

1.3 1997-98 BUDGET MEASURES

BACKGROUND

Notwithstanding the achievement of its broad fiscal targets, the Government has been able to provide additional funding in a number of key priority areas.

Current outlay initiatives in 1997-98 are set out in Table 1.12 below. In addition, a selection of some of the major new capital projects to commence in 1997-98 is detailed in Table 1.13 of this Section.

Savings measures and revenue initiatives which have been implemented to assist in funding the current outlay initiatives and major new capital projects while also assisting to achieve the debt reduction and budget deficit targets are set out in Tables 1.14 and Table 1.15 respectively.

CURRENT OUTLAY INITIATIVES

Table 1.12 summarises major Budget initiatives impacting on current outlays. More detailed coverage of each of the initiatives is provided in the relevant sections of Chapter 4.

Under the global approach to budgeting, agencies have far greater flexibility to reallocate resources amongst priorities and can retain savings achieved through operational efficiencies. This flexibility gives agencies substantial capacity to address priorities and emerging needs within their existing levels of Budget (i.e. Consolidated Fund) support. Accordingly, while the major part of the initiatives is funded by additional Consolidated Fund appropriations, there are certain initiatives that are internally funded.

Table 1.12: Summary of Major Current Outlay Initiatives

Initiative (a)	Impact of Initiative	
	1997-98	Maximum Cost (b) 1998-99 or 1999-2000
	\$m	\$m

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
ETHNIC AFFAIRS**

Historic Houses Trust

Government House's cultural program

0.8

0.8

Australian Museum

Biodiversity Research

0.2

0.2

Table 1.12: Summary of Major Current Outlay Initiatives (cont)

Initiative (a)	Impact of Initiative	
	1997-98	Maximum Cost (b) 1998-99 or 1999-2000
	\$m	\$m
Premier's Department		
Grant towards completion of spires for St Mary's Cathedral	2.0	1.5
Celebration of the Centenary of Federation	0.5	1.0
Security expenses for dignitaries attending before and during the Olympic and Paralympic Games	0.4	0.6
Grant to the University of Wollongong Science Centre	2.0	...
Ethnic Affairs Commission		
Assistance to Carnivale	0.2	0.2
Community grants	0.1	0.1
MINISTER FOR AGRICULTURE		
Department of Agriculture		
Soil Acidity	2.5	2.5
Noxious Weeds	1.0	1.0
ATTORNEY GENERAL AND MINISTER FOR INDUSTRIAL RELATIONS		
Attorney General's Department		
Enhanced court security measures	1.5	0.8
Funding for the Office of Public Guardian	4.8	4.8
Safer Communities Development Program	0.5	0.5
Specialist unit to assist women affected by violence*	1.5	1.5
Office of the Director of Public Prosecutions		
Witness Assistance Service	0.6	0.6
Special Crime Unit	0.7	0.7
Department of Industrial Relations		
Grant to Working Women's Centre	0.1	...
MINISTER FOR COMMUNITY SERVICES, MINISTER FOR AGED SERVICES AND MINISTER FOR DISABILITY SERVICES		
Department of Community Services		
Improvements in substitute care services	4.0	8.0
Expansion of joint investigation teams into child abuse	2.4	2.4
Appointment of mobile casework specialists	0.3	0.3
Adoption information and reunion register	0.2	0.1
Ageing and Disability Department		
Home and Community Care Program - growth funding	8.4	8.4
Community Services Commission		
Additional staff for the Commission and Community Visitors Scheme	0.3	0.3

Table 1.12: Summary of Major Current Outlay Initiatives (cont)

