

Appropriation Bills

2019-20



Budget Paper No. 4

Circulated by The Hon. Dominic Perrottet MP, Treasurer



New South Wales

Appropriation Bill 2019

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

The following Bills are cognate with this Bill:

Appropriation (Parliament) Bill 2019

State Revenue and Other Legislation Amendment Bill 2019

Overview of Bill

The object of this Bill is to appropriate from the Consolidated Fund various sums of money required during the 2019–20 financial year for the services of the Government, including:

- (a) Departments of the Public Service, and
- (b) various special offices.

The Bill appropriates a single sum for the services of each agency, including recurrent services, capital works and services, and debt repayment.

The Consolidated Fund largely comprises receipts from, and payments out of, taxes, fines, some regulatory fees, Commonwealth grants and income from Crown assets.

The Bill for the 2019–20 financial year contains an additional appropriation which allocates revenue raised in connection with gaming machine taxes to the Minister for Health and Medical Research for spending on health related services.

The Bill for the 2019–20 financial year contains provision for transfer payments from the Commonwealth to non-Government schools and local government.

The Bill provides for appropriation for the whole of the 2019–20 financial year.

The Bill also appropriates the additional amounts for recurrent services under section 22 (1) of the *Public Finance and Audit Act 1983*, the details of which are set out in Column 1 of Schedule 1.

Outline of provisions

Part 1 Preliminary

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the date of assent to the proposed Act.

Clause 3 interprets references in the proposed Act to services for which the Act makes appropriations and to the financial years to which the Act relates.

Part 2 Appropriation (Departments)

Part 2 (**clauses 4–13**) provides for the appropriations for the services of the specified departments for the financial year of 2019–20. The total amount appropriated is \$82,530,500,000.

Part 3 Additional appropriation for health related services

Part 3 (**clause 14**) makes an additional appropriation of \$399,926,916 to the Minister for Health and Medical Research, being part of the revenue raised from gaming machine taxes.

Part 4 Appropriation (Special Offices)

Part 4 (**clauses 15–23**) provides for the appropriations for the services of the specified offices for the financial year of 2019–20. The total amount appropriated is \$432,911,000.

Part 5 Commonwealth transfer payments

Part 5 (**clause 24**) provides for transfer payments of \$4,308,000,000 from the Commonwealth to non-Government schools and local government.

Part 6 General

Part 6 (**clauses 25–30**) provides for general matters related to the appropriations set out in the proposed Act.

Clause 25 enables the Treasurer to authorise payment for a purpose, in excess of the sum appropriated for the purpose, in specified circumstances (including, subject to certain preconditions, if the Treasurer is satisfied that the appropriated sum is insufficient to enable the purpose to be effectively and efficiently carried out). **Clause 26** allows the Treasurer to delegate the Treasurer's functions under clause 25. **Clause 27** allows a Minister to delegate the Minister's functions under clause 25 (3) (a).

Clause 28 allows the Treasurer to apply an appropriation differently in the event that responsibility for a service is transferred.

Clause 29 makes it clear that budget related information in the notes included in the proposed Appropriation Acts and in Budget Papers does not form part of those Acts and does not affect the application of any amount appropriated by those Acts.

Clause 30 deems certain payments that may be made from the Consolidated Fund on or after 1 July 2019 pending the enactment of the proposed Act, if they are so made, to be made out of the sums appropriated by the proposed Act once enacted.

Part 7 Budget variations for the year 2018–19

Part 7 (**clauses 31 and 32**) provides for budget variations for the 2018–19 financial year.

Clause 31 appropriates \$6,350,000,000 for recurrent services in accordance with section 22 (1) of the *Public Finance and Audit Act 1983*, as set out in Column 1 of **Schedule 1** to the proposed Act.

Clause 32 contains miscellaneous provisions concerning the operation of the budget variations made by the proposed Act. The budget variations are to be construed as part of the annual Appropriation Act for the 2018–19 financial year. The provisions validate any payment out of the Consolidated Fund, and any approval of expenditure and expenditure, of the sum appropriated by the proposed Act to give effect to those variations, that occurred before the date of assent to the proposed Act.



New South Wales

Appropriation Bill 2019

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New South Wales

Appropriation Bill 2019

No. , 2019

A Bill for

An Act to appropriate out of the Consolidated Fund sums for the services of the Government for the year 2019–20 and to make an additional appropriation to give effect to budget variations for the year 2018–19.

