

4.3.11 MINISTER FOR INFORMATION TECHNOLOGY, MINISTER FOR FORESTRY AND MINISTER FOR PORTS

OVERVIEW

Agency	Forecast 1997-98	Estimate 1998-99	Variation	
	\$m	\$m		%
Ministry for Forests and Marine Administration				
Total Expenses	65.6	64.7	(-)	1.3
Asset Acquisitions	0.3	0.2	(-)	50.0
Waterways Authority				
Total Expenses	33.1	37.4		12.8
Asset Acquisitions	4.5	4.7		1.8
Marine Ministerial Holding Corporation				
Total Expenses	27.3	48.6		78.2
Asset Acquisitions	2.7	12.9		386.5
Total, Minister for Information Technology, Minister for Forestry and Minister for Ports				
Total Expenses	126.1	150.7		19.6
Asset Acquisitions	7.4	17.8		140.5

MINISTRY FOR FORESTS AND MARINE ADMINISTRATION

The Ministry for Forests and Marine Administration (MFMA) is responsible for developing and implementing strategies across a range of activities encompassing forestry reform, marine regulation and administration, and Western Sydney.

The MFMA was established on 3 December 1997, bringing together the functions of the former Office of Marine Administration and the Forestry Structural Adjustment and Forestry Policy Units of the Department of Land and Water Conservation. Additionally, the Ministry has been allocated a new responsibility for Western Sydney.

Expenditure Trends and Recent Developments

The Ministry will manage three major programs throughout 1998-99: Marine Administration (the responsibility of the former Office of Marine Administration); Forestry Policy and Reforms; and Western Sydney.

The reduction in total expenses of the Ministry in 1998-99 is due to the outsourcing of human resources, finance and information technology.

The Forestry program includes the management of forestry related grants comprising the Forest Industry Restructure Package, a Community Service Obligation for State Forests and the establishment of additional hardwood plantations.

The Western Sydney program is a new initiative that aims to develop strategies to meet the Western Sydney Region's needs, priorities and emerging issues.

Strategic Directions

The MFMA's strategic priorities are to -

- maintain the strategic policy framework for the sustainable management of the State's forests and for the development of new forestry initiatives;
- effectively implement industry development and worker assistance strategies under the joint State/Commonwealth Forestry Industry Structural Adjustment Package;
- provide policy initiatives and strategic direction for the NSW Ports portfolio to improve port performance and productivity and to plan for long term port development;
- achieve high levels of marine safety and environmental protection in NSW ports and waterways through an effective regulatory and policy framework and the coordination of State responses to marine incidents;
- achieve the efficient and effective management of the Marine Ministerial Holding Corporation, a holding company with responsibilities for strategic port assets, the regional ports of Yamba and Eden and the residual responsibilities of the former Maritime Services Board;
- pursue significant improvements in the economic performance, social development and urban livability of Western Sydney; and
- provide holistic solutions to the needs of the Western Sydney Region by driving and integrating whole-of-Government and whole-of-Region activities and initiatives.

1998-99 Budget

Total Expenses

Total expenses for 1998-99 are expected to be \$64.7 million. The major components of this item are the forestry related grants that are supplied under the Forestry Program. The grants total almost \$55 million.

Asset Acquisitions

The asset acquisition program of \$144,000 for 1998-99 relates mainly to motor vehicles and computer equipment.

WATERWAYS AUTHORITY

Waterways is responsible for leading and advocating the integrated management of New South Wales' navigable waters. The Authority is responsible for all waterways management functions under the marine legislation relating to commercial vessels and recreational boats. This involves the promotion of safety and education on the water and enforcement of marine safety and environmental legislation and regulations.

The Authority also manages land vested in the Marine Ministerial Holding Corporation and Authority provides the Sydney Harbour Cleaning Service. The Authority is involved in the provision of infrastructure through the Waterways Asset Development and Management Program.

The principal Acts of Parliament under which Waterways operates are the Maritime Services Act 1935, Commercial Vessels Act 1979, Navigation Act 1901 and Ports Corporatisation and Waterways Management Act 1995.

Expenditure Trends and Recent Developments

The Authority was established on 1 July 1995 under the Ports Corporatisation and Waterways Management Act 1995. From 1997-98, the Authority has received no Consolidated Fund support and has operated on a self-funding basis. Funding from the Olympic Co-ordination Authority for Waterways participation in the Sydney Olympics is included in these Estimates. To generate sufficient revenue to fund operating and capital expenditure, the Authority's core business revenues are derived from charges collected from commercial vessels and recreational boating customers.

Agreement has been reached with Marine Ministerial Holding Corporation, whereby the Authority will collect revenue from property rentals, with the cost of management and administration being met from revenue collected.