Initiative (a)	Impact of Initiative	
	1997-98	Maximum Cost (b) 1998-99 or 1999-2000
	\$m	\$m
Department of Juvenile Justice		
Competency based training for staff at Juvenile Justice Centres	1.2	1.2
Youth Justice Conferencing System	1.4	4.3
MINISTER FOR CORRECTIVE SERVICES AND MINISTER FOR EMERGENCY SERVICES		
Department of Corrective Services		
Indigenous Action Plan	1.0	1.0
Home Detention Scheme	2.3	2.3
New South Wales Fire Brigades		
Staffing for new fire stations in growth areas of Sydney	2.3	2.7
Department of Bush Fire Services		
Training in rescue and emergency management	0.3	0.3
Hire of dedicated aircraft for bushfire fighting	1.0	1.0
State Emergency Service		
New division controllers	0.1	0.1
MINISTER FOR EDUCATION AND TRAINING		
Department of Training and Education Co-ordination		
Building and construction industry training strategy	5.0	2.0
Department of School Education		
Back to School Allowance	55.0	55.0
MINISTER FOR THE ENVIRONMENT		
Environment Protection Authority		
Establishment of waste levy audit function	0.5	0.5
National Parks and Wildlife Service		
New parks and wilderness areas	5.2	5.2
Additions to the existing park estate	2.1	2.1
Species recovery plans	0.5	0.5
Bicentennial Park Trust		
Increased expenditure on asset maintenance	0.8	0.8
MINISTER FOR GAMING AND RACING		
Department of Gaming and Racing		
Introduction of hotel gaming and statewide linking of gaming machines	1.8	0.7

Table 1.12: Summary of Major Current Outlay Initiatives (cont)

Initiative (a)	Impact of Initiative	
	1997-98	Maximum Cost (b) 1998-99 or 1999-2000
	\$m	\$m
MINISTER FOR HEALTH AND MINISTER FOR ABORIGINAL AFFAIRS		
Department of Health		
Increased recurrent funding to improve access to health services, primarily in population growth areas	232.0	232.0
Mental health services	7.0	7.0
Teaching and research activities	5.9	5.9
Schizophrenia research	0.4	0.4
Reducing waiting times for people requiring dentures	1.0	1.0
Planning, management and delivery of services to address violence against women	0.6	0.6
Service delivery pilot models in community health	0.8	0.8
Additional community health nurses in priority areas including Aboriginal health, mental health and aged care	1.5	1.5
Increased recurrent funding approved after the 1996-97 Budget to improve access to health services, primarily in population growth areas.	138.0	138.0
MINISTER FOR LAND AND WATER CONSERVATION		
Department of Land and Water Conservation		
Native Vegetation Management Fund	5.0	5.0
Other native vegetation management reforms *	11.4	11.4
MINISTER FOR MINERAL RESOURCES AND MINISTER FOR FISHERIES		
Department of Mineral Resources		
Gretley Judicial Inquiry	1.0	...
MINISTER FOR THE OLYMPICS		
Olympic Co-ordination Authority		
Venue operations and events co-ordination	3.0	2.2
MINISTER FOR POLICE		
Police Integrity Commission		
Establishment of Commission from December 1996	9.7	9.7
New South Wales Police Service		
Expansion of joint investigation teams into child abuse*	3.2	3.2
MINISTER FOR PUBLIC WORKS AND SERVICES, MINISTER		

Table 1.12: Summary of Major Current Outlay Initiatives (cont)

Initiative (a)	Impact of Initiative	
	1997-98	Maximum Cost (b) 1998-99 or 1999-2000
	\$m	\$m
FOR ROADS AND MINISTER FOR PORTS		
Roads and Traffic Authority		
M4/M5 Cashback Scheme	52.0	63.0
MINISTER FOR SPORT AND RECREATION		
Department of Sport and Recreation		
Social Justice Sports and Development program	0.4	0.4
MINISTER FOR TRANSPORT AND MINISTER FOR TOURISM		
Tourism NSW		
Special Events Marketing	1.6	1.6
TREASURER, MINISTER FOR ENERGY AND MINISTER FOR STATE AND REGIONAL DEVELOPMENT		
Department of Energy		
Gas and electricity reforms	1.5	1.2
Department of State and Regional Development		
Agribusiness Alternatives *	1.3	0.7
Business Export Focus *	2.5	1.4
Olympic Business Services *	0.5	0.5
Lead-in-Fighter	1.2	...
Tamworth Regional Entertainment Centre	1.0	...
Manildra Ethanol Project	1.1	...
MINISTER FOR URBAN AFFAIRS AND PLANNING AND MINISTER FOR HOUSING		
Department of Urban Affairs and Planning		
Water Licence Regulator	0.2	0.2
Heritage Office		
Maintenance and conservation of heritage assets	8.5	8.5

(a) Initiatives marked with a * symbol are either fully or substantially funded internally by the agency.