See also the *Appropriation (Parliament) Bill 2019* and the *State Revenue and Other Legislation Amendment Bill 2019*.

The Legislature of New South Wales enacts:

Part 1 Preliminary

1 Name of Act

This Act is the *Appropriation Act 2019*.

2 Commencement

This Act commences on the date of assent to this Act.

3 Interpretation

In this Act:

- (a) a reference to *services* for which this Act makes an appropriation includes a reference to the following:
 - (i) recurrent services,
 - (ii) capital works and services,
 - (iii) repayment of debt, and
- (b) a reference to the year 2018–19 is a reference to the year from 1 July 2018 to 30 June 2019, and
- (c) a reference to the year 2019–20 is a reference to the year from 1 July 2019 to 30 June 2020.

Part 2 Appropriation (Departments)

Note. The total amount appropriated out of the Consolidated Fund for services for the year 2019–20 in accordance with this Part is \$82,530,500,000.

Division 1 Customer Service

4 Department of Customer Service

This Act appropriates the sum of \$988,772,000 to the Minister for Customer Service out of the Consolidated Fund for the services of the Department of Customer Service for the year 2019–20.

Note: The appropriation will fund services, disaggregated across State outcomes as follows:

		Expenses	Capital expenditure
		\$,000	\$,000
01	Competitive, fair and secure markets	576,446	31,082
02	Excellence in customer service	413,997	88,533
03	Digital leadership and innovation in government services	179,799	22,279
04	Cluster grants and other adjustments	415,703	—

Division 2 Education

5 Department of Education

This Act appropriates the sum of \$18,085,890,000 to the Minister for Education and Early Childhood Learning out of the Consolidated Fund for the services of the Department of Education for the year 2019–20.

Note: The appropriation will fund services, disaggregated across State outcomes as follows:

		Expenses	Capital expenditure
		\$,000	\$,000
01	Educational foundations for success	15,775,650	2,242,319
02	Skilled and employable workforce	1,856,382	250
03	Best start in life for young children	526,741	—
04	Cluster grants	34,398	—

Division 3 Health

6 Ministry of Health

This Act appropriates the sum of \$14,201,094,000 to the Minister for Health and Medical Research out of the Consolidated Fund for the services of the Ministry of Health for the year 2019–20.

Note: The appropriations under this section and section 14 will fund services, disaggregated across State outcomes as follows:

		Expenses \$,000	Capital expenditure \$,000
01	Improved service in hospitals	20,087,244	2,593,712
02	Mentally healthy communities	2,102,871	72,709
03	Healthy, resilient communities	1,661,562	73,865
04	World class research and innovation	109,279	—
05	Cluster grants	30,609	—

Division 4 Planning, Industry and Environment

7 Department of Planning, Industry and Environment

This Act appropriates the sum of \$3,183,305,000 to the Minister for Planning and Public Spaces out of the Consolidated Fund for the services of the Department of Planning, Industry and Environment for the year 2019–20.

Note: The appropriation will fund services, disaggregated across State outcomes as follows:

		Expenses \$,000	Capital expenditure \$,000
01	Resilient and sustainable environment and energy	1,394,413	180,944
02	Sustainable and productive regional industries and communities	1,089,320	206,539
03	Maximise community benefit from government land and property	845,405	63,466
04	Create a strong and liveable NSW	753,939	30,668
05	Sustainable and secure water resources	379,238	23,231
06	Cluster grants and other adjustments	692,631	—

Division 5 Premier and Cabinet

8 Department of Premier and Cabinet

This Act appropriates the sum of \$1,520,538,000 to the Premier out of the Consolidated Fund for the services of the Department of Premier and Cabinet for the year 2019–20.

Note: The appropriation will fund services, disaggregated across State outcomes as follows:

		Expenses \$,000	Capital expenditure \$,000
01	Excellence in arts, culture and heritage	370,431	286,737

		Expenses \$,000	Capital expenditure \$,000
02	Effective and coordinated government	284,723	8,574
03	Empowering Aboriginal communities	47,521	94
04	Accountable and responsible government	460	—
05	Cluster grants	705,950	—

Division 6 Stronger Communities

9 Department of Family and Community Services and Justice

This Act appropriates the sum of \$15,420,782,000 to the Attorney General out of the Consolidated Fund for the services of the Department of Family and Community Services and Justice for the year 2019–20.

