

**PORTFOLIO SUPPLEMENTARY ADDITIONAL
ESTIMATES STATEMENTS 2008-09**

Appropriation (Nation Building and Jobs)
Bill (No. 1) 2008-09

And

Appropriation (Nation Building and Jobs)
Bill (No. 2) 2008-09

**ENVIRONMENT, WATER, HERITAGE AND THE ARTS
PORTFOLIO**

**EXPLANATION OF SUPPLEMENTARY ADDITIONAL
ESTIMATES 2008-09**

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**PETER GARRETT AM
PARLIAMENT HOUSE
CANBERRA 2600**

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 supplementary appropriations being sought for the Environment, Water, Heritage and the Arts Portfolio through the Appropriation (Nation Building and Jobs) Bills (No. 1 and No. 2) 2008-09.

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 'Peter Garrett', with a long, sweeping underline that extends to the right.

PETER GARRETT AM

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USER GUIDE

The purpose of the Portfolio Supplementary Additional Estimates Statements (PSAES) is to explain Appropriation (Nation Building and Jobs) Bills No. 1 and No. 2, 2008-09. This document serves to inform senators and members of parliament and the public of the proposed allocation of supplementary additional appropriations to Government outcomes by agencies within the portfolio.

The PSAES are declared by the Appropriation (Nation Building and Jobs) Bills (No. 1 and No. 2) to be a 'relevant document' to the interpretation of the Bill according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the PSAES are focused on explaining the supplementary additional estimates appropriations, information on total 2008-09 Budget resourcing, planned performance, and a full set of agency budgeted financial statements can be found in the 2008-09 Portfolio Additional Estimates Statements or which accompanied the 2008-09 annual Appropriation Bills (No. 3 and No. 4).

**ENVIRONMENT, WATER,
HERITAGE AND THE ARTS
PORTFOLIO**

**SUPPLEMENTARY ADDITIONAL
ESTIMATES STATEMENTS**

ENVIRONMENT, WATER, HERITAGE AND THE ARTS PORTFOLIO

1.1 OVERVIEW OF SUPPLEMENTARY ADDITIONAL APPROPRIATIONS SOUGHT

Overall, the Portfolio is seeking a net increase of \$3.9 billion over four years to improve the energy efficiency of Australian homes through the installation of insulation and increased rebates for solar and heat pump hot water systems.

Additional funding of \$2.7 billion is sought over two and a half years from 2009-10 for the purchase and installation of ceiling insulation in an estimated 2.2 million established homes that are owner-occupied and not currently insulated. The program will meet the costs of installing ceiling insulation up to a cap of \$1,600 per home. As an interim arrangement until 30 June 2009, eligible owner-occupiers who have ceiling insulation installed in their homes will be able to seek a reimbursement (up to \$1,600) after the program commences on 1 July 2009.

An additional \$612.5 million over two and a half years will be provided to immediately increase the existing rebate to owners of private sector rental homes towards the cost of installing insulation under the Low Emission Plan for Renters program. The rebate will be increased from the current maximum rebate of \$500 per property to up to \$1,000 per property. The existing cap on the number of rebates will also be removed.

A further \$507.0 million over three and a half years will also be provided to immediately increase the existing solar hot water rebate from \$1,000 to \$1,600 for solar and heat pump hot water systems that replace electric storage hot water systems in established homes. The hot water system must be installed in the applicant's principal place of residence. The existing means test for the rebate will be removed.

Eligible households will be able to choose either the ceiling insulation or the rebate for solar and heat pump hot water systems. Households who have already received the existing \$1,000 rebate for solar hot water systems may be eligible for the insulation component of the program.

1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for the Department of the Environment, Water, Heritage and the Arts (DEWHA) at Supplementary Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2008-09 Budget year, including variations through Appropriation (Nation Building and Jobs) Bills No. 1 and No. 2, special appropriations and special accounts.