(b) Maximum cost in either of the forward years 1998-99 and 1999-2000.

CAPITAL OUTLAY INITIATIVES

Each new capital project can be regarded as an "initiative" in its own right.

Table 1.13 lists the more significant Budget Sector projects (or Budget funding towards Non Budget Sector projects) which are planned to commence in 1997-98. More detailed information appears in Chapter 4 of this Budget Paper and in Budget Paper No. 4 "State Capital Program".

Table 1.13: Significant New Capital Projects to Commence in 1997-98

Project	Estimated Completion Date	Estimated Total Cost	Allocation in 1997-98
		\$m	\$m
PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR ETHNIC AFFAIRS			
Australian Museum			
Public programs	2002	12.1	1.9
Air conditioning	2001	3.0	0.8
Archives Authority			
Kingswood stage V	2001	4.9	0.3
ATTORNEY GENERAL AND MINISTER FOR INDUSTRIAL RELATIONS			
Attorney General's Department			
Court security improvements	2000	5.3	1.4
Orange Court House refurbishment	2000	4.7	0.4
Courts Administration System	2001	14.8	2.0
Bega Court House refurbishment	2000	1.7	0.3
IT infrastructure	2000	5.9	2.0
MINISTER FOR COMMUNITY SERVICES, MINISTER FOR AGED SERVICES AND MINISTER FOR DISABILITY SERVICES			
Department of Juvenile Justice			
Construction of new juvenile justice centre in the Hunter region	2000	16.2	3.0
MINISTER FOR CORRECTIVE SERVICES AND MINISTER FOR EMERGENCY SERVICES			
Department of Corrective Services			
Long Bay Redevelopment	2003	37.0	2.7
Mulawa Redevelopment	2000	5.1	1.0
Goulburn Redevelopment - Stage One	2000	6.3	0.8
New South Wales Fire Brigades			

Communications equipment	2001	20.0	5.0
New fire stations in growth areas of Sydney	1999	6.0	1.7

Table 1.13: Significant New Capital Projects to Commence in 1997-98 (cont)

Project	Estimated Completion Date	Estimated Total Cost	Allocation in 1997-98
		\$m	\$m
Department of Bush Fire Services			
Additional tankers and fire fighting equipment	1999	8.8	4.4
State Emergency Service			
Construction of new Clarence division headquarters	1998	0.4	0.4
MINISTER FOR EDUCATION AND TRAINING			
Department of School Education			
Camden High School - replacement	1999	17.4	0.8
Nirimba Senior High School - new school Stage 2	2000	10.5	0.9
Glenmore Park High School - new school Stage 2	2000	7.1	2.0
Carnes Hill Public School - new school	2000	4.9	1.9
Unanderra Public School - relocation	2000	5.0	0.1
Bodalla Public School - relocation	2000	4.6	1.1
Narara Public School - relocation	2000	5.1	1.8
Caringbah High School - new library	2000	1.3	0.4
Revesby Public School - relocation of Gillawarna and Broderick Schools for Specific Purposes	2000	6.3	0.4
Tuggerah Public School - upgrade	2000	4.5	2.1
Sandon Public School - replacement	2000	3.9	2.4
Macksville High School - upgrade Stage 2	2000	3.5	2.0
NSW TAFE Commission			
Hornsby - new facilities for adult basic education, library, student support and administration	2001	5.9	0.3
Wetherill Park - new facilities for student support, library and general purpose classroom	1999	5.5	3.0
Bathurst - new facilities for automotive training, rural studies, administration and ancillary areas	1999	4.3	3.5
Blacktown - refurbishment to provide business studies, fashion and staff offices	1999	1.0	0.8
Griffith - Wine and Grape centre	1999	1.3	0.5
Lithgow - new facilities for tourism and hospitality, business services, information technology, general purpose laboratory and administration	1999	1.9	0.5
Liverpool - vocational and professional centre	2000	3.5	0.2
Connection of all colleges to the Internet	2002	22.2	1.1
Department of Training and Education Co-ordination			
Redevelopment of the Conservatorium of Music	2000	55.3	5.1
MINISTER FOR THE ENVIRONMENT			
Environment Protection Authority			
Additional equipment for monitoring air toxics	2000	0.5	0.5
National Parks and Wildlife Service			
Additions to the park estate	1999	1.2	1.0
New parks and wilderness areas	1999	4.0	3.1