Note: The appropriation will fund services, disaggregated across State outcomes as follows:

		Expenses \$,000	Capital expenditure \$,000
01	Enable people with disability to live independently	3,098,738	28,932
02	Protect children and families	2,384,066	23,050
03	Breaking the cycle of reoffending	2,068,267	756,098
04	Provide a safe and affordable place to live	976,981	7,307
05	Effective and efficient resolution of legal disputes	653,318	21,855
06	Maintain rights and records	385,026	31,271
07	Resilient to disasters and emergencies	174,470	325
08	Build inclusive communities	98,723	1,222
09	Cluster grants	5,635,219	—

Division 7 Transport

10 Transport for NSW

- (1) This Act appropriates the sum of \$14,143,868,000 to the Minister for Transport and Roads out of the Consolidated Fund for the services of Transport for NSW for the year 2019–20.

Note: The appropriation will fund services, disaggregated across State outcomes as follows:

		Expenses \$,000	Capital expenditure \$,000
01	Safe and reliable travel	5,762,364	1,616,373
02	Accessible transport	985,690	128,709

		Expenses \$,000	Capital expenditure \$,000
03	Successful places	579,986	8,854,476
04	Cluster grants and other adjustments	7,313,581	—

- (2) A reference in this section to Transport for NSW includes a reference to the Department of Transport.

Division 8 Treasury

11 The Treasury

This Act appropriates the sum of \$368,168,000 to the Treasurer out of the Consolidated Fund for the services of The Treasury for the year 2019–20.

Note: The appropriation will fund services, disaggregated across State outcomes as follows:

		Expenses \$,000	Capital expenditure \$,000
01	Driving the economic growth of NSW	202,267	3,240
02	Sustainable fiscal position to enable delivery of outcomes	80,854	4,560
03	Cluster grants	133,346	—

12 Crown Finance Entity

This Act appropriates the sum of \$14,498,083,000 to the Treasurer out of the Consolidated Fund for the services of the Crown Finance Entity for the year 2019–20.

Note: The appropriation will fund services for the following State outcome:

		Expenses \$,000	Capital expenditure \$,000
01	Effective capital and balance sheet optimisation	9,819,496	—

13 Appropriation to the Treasurer for State contingencies

This Act appropriates the sum of \$120,000,000 to the Treasurer out of the Consolidated Fund for State contingencies for the year 2019–20.

Part 3 Additional appropriation for health related services

14 Special appropriation to Minister for Health and Medical Research—additional revenue from gaming machine taxes

- (1) This Act appropriates the sum of \$399,926,916 to the Minister for Health and Medical Research out of the Consolidated Fund for the services of the Ministry of Health for the year 2019–20.
- (2) The sum appropriated is in addition to any other sum appropriated by this Act.

Part 4 Appropriation (Special Offices)

Note. The total amount appropriated out of the Consolidated Fund for services for the year 2019–20 in accordance with this Part is \$432,911,000.

15 Judicial Commission of New South Wales

This Act appropriates the sum of \$5,385,000 to the Attorney General out of the Consolidated Fund for the services of the Judicial Commission of New South Wales for the year 2019–20.

Note: The appropriation will fund services for the following State outcome:

	Expenses	Capital expenditure
	\$,000	\$,000
01 Effective and efficient resolution of legal disputes	6,734	150

16 Office of the Director of Public Prosecutions

This Act appropriates the sum of \$147,337,000 to the Attorney General out of the Consolidated Fund for the services of the Office of the Director of Public Prosecutions for the year 2019–20.

Note: The appropriation will fund services for the following State outcome:

	Expenses	Capital expenditure
	\$,000	\$,000
01 Effective and efficient resolution of legal disputes	173,740	3,308

17 Office of the Children’s Guardian

This Act appropriates the sum of \$28,407,000 to the Minister for Families, Communities and Disability Services out of the Consolidated Fund for the services of the Office of the Children’s Guardian for the year 2019–20.

Note: The appropriation will fund services for the following State outcome:

	Expenses	Capital expenditure
	\$,000	\$,000
01 Protect children and families	52,766	5,364

18 Independent Commission Against Corruption

This Act appropriates the sum of \$24,899,000 to the Premier out of the Consolidated Fund for the services of the Independent Commission Against Corruption for the year 2019–20.