Table 1.1: Agency resource statement – Supplementary additional estimates through Appropriation (Nation Building and Jobs) Bills No. 1 and No. 2

| | Estimate as at Additional Estimates 2008-09 \$'000 | Proposed Supplementary Estimates 2008-09 \$'000 | Total Estimate at Supplementary Estimates 2008-09 \$'000 | Total Available Appropriation 2007-08 \$'000 |
|----------------------------------------------------------------------|----------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------------------|----------------------------------------------------------|
| Ordinary Annual Services | | | | |
| Departmental outputs | | | | |
| Departmental outputs | 520,505 | - | 520,505 | 547,948 |
| Payments to CAC Act bodies | 44,196 | - | 44,196 | 44,051 |
| RMA Reg 15 and 16 receipts | 97,167 | - | 97,167 | 92,196 |
| Total | 661,868 | - | 661,868 | 684,195 |
| Administered expenses | | | | |
| Outcome 1- Environment | 802,155 | 39,000 ¹ | 841,155 | 775,548 |
| Outcome 2 - Antarctica | - | - | - | 3,000 |
| Outcome 3 - Water | 390,211 | - | 390,211 | 172,879 |
| Outcome 4 - Arts | 203,793 | - | 203,793 | 147,462 |
| Payments to CAC Act Bodies | 408,906 | - | 408,906 | - |
| Total | 1,805,065 | 39,000 | 1,844,065 | 1,098,889 |
| Total ordinary annual services | A 2,466,933 | 39,000 | 2,505,933 | 1,783,084 |
| Other services | | | | |
| Administered expenses | | | | |
| Specific payments to States, Act, NT and local government | | | | |
| Outcome 1- Environment | 45,308 | - | 45,308 | 42,627 |
| Outcome 2 - Antarctica | - | - | - | - |
| Outcome 3 - Water | 240,240 | - | 240,240 | 99,796 |
| Outcome 4 - Arts | - | - | - | - |
| Total | 285,548 | - | 285,548 | 142,423 |
| New administered expenses | | | | |
| Outcome 1- Environment | - | - | - | - |
| Outcome 2 - Antarctica | - | - | - | - |
| Outcome 3 - Water | - | - | - | 46,841 |
| Outcome 4 - Arts | - | - | - | - |
| Total | - | - | - | 46,841 |
| Departmental non-operating | | | | |
| Equity injections | 2,188 | - | 2,188 | 19,054 |
| Previous years' outputs | - | - | - | - |
| Payments to CAC Act bodies -non operating | 150 | - | 150 | 15,000 |
| Total | 2,348 | - | 2,348 | 34,054 |
| Administered non-operating | | | | |
| Administered Assets and Liabilities | 152,433 | - | 152,433 | 11,959 |
| Payments to CAC Act bodies -non operating | 90 | - | 90 | - |
| Total | 152,523 | - | 152,523 | 11,959 |
| Total other services | B 440,419 | - | 440,419 | 235,277 |
| Total Available Annual Appropriations | 2,907,352 | 39,000 | 2,946,352 | 2,018,361 |
| Special Appropriations | | | | |
| Special Appropriations limited by criteria/entitlement | | | | |
| Special Appropriations limited by amount | | | | |
| Total Special Appropriations | C - | - | - | - |
| Total Appropriations excluding Special Accounts | 2,907,352 | 39,000 | 2,946,352 | 2,018,361 |

Table 1.1: Agency resource statement – Supplementary additional estimates through Appropriation (Nation Building and Jobs) Bills No. 1 and No. 2 – cont.

