non-operating	Departmental ⁽¹⁾				Administered ⁽¹⁾				Total ⁽³⁾	
	Appropriation Bill No. 1,3&5 \$'000	Appropriation Bill No. 2,4&6 \$'000	Special Appropriation \$'000	Receipts ⁽⁴⁾ \$'000	Appropriation Bill No. 1,3&5 \$'000	SPPs \$'000	Other ⁽⁴⁾ \$'000	Special Appropriation \$'000		Receipts ⁽⁴⁾ \$'000
Outcome 1 - The environment, especially those aspects that are matters of national environmental significance, is protected and conserved										
Department of the Environment and Water Resources	244,329 ⁽⁶⁾	-	-	26,448	542,269 ⁽⁷⁾	44,654	4,806	23,100	3,241	888,847
Office of the Renewable Energy Regulator	2,749	-	-	-	-	-	-	447	-	3,196
Director of National Parks ⁽²⁾	-	-	-	57,025	-	-	-	-	-	57,025
Great Barrier Reef Marine Park Authority	16,158	359	7,500	15,094	-	-	-	-	-	39,111
Sydney Harbour Federation Trust	1,619	21,000	-	5,503	-	-	-	-	-	28,122
Total Outcome 1	264,855	21,359	7,500	104,070	542,269	44,654	4,806	23,547	3,241	1,016,301
Outcome 2 - Australia's interests in Antarctica are advanced										
Department of the Environment and Water Resources	99,550	2,195	-	3,392	4,300	-	-	-	-	109,437
Total Outcome 2	99,550	2,195	-	3,392	4,300	-	-	-	-	109,437

REVISED APPROPRIATIONS AND OTHER REVENUE — PORTFOLIO SUMMARY (CONTINUED)

Agency/Outcome/ Non-operating	Departmental ⁽¹⁾				Administered ⁽¹⁾				Total ⁽²⁾ \$'000
	Appropriation Bill No. 1,3&5 \$'000	Appropriation Bill No. 2,4&6 \$'000	Special Appropriation \$'000	Receipts ⁽⁴⁾ \$'000	Appropriation Bill No. 1,3&5 \$'000	Other ⁽⁴⁾ \$'000	Special Appropriation \$'000	Receipts ⁽⁴⁾ \$'000	
Outcome 1 - Sustainable Management of Australia's water resources									
National Water Commission	10,193	-	-	-	560,153	-	-	-	570,346
Total Outcome 1	10,193	-	-	-	560,153	-	-	-	570,346
Outcome 1 - Australia benefits from meteorological and related science and services									
Bureau of Meteorology	214,412	16,672	-	16,692	-	-	-	-	247,776
Total Outcome 1	214,412	16,672	-	16,692	-	-	-	-	247,776
SUBTOTAL	589,010	40,226	7,500	124,154	1,106,722	44,654	4,806	23,547	1,943,860
Director of National Parks ⁽²⁾	-	-	-	(43,766)	-	-	-	-	(43,766)
TOTAL PORTFOLIO RESOURCES⁽⁵⁾	589,010	40,226	7,500	80,388	1,106,722	44,654	4,806	23,547	1,900,094
<p>⁽¹⁾ Under the appropriation structure, Bill No. 2, Bill No. 4 and Bill No. 6 include Specific Purpose Payments (SPPs), new agency outcomes (NAOs), administered capital and departmental capital via departmental injections and loans.</p> <p>⁽²⁾ DNP resourcing is appropriated to DEW and is included in Outcome 1 appropriation totals. To avoid double counting DNP's resourcing is not again counted in total resourcing figures.</p> <p>⁽³⁾ Total appropriations = Bill No. 1, Bill No. 3 and Bill No. 5 + Bill No. 2, Bill No. 4 and Bill No. 6 + Special Appropriations.</p> <p>⁽⁴⁾ Departmental and administered receipts from independent sources that are available to be spent. This amount may differ from 'other resources available to be used' due to timing of cash flows.</p> <p>⁽⁵⁾ Total resources = Total appropriations + Revenue from other sources.</p> <p>⁽⁶⁾ This figure includes transfers from the Department of the Prime Minister and Cabinet and the Department of Agriculture, Fisheries and Forestry under Section 32 of the <i>Financial Management Act 1997</i>, following the Administrative Arrangement Orders of 30 January 2007.</p> <p>⁽⁷⁾ This figure does not include new funding of \$13,580m for: St Peter and Paul's Cathedral Goulburn, \$1,500m; St Patrick's Cathedral Bunbury, \$5,000m; the Biofuels Health Study, \$0.195m; St Mary's Cathedral - conservation and completion appeal, \$1,000m; and the Scouts Australia 100 year - anniversary water saving infrastructure, \$5.885m.</p>									