Table 1.13: Significant New Capital Projects to Commence in 1997-98 (cont)

Project	Estimated Completion Date	Estimated Total Cost	Allocation in 1997-98
		\$m	\$m
Upgrading of the Perisher Waste Treatment Plant	1999	14.0	6.0
Centennial Park and Moore Park Trust			
Restoration of Centennial Park ponds	1999	6.1	1.2
Refurbishment of Hordern Pavilion/Royal Hall of Industries	1998	14.0	14.0
MINISTER FOR FAIR TRADING AND MINISTER FOR WOMEN			
Department of Fair Trading			
Fitout of amalgamated regional offices	1998	1.2	1.2
Development of computer systems arising from amalgamation of agencies into the Department	1999	2.8	2.4
MINISTER FOR HEALTH AND MINISTER FOR ABORIGINAL AFFAIRS			
Department of Health			
Central Coast Area Community Health Strategy stage 1	1998	3.0	3.0
Information Management and Telecommunications Strategy stage 2	2000	59.3	24.0
Macarthur Sector Strategy	2002	79.0	1.0
Nepean stage 2a redevelopment	2002	58.8	14.0
State Government Nursing Home Program	2001	75.1	8.0
Royal North Shore Hospital paediatric services	2000	11.7	1.0
Tweed Heads stage 3 redevelopment	2000	25.0	1.5
Westmead Institutes of Health	1998	5.3	5.3
MINISTER FOR LAND AND WATER CONSERVATION			
Department of Land and Water Conservation			
Kooragang wetlands rehabilitation	2003	4.0	0.6
MINISTER FOR MINERAL RESOURCES AND MINISTER FOR FISHERIES			
Department of Mineral Resources			
Extensions to core library	1999	1.6	0.5
Accounting system	1998	1.0	1.0
MINISTER FOR THE OLYMPICS			
Olympic Co-ordination Authority			
Construction of Olympic venues:			
• Velodrome	1999	33.8	3.0
• Stadium - Government contribution	2001	121.7	34.8
• Equestrian	1999	32.5	12.2
• Hockey	1998	11.7	6.6

Table 1.13: Significant New Capital Projects to Commence in 1997-98 (cont)

Project	Estimated Completion Date	Estimated Total Cost	Allocation in 1997-98
		\$m	\$m
MINISTER FOR POLICE			
New South Wales Police Service			
Improvement in accommodation for Kings Cross Police Station	1998	0.9	0.9
Replacement of speed and breath testing equipment	1998	8.8	3.8
MINISTER FOR SPORT AND RECREATION			
Department of Sport and Recreation			
Grants to sporting facilities		5.5	5.5
MINISTER FOR PUBLIC WORKS AND SERVICES, MINISTER FOR ROADS AND MINISTER FOR PORTS			
Office of the Minister for Public Works and Services			
City improvement project	1999	41.0 #	16.2 #
Roads and Traffic Authority			
M5 East project	2000	580.0	144.0
MINISTER FOR TRANSPORT AND MINISTER FOR TOURISM			
Department of Transport			
New Rolling Stock	2005	210	12
MINISTER FOR URBAN AFFAIRS AND PLANNING AND MINISTER FOR HOUSING			
Water and Sewerage Assistance			
Backlog sewer projects	1999	75.8	30.6

* Estimated total cost to be determined following review of project proposals.

Includes contribution from Sydney City Council and other non Budget contributions.

SAVINGS MEASURES

In order to meet the new initiatives detailed in the previous tables and to also achieve the Budget result and debt reduction targets, a series of savings measures are being implemented. Table 1.14 below provides a listing of the savings measures.