| | Estimate as at Additional Estimates 2008-09 \$'000 | + Proposed Supplementary Estimates 2008-09 \$'000 | = Total Estimate at Supplementary Estimates 2008-09 \$'000 | Total Available Appropriation 2007-08 \$'000 |
|-----------------------------------------------------------------------------------------------------|----------------------------------------------------------------|------------------------------------------------------------------|------------------------------------------------------------------------------|----------------------------------------------------------|
| Special Accounts | | | | |
| Opening balance | 418,458 | - | 418,458 | 437,966 |
| Appropriation receipts | 366,812 | - | 366,812 | 301,552 |
| Non-appropriation receipts to Special Accounts | 33,388 | - | 33,388 | 66,918 |
| Total Special Account | D 818,658 | - | 818,658 | 806,436 |
| Total resourcing | 3,726,010 | 39,000 | 3,765,010 | 2,824,797 |
| A+B+C+D | | | | |
| Less amounts credited to special accounts and/or CAC Act bodies through annual appropriations | (864,071) | - | (864,071) | (242,501) |
| Total net resourcing for DEWHA | 2,861,939 | 39,000 | 2,900,939 | 2,582,296 |

¹ Appropriation (Jobs and Nation Building) Bill (No.1) 2008-09

Reader note: All figures are GST exclusive.

Third Party Payments from and on behalf of other agencies

| | Estimate at Additional Estimates 2008-09 \$'000 | Estimate at Supp. Additional Estimates 2008-09 \$'000 |
|------------------------------------------------------------------------------|-------------------------------------------------------------|----------------------------------------------------------------------|
| Payments made to CAC Act bodies within the Portfolio | | |
| Administered Expenses | | |
| Australia Council (Annual Appropriation Bills) | 166,290 | 166,290 |
| Australian Film, Television and Radio School (Annual Appropriation Bills) | 23,301 | 23,301 |
| Australian National Maritime Museum (Annual Appropriation Bills) | 23,069 | 23,069 |
| National Film and Sound Archive (Annual Appropriation Bills) | 25,172 | 25,172 |
| National Gallery of Australia (Annual Appropriation Bills) | 41,796 | 41,796 |
| National Library of Australia (Annual Appropriation Bills) | 57,680 | 57,680 |
| National Museum of Australia (Annual Appropriation Bills) | 40,275 | 40,275 |
| Screen Australia (Annual Appropriation Bills) | 31,389 | 31,389 |
| Sydney Harbour Federation Trust (Annual Appropriation Bills) | 24 | 24 |
| Total Administered Expenses disclosed above | 408,996 | 408,996 |
| Departmental Outputs | | |
| The Director of National Parks (Annual Appropriation Bills) | 44,196 | 44,196 |
| Total Departmental Outputs disclosed above | 44,196 | 44,196 |

1.3 AGENCY MEASURES TABLE

Table 1.1 summarises new Government measures funded through the Appropriation (Nation Building and Jobs) Bills No.1 and No.2. The table is split into revenue, expense and capital measures, with the affected output group identified.

Table 1.2: Agency measures through Appropriation (Nation Building and Jobs) Bills No. 1 and No. 2

| | Output Group | 2008-09 \$'000 | 2009-10 \$'000 | 2010-11 \$'000 | 2011-12 \$'000 |
|---------------------------------|----------------------|-------------------|-------------------|-------------------|-------------------|
| Expense measures | | | | | |
| Nation Building and Jobs Plan - | | | | | |
| Energy Efficient Homes | | | | | |
| | 1.1 | | | | |
| | Administered expense | 39,000 | 1,539,500 | 1,544,000 | 736,000 |
| | Departmental outputs | - | - | - | - |
| Total | | 39,000 | 1,539,500 | 1,544,000 | 736,000 |
| Total expense measures | | | | | |
| | Administered | 39,000 | 1,539,500 | 1,544,000 | 736,000 |
| | Departmental | - | - | - | - |
| Total | | 39,000 | 1,539,500 | 1,544,000 | 736,000 |

1.4 SUPPLEMENTARY ADDITIONAL ESTIMATES AND VARIATIONS

Table 1.3 details the changes to the resourcing for DEWHA resulting from Appropriation (Nation Building and Jobs) Bills No.1 and No. 2, by Outcomes, Administered Items and Departmental Outputs.