VARIATIONS — MEASURES AND OTHER

Table 1.1: Supplementary additional estimates and variations to outcomes – measures

	2006-07 (\$'000)	2007-08 (\$'000)	2008-09 (\$'000)	2009-10 (\$'000)
Outcome 1				
Increase in administered appropriations				
St Mary's Cathedral - conservation and completion appeal	1,000	-	-	-
Scouts Australia 100 year anniversary - water saving infrastructure	5,885	5,884	5,884	-
Total increase in administered appropriations	6,885	5,884	5,884	-
Outcome 2				
Increase in administered appropriations				
Mawson's Huts in Antarctica - conservation	1,300	-	-	-
Decisions taken but not yet announced	3,000	-	-	-
Total increase in administered appropriations	4,300	-	-	-
Total increase in administered appropriations for Outcomes 1 and 2	11,185	5,884	5,884	-
TOTAL MEASURES VARIATIONS	11,185	5,884	5,884	-

Other variations

Table 1.2: Supplementary additional estimates and variations to outcome – other variations

	2006-07	2007-08	2008-09	2009-10
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Outcome 1 - Other variations in administered appropriations				
St Peter and St Paul's Cathedral Goulburn	1,500	-	-	-
St Patrick's Cathedral Bunbury	5,000	-	-	-
Biofuels Health Study	195	1,750	-	-
Solar Cities (Budget)	(2,930)	2,930	-	-
Solar Cities (Pre-ERC)	(14,070)	(7,610)	110	6,890
Advanced Electricity Storage Technologies	(4,000)	2,720	1,280	-
Commonwealth Environment Research Facilities	(1,022)	511	511	-
Representative Areas Programme-Structural Adjustment Package	(671)	671	-	-
Tasmanian Community Forest Agreement - Forest Conservation Fund - Tourism	(1,908)	1,908	-	-
Tasmanian Community Forest Agreement - Forest Conservation Fund - Mole Creek	(2,603)	2,603	-	-
Low Emissions Technology Demonstration Fund	(50,000)	50,000	-	-
Low Emissions Technology and Abatement	(2,178)	2,178	-	-
Greenhouse Gas Abatement Programme	(2,871)	2,871	-	-
Alternative Fuel Conversion Programme	(731)	731	-	-
Extension of Greenstamp Programme	(417)	417	-	-
Renewable Remote Power Generation Programme (Bill 6)	(14,079)	7,437	6,216	426
Blackburn Lake Sanctuary, Melbourne (Bill 6)	(1,800)	1,800	-	-
Search for HMAS <i>Sydney (II)</i>	(1,300)	1,300	-	-
Transfer from the Department of Agriculture, Fisheries and Forestry (Bill 5)	4,768	21,482	12,969	12,667
Transfer from the Department of Agriculture, Fisheries and Forestry (Bill 6)	23,894	99,796	57,014	40
Total increase in administered appropriations	(65,223)	193,495	78,100	20,023
Outcome 1 - Variations in departmental appropriations				
Transfer from the Department of the Prime Minister and Cabinet	1,866	3,086	-	-
Transfer from the Department of Agriculture, Fisheries and Forestry	762	1,306	1,313	981
Total increase in departmental appropriations	2,628	4,392	1,313	981
TOTAL OTHER VARIATIONS	(62,595)	197,887	79,413	21,004
Adjustment^(a)	13,580	-	-	-
TOTAL VARIATIONS MEASURES AND OTHER VARIATIONS	(76,175)^(a)	203,771	85,297	21,004
^(a) Funding for the measures St Mary's Cathedral - conservation and completion appeal and Scouts Australia 100 year anniversary - water saving infrastructure, and the variations St Peter and Paul's Cathedral Goulburn, St Patrick's Cathedral Bunbury and the Biofuels Health Study are not included in the Appropriation Bill (No. 5) 2006-07 as there is sufficient remaining appropriation from Appropriation Bill (No. 3) 2006-07, due to the movement of administered funds outlined in Table 1.2.				

MEASURES — ENVIRONMENT AND WATER RESOURCES SUMMARY

The Department of the Environment and Water Resources (the Department) is seeking a reduction in supplementary additional estimates of **(\$73.005m)** in *Appropriation Bill (No. 5) 2006–07* and **\$8.015m** in available appropriation through *Appropriation Bill (No. 6) 2006–07* comprising:

(\$75.633m) reduction in administered expenses through *Appropriation Bill (No. 5)* for the following items:

- **\$1.300m** for the Mawson’s Huts in Antarctica - conservation. The Australian Government is providing additional funding for conservation work on the historic huts built in Antarctica during Sir Douglas Mawson’s 1911-14 expedition.
- **\$1.000m** for the St Mary’s Cathedral – conservation and completion appeal. Funding will support works for the St Mary’s Cathedral⁽¹⁾.
- **\$5.885m** in 2006-07 for the Scouts Australia 100 year anniversary - water saving infrastructure, with a further \$5.884m to be provided in each of 2007-08 and 2008-09. This is a non-ongoing measure and involves a pre-payment of \$17.653m in 2006-07, which will provide for water tanks and related infrastructure⁽¹⁾.
- **\$3.000m** for decisions taken by the Australian Government but not yet announced.
- **\$4.768m increase**, representing movement of funds into 2006-07 from the Department of Agriculture, Fisheries and Forestry under Section 32 of the *Financial Management Act 1997 (FMA Act)*, with further increases of \$21.482m in 2007-08, \$12.969m in 2008-09, and \$12.667m in 2009-10.
- **\$1.500m increase** in 2006-07 for the St Peter and Paul’s Cathedral Goulburn. Funding has been provided to assist efforts to restore and conserve St Peter and Paul’s Cathedral in Goulburn⁽¹⁾.
- **\$5.000m increase** in 2006-07 for the St Patrick’s Cathedral Bunbury. Funding will be provided to support the rebuilding of St Patrick’s Cathedral precinct in Bunbury following extensive damage by a tornado in 2005⁽¹⁾.
- **\$0.195m increase** for the Biofuels Health Study in 2006-07, with a further \$1.750m in 2007-08. Funding will be provided for a study which examines the health impact of ethanol blend fuels⁽¹⁾.

⁽¹⁾ Funding for these measures and variations is not included in *Appropriation Bill (No. 5) 2006-07* as there is sufficient remaining appropriation from *Appropriation Bill (No. 3) 2006-07* due to the movement of administered funds outlined in Table 1.2.

- **\$2.930m reduction**, representing movement of funds from 2006-07 to 2007-08 for the Solar Cities Programme.
- **\$14.070m reduction**, representing movement of funds from 2006-07 with a further reduction of \$7.610 in 2007-08, and with increases of \$0.110m in 2008-09, \$6.890m in 2009-10, \$5.910 in 2010-11, \$5.040 in 2011-12 and \$3.730 in 2012-13 for the Solar Cities Programme.
- **\$4.000m reduction**, representing movement of funds from 2006-07, with increases of \$2.720m in 2007-08 and \$1.280m in 2008-09 for the Advanced Electricity Storage Technologies Programme.
- **\$1.022m reduction**, representing movement of funds from 2006-07, with increases of \$0.511m in both 2007-08 and 2008-09 for the Commonwealth Environment Research Facilities Programme.
- **\$0.671m reduction**, representing movement of funds from 2006-07 to 2007-08 for the Representative Areas Programme-Structural Adjustment Package.
- **\$1.908m reduction**, representing movement of funds from 2006-07 to 2007-08 for the Tasmanian Community Forest Agreement – Forest Conservation Fund – Tourism Programme.
- **\$2.603m reduction**, representing movement of funds from 2006-07 to 2007-08 for the Tasmanian Community Forest Agreement – Forest Conservation Fund – Mole Creek Programme.
- **\$50.000m reduction**, representing movement of funds from 2006-07 to 2007-08 for the Low Emissions Technology Demonstration Fund Programme.
- **\$2.178m reduction**, representing movement of funds from 2006-07 to 2007-08 for the Low Emissions Technology and Abatement Programme.
- **\$2.871m reduction**, representing movement of funds from 2006-07 to 2007-08 for the Greenhouse Gas Abatement Programme.
- **\$0.731m reduction**, representing movement of funds from 2006-07 to 2007-08 for the Alternative Fuel Conversion Programme.
- **\$0.417m reduction**, representing movement of funds from 2006-07 to 2007-08 for the Extension of Greenstamp Programme.
- **\$1.300m reduction**, representing movement of funds from 2006-07 to 2007-08 for the Search for HMAS *Sydney (II)* Programme.

\$2.628m in available departmental outputs appropriation through *Appropriation Bill (No. 5) 2006-07* for the following items:

- **\$1.866m increase**, representing movement of funds into 2006-07, with a further increase of \$3.086m in 2007-08 from the Department of the Prime Minister and Cabinet under Section 32 of the *FMA Act*.
- **\$0.762 increase**, representing movement of funds into 2006-07, with further increases of \$1.306m in 2007-08, \$1.313m in 2008-09 and \$0.981m in 2009-10 from the Department of Agriculture, Fisheries and Forestry under Section 32 of the *FMA Act*.