Table 1.14: Summary of Major Savings Measures

Savings Measure	Impact of Measure	
	1997-98	Maximum Savings 1998-99 or 1999-2000
	\$m	\$m
CROSS PORTFOLIO SAVINGS MEASURES		
Corporate support	27.0	27.0
Service competition savings	32.0	32.0
AGENCY SPECIFIC MEASURES		
The Legislature	1.2	1.2
Cabinet Office	0.2	0.2
Parliamentary Counsel's Office	0.1	0.1
Premier's Department	1.4	1.4
Independent Commission Against Corruption	0.5	0.5
Ombudsman's Office	0.1	0.1
State Electoral Office	0.1	0.1
Independent Pricing and Regulatory Tribunal	0.1	0.1
Historic Houses Trust	1.6	0.6
Ethnic Affairs Commission	0.2	0.2
Department of Agriculture	2.8	2.8
Attorney General's Department	1.4	1.4
Office of the Director of Public Prosecutions	0.8	0.8
Ageing and Disability Department	0.2	0.2
Community Services Commission	0.1	0.1
Department of Industrial Relations	0.4	0.4
Department of Juvenile Justice	1.3	1.3
Department of Corrective Services	4.5	6.7
Department of Training and Education Co-ordination	6.4	6.4
Department of School Education	1.5	5.8
NSW Technical and Further Education Commission	8.1	11.6
Environment Protection Authority	1.3	1.3
National Parks and Wildlife Service	3.0	3.0
Royal Botanic Gardens and Domain Trust	0.3	0.3
Centennial Park and Moore Park Trust	0.1	0.1
Department of Fair Trading	7.3	7.3
Department for Women	0.1	0.1
Department of Gaming and Racing	0.6	0.6
Casino Control Authority	0.1	0.1
Health Care Complaints Commission	0.1	0.1
Department of Aboriginal Affairs	0.1	0.1
Department of Land and Water Conservation	8.4	8.4
Department of Mineral Resources	0.7	0.6

New South Wales Fisheries	0.4	0.4
New South Wales Police Service	12.6	19.5

Table 1.14: Summary of Major Savings Measures (cont)

Savings Measure	Impact of Measure	
	1997-98	Maximum Savings 1998-99 or 1999-2000
	\$m	\$m
AGENCY SPECIFIC MEASURES (cont)		
New South Wales Crime Commission	0.1	0.1
Office of the Minister for Public Works and Services	0.8	0.8
Office of Marine Administration	0.1	0.1
Department of Sport and Recreation	0.8	0.8
Department of Transport	0.4	0.4
Tourism NSW	0.6	0.6
Treasury	1.4	1.4
Department of Energy	0.1	0.1
Sustainable Energy Development Authority	0.2	0.2
Department of State and Regional Development	1.4	1.4
Department of Urban Affairs and Planning	1.2	1.2

REVENUE MEASURES

The 1997-98 Budget also incorporates a package of revenue measures designed to raise revenue to support high priority expenditure areas. These measures are shown in Table 1.15, with more detail provided in Chapter 3.

Table 1.15: Summary of Major Revenue Initiatives

Initiative	Revenue Gain	
	1997-98	Full Year
	\$m	\$m
Introduce an Electricity Distributors' Levy	100.0	100.0
Increase the rate of land tax from 1.65% to 1.85%	67.0	80.0
Extend the coverage of land tax to owner occupied properties with a land value of \$1 million or more and remove 2,100 square metre size threshold	42.0	50.0
Increase the marginal rate of club gaming device duty to 30% of annual profit above \$1 million from 1 September 1997	56.0	74.0
Increase the concessional rate of duty on general insurance		

from 2.5% to 5% where the period of insurance begins on or
after 1 July 1997

51.0

56.0

Table 1.15: Summary of Major Revenue Initiatives (cont)

Initiative	Revenue Gain	
	1997-98	Full Year
	\$m	\$m
Introduce a 10% duty on accommodation provided by hotels, motels, guest houses etc in and round the Sydney CBD from 1 September 1997	48.0	64.0
Increase the health insurance levy from 63 cents to 83 cents per policy per week for singles and from \$1.26 to \$1.66 per week for families from 1 July 1997	15.0	15.0
Introduce a 5% marginal rate of stamp duty at \$45,000 on the transfer of certain classes of motor vehicles from 1 July 1997	10.0	11.0
Increase the parking space levy from \$200 per space to \$400 per space from 1 July 1997	7.8	7.8
Broaden the exemption from contracts and conveyances duty for intergenerational rural property transfers between siblings and exempt leases made between generations and siblings from stamp duty from 7 May 1997	n.a.	n.a.