Table 1.3: Supplementary additional estimates and variations to outcomes – measures

| | Output Group Impacted | 2008-09 (\$'000) | 2009-10 (\$'000) | 2010-11 (\$'000) | 2011-12 (\$'000) |
|-----------------------------------------------------------|--------------------------|---------------------|---------------------|---------------------|---------------------|
| Outcome 1 | | | | | |
| Increase in estimates (administered) | | | | | |
| Nation Building and Jobs Plan - Energy Efficient Homes | | 39,000 | 1,539,500 | 1,544,000 | 736,000 |
| Net impact on estimates for Outcome 1 (administered) | | 39,000 | 1,539,500 | 1,544,000 | 736,000 |
| Net impact on estimates for Outcome 1 (departmental) | | - | - | - | - |
| Outcome 2 | | | | | |
| Net impact on estimates for Outcome 2 (administered) | | - | - | - | - |
| Net impact on estimates for Outcome 2 (departmental) | | - | - | - | - |
| Outcome 3 | | | | | |
| Net impact on estimates for Outcome 3 (administered) | | - | - | - | - |
| Net impact on estimates for Outcome 3 (departmental) | | - | - | - | - |
| Outcome 4 | | | | | |
| Net impact on estimates for Outcome 4 (administered) | | - | - | - | - |
| Net impact on estimates for Outcome 4 (departmental) | | - | - | - | - |

1.5 BREAKDOWN OF SUPPLEMENTARY ADDITIONAL ESTIMATES BY APPROPRIATION BILL, OF FUNDING SOUGHT

The following tables detail the Supplementary Additional Estimates sought for DEWHA through Appropriation (Nation Building and Jobs) Bills No.1 and No.2.

Table 1.4: Appropriation (Nation Building and Jobs) Bill (No. 1) 2008-2009

| | 2007-08 actual (\$'000) | 2008-09 Budget (\$'000) | Supplementary additional estimates (\$'000) | Reduced estimates (\$'000) | 2008-09 revised (\$'000) |
|-------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------------------------|------------------------------------------------------|----------------------------------|--------------------------------|
| ADMINISTERED ITEMS | | | | | |
| Outcome 1 | | | | | |
| The environment, especially those aspects that are matters of national environmental significance, is protected and conserved | 775,548 | 808,468 | 39,000 | - | 847,468 |
| Outcome 2 | | | | | |
| Australia's interests in Antarctica are advanced | 3,000 | - | - | - | - |
| Outcome 3 | | | | | |
| More efficient and sustainable use of Australia's water resources | 172,879 | 390,084 | - | - | 390,084 |
| Outcome 4 | | | | | |
| Development of a rich and stimulating cultural sector for all Australians | 147,462 | 203,576 | - | - | 203,576 |
| Total | 1,098,889 | 1,402,128 | 39,000 | - | 1,441,128 |
| DEPARTMENTAL OUTPUTS | | | | | |
| Outcome 1 | | | | | |
| The environment, especially those aspects that are matters of national environmental significance, is protected and conserved | 329,167 | 269,474 | - | - | 269,474 |
| Outcome 2 | | | | | |
| Australia's interests in Antarctica are advanced | 133,572 | 104,602 | - | - | 104,602 |
| Outcome 3 | | | | | |
| More efficient and sustainable use of Australia's water resources | 48,111 | 66,544 | - | - | 66,544 |
| Outcome 4 | | | | | |
| Development of a rich and stimulating cultural sector for all Australians | 37,098 | 34,039 | - | - | 34,039 |
| Total | 547,948 | 474,659 | - | - | 474,659 |
| Total administered and departmental | 1,646,837 | 1,876,787 | 39,000 | - | 1,915,787 |

Note 1: 2007-08 actual appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Note 2: 2008-09 Budget figures include changes to resourcing proposed through the EWHA Portfolio Additional Estimates Statements 2008-09.