\$8.015m in available administered expenses through *Appropriation Bill (No. 6) 2006-07* for the following items:

- **\$23.894m increase**, representing movement of funds into 2006-07, with further increases of \$99.796m in 2007-08, \$57.014m in 2008-09 and \$0.040m in 2009-10 from the Department of Agriculture, Fisheries and Forestry under Section 32 of the *FMA Act*.
- **\$14.079m reduction**, representing movement of funds from 2006-07, with increases of \$7.437 in 2007-08, \$6.216m in 2008-09 and \$0.426m in 2009-10 for the Renewable Remote Power Generation Programme.
- **\$1.800m reduction**, representing movement of funds from 2006-07 to 2007-08 for Blackburn Lake Sanctuary, Melbourne.

Table 1.3: Summary of measures since Portfolio Additional Estimates Statements 2006-07

Measure Title	Outcome	Outputs affected	Appropriations 2006-07			Appropriations 2007-08			Appropriations 2008-09			Appropriations 2009-10		
			Admin expenses (\$'000)	Dept outputs (\$'000)	Total (\$'000)	Admin expenses (\$'000)	Dept outputs (\$'000)	Total (\$'000)	Admin expenses (\$'000)	Dept outputs (\$'000)	Total (\$'000)	Admin expenses (\$'000)	Dept outputs (\$'000)	Total (\$'000)
Expense Measures:														
Mawson's Huts Foundation - conservation	2	2.1	1,300	-	1,300	-	-	-	-	-	-	-	-	-
Decisions taken but not yet announced	2	2.1	3,000	-	3,000	-	-	-	-	-	-	-	-	-
St Mary's Cathedral - conservation and completion appeal	1	1.4	1,000	-	1,000	-	-	-	-	-	-	-	-	-
Scouts Australia 100 year anniversary - water saving infrastructure	1	1.2	5,885	-	5,885	5,884	-	5,884	-	5,884	-	-	-	-
Total Expense Measures			11,185	-	11,185	5,884	-	5,884	-	5,884	-	-	-	-

BREAKDOWN, BY APPROPRIATION BILL, OF ADDITIONAL FUNDING SOUGHT

Table 1.4: Appropriation Bill (No. 5) 2006-07

	2006-07 Budget and Additional Estimates (\$'000)	2006-07 Revised Estimates (\$'000)	2006-07 Supplementary Additional Estimates (\$'000)
ADMINISTERED ITEMS			
Outcome 1			
The environment, especially those aspects that are matters of national environmental significance, is protected and conserved	622,202	542,269	(79,933) ⁽¹⁾
Outcome 2			
Australia's interests in Antarctica are advanced	-	4,300	4,300
Sub-Total Administered Items	622,202	546,569	(75,633)
DEPARTMENTAL OUTPUTS			
Outcome 1			
The environment, especially those aspects that are matters of national environmental significance, is protected and conserved	241,701	244,329 ⁽²⁾	2,628
Outcome 2			
Australia's interests in Antarctica are advanced	99,550	99,550	-
Sub-Total Departmental Outputs	341,251	343,879	2,628
Total administered and departmental	963,453	890,448	(73,005)
<p>⁽¹⁾ This figure does not include new funding of \$13.580m for: St Peter and Paul's Cathedral Goulburn, \$1.500m; St Patrick's Cathedral Bunbury, \$5.000m; the Biofuels Health Study, \$0.195m; St Mary's Cathedral - conservation and completion appeal, \$1.000m; and the Scouts Australia 100 year anniversary - water saving infrastructure, \$5.885m.</p> <p>⁽²⁾ This figure includes transfers from the Department of the Prime Minister and Cabinet and the Department of Agriculture, Fisheries and Forestry under Section 32 of the <i>Financial Management Act 1997</i>, following the Administrative Arrangement Orders of 30 January 2007.</p>			

Table 1.5: Appropriation Bill (No. 6) 2006-07

	2006-07 Budget and Additional Estimates (\$'000)	2006-07 Revised Estimates (\$'000)	2006-07 Supplementary Additional Estimates (\$'000)
SPECIFIC PAYMENTS TO THE STATES AND TERRITORIES			
Outcome 1			
The environment, especially those aspects that are matters of national environmental significance, is protected and conserved	36,639	44,654	8,015
Outcome 2			
Australia's interests in Antarctica are advanced	-	-	-
OTHER ADMINISTERED ITEMS			
Outcome 1			
The environment, especially those aspects that are matters of national environmental significance, is protected and conserved	-	-	-
Outcome 2			
Australia's interests in Antarctica are advanced	-	-	-
Outcome 3			
More efficient and sustainable use of Australia's water resources	-	-	-
Total	36,639	44,654	8,015
Non-operating			
Equity injections	2,195	2,195	-
Administered assets and liabilities	2,611	2,611	-
Total capital	4,806	4,806	-
Department of Environment and Water Resources			
Total	4,806	4,806	-

ESTIMATED SPECIAL ACCOUNT FLOWS

Table 1.6: Estimated special account flows

There are no estimated special account flows variations for the Environment and Water Resources Portfolio in 2006-07.