Strategic Directions

Waterways is committed to improving operating efficiency by striving for growth and providing quality customised client services. The corporate planning framework encompasses a focus on client service, business process innovation, financial performance and organisational health. Four corporate objectives have been identified. Specific resources have been nominated to assess progress in achieving those objectives.

Waterways is conscious of the increasing and diversified use and demands on waterways throughout the State. There is a commitment through the strategic framework of the corporate plan to working with all sectors of the boating community, marine industry, and all levels of government to strive for equity of use, safety and environmental sustainability.

Waterways will approach its role and responsibilities from the stewardship perspective and its policy and operational focus will be one of forming a partnership with stakeholders and clients to achieve relevant outcomes.

The Waterways Authority has a pivotal role in the management of on-water activities for the 2000 Olympics which includes Harbour command and control, specific crowd control and the challenges of super yachts and other visiting vessels. Waterways is well placed with its experience in special event planning, management and on-water compliance to fulfil these important and challenging Olympics responsibilities.

The Authority's corporate plan promotes a commercial approach to service delivery management. It is directed towards specific external challenges such as -

- balancing the needs and requirements of all waterways users and ensuring safe navigation;
- protecting the marine environment from the impact of recreational and commercial vessels;
- preparing for staging Sydney Olympics and other special events on Sydney Harbour and other waterways; and
- implementation of a national marine safety strategy for commercial and recreational vessels.

1998-99 Budget

Total Expenses

Total current expenses in 1998-99 is expected to be \$37.4 million which includes the provision of recreational boating functions including the promotion of safety on the water through patrols, education, seminars, publications, compliance and enforcement activities. In addition, expenditure will be incurred on conducting commercial vessel surveys, the cleaning of Sydney Harbour and the provision of sewage pumpout services in Sydney Harbour and Myall Lakes, navigation aid maintenance, and accident investigation.

Asset Acquisition

The Authority gives priority to the renewal of assets such as vehicles and vessels for regulatory compliance and operational requirements. This priority is maintained in the Authority's capital strategy.

The asset acquisition program for 1998-99 is expected to be \$4.8 million. This includes amounts for the purchase of vessels (\$1.3 million), the implementation of a new information systems (\$0.7 million), and installation of navigational aids (\$0.4 million).

MARINE MINISTERIAL HOLDING CORPORATION

The Marine Ministerial Holding Corporation (MMHC) was established as a statutory body under the Ports Corporatisation and Waterways Management Act, 1995 and is managed on behalf of the Minister for Ports by the Ministry for Forests and Marine Administration.

Following the abolition of the former Maritime Services Board, the MMHC has inherited in addition to a number of actual and contingent liabilities the following -

- land which is not currently used for port purpose but is strategically important for future port development;
- wetlands, which include the beds of the major ports and parts of waterways such as Sydney Harbour, Botany Bay, Hunter River and Port Kembla;
- non-operational properties which are surplus to the requirements of the port corporations (e.g. Walsh Bay, Woolloomooloo Bay); and
- assets deemed to be regulatory in nature, including navigation aids and wharf facilities for regional ports of Yamba and Eden, and a range of public wharves and jetties in the major port areas.

Expenditure Trends and Recent Developments

Total annual operating expenditure by the MMHC has remained relatively constant since operations commenced on 1 July 1995. The major items of expenditure are maintenance and depreciation expenditure on the MMHC's property, interest cost on the Maritime Centre lease (Kent Street office building) and management fees paid to the Waterways Authority and the Ministry for Forests and Marine Administration for managing MMHC assets and liabilities.

Strategic Directions

The MMHC is responsible for ensuring the sustainable use and optimum return on its assets to meet environmental, economic and social expectations. Due to the nature of its assets, the management of the MMHC involves a mix of regulatory functions (i.e. development control of wetlands and as the owner of regulatory assets) and commercial functions (i.e. as owner of strategic port land and non-core commercial assets). Accordingly, the MMHC's strategies focus mainly on -

- managing and planning current and future usage of MMHC assets;
- monitoring and responding to environmental issues and impacts;
- acting as a delegated approval authority for certain developments on the harbour and foreshore, and which are assessed under relevant environmental plans; and
- managing and monitoring private and public sector developments on MMHC land.

1998-99 Budget

Total Expenses

Total expenses for 1998-99 will be \$48.6 million, an increase of 78.0 per cent due mainly to maintenance on the ferry terminals at Circular Quay, remediation of contamination in Homebush Bay and relocation of the passenger terminal at Darling Harbour.

Asset Acquisitions

Total asset acquisitions for 1998-99 will be \$12.9 million, an increase of \$10.2 million due mainly to relocating the retail concessions at Circular Quay and construction of wharves at Rozelle Bay and Blackwattle Bay.

Additionally, private developers in Walsh Bay and Darling Harbour will undertake major capital works.