Note: The appropriation will fund services for the following State outcome:

	Expenses	Capital expenditure
	\$,000	\$,000
01 Accountable and responsible government	25,765	800

19 Independent Pricing and Regulatory Tribunal

This Act appropriates the sum of \$30,996,000 to the Minister for Customer Service out of the Consolidated Fund for the services of the Independent Pricing and Regulatory Tribunal for the year 2019–20.

Note: The appropriation will fund services for the following State outcome:

		Expenses	Capital expenditure
		\$,000	\$,000
01	Competitive, fair and secure markets	32,920	6,724

20 Law Enforcement Conduct Commission

This Act appropriates the sum of \$24,199,000 to the Premier out of the Consolidated Fund for the services of the Law Enforcement Conduct Commission for the year 2019–20.

Note: The appropriation will fund services for the following State outcome:

		Expenses	Capital expenditure
		\$,000	\$,000
01	Accountable and responsible government	24,706	7,282

21 New South Wales Electoral Commission

This Act appropriates the sum of \$114,356,000 to the Premier out of the Consolidated Fund for the services of the New South Wales Electoral Commission for the year 2019–20.

Note: The appropriation will fund services for the following State outcome:

		Expenses	Capital expenditure
		\$,000	\$,000
01	Accountable and responsible government	106,075	15,905

22 Ombudsman's Office

This Act appropriates the sum of \$29,045,000 to the Premier out of the Consolidated Fund for the services of the Ombudsman's Office for the year 2019–20.

Note: The appropriation will fund services for the following State outcome:

		Expenses	Capital expenditure
		\$,000	\$,000
01	Accountable and responsible government	31,048	300

23 Public Service Commission

This Act appropriates the sum of \$28,287,000 to the Premier out of the Consolidated Fund for the services of the Public Service Commission for the year 2019–20.

Note: The appropriation will fund services for the following State outcome:

		Expenses	Capital expenditure
		\$,000	\$,000
01	Accountable and responsible government	44,854	174

Part 5 Commonwealth transfer payments

24 Appropriation for Commonwealth transfer payments

- (1) This Act appropriates the sum of \$4,308,000,000 to the Treasurer out of the Consolidated Fund, for Commonwealth transfer payments to non-Government schools and local government for services for the year 2019–20.
- (2) The sum appropriated is in addition to any other sum appropriated by this Act.
- (3) The sum appropriated is subject to section 4.11 of the *Government Sector Finance Act 2018*.

Part 6 General

25 Variations of authorised payments from Consolidated Fund

- (1) Payment of a sum appropriated by this Act for a purpose may not be made in excess of the sum specified for the purpose, except as provided by this section or Part 4 of the *Government Sector Finance Act 2018*.
- (2) If the exigencies of government so require, the Treasurer may authorise the payment of a sum appropriated for a purpose in excess of the sum specified for the purpose but only if an equivalent sum is not paid out for another purpose, whether the other purpose is specified in relation to the same or a different Minister.
- (3) If the Treasurer is satisfied that a sum appropriated for a purpose is insufficient to enable the purpose to be effectively and efficiently carried out, the Treasurer may authorise the payment of a sum in excess of the sum specified for the purpose, but only if:
 - (a) an equivalent sum is identified as surplus to another purpose by the Minister in relation to whom the other purpose is specified, whether the other purpose is specified in relation to the same or a different Minister, and
 - (b) the equivalent sum is not paid out for the other purpose.
- (4) Subsections (2) and (3) are subject to subsections (5)–(8).
- (5) The sums appropriated under Part 2 may only be paid out for any of the purposes specified in Part 2.
- (6) The sum appropriated under Part 3 may only be paid out for the purpose specified in Part 3.
- (7) The sums appropriated under Part 4 may only be paid out for any of the purposes specified in Part 4.
- (8) The sum appropriated under Part 5 may only be paid out for the purpose specified in Part 5.
- (9) This section does not apply to sums appropriated by another Act.
- (10) This section does not enable the Treasurer to authorise the payment of a sum in augmentation of, or as an addition to, any salary or wages the amount of which has been fixed by law.
- (11) The Treasurer is to inform the Auditor-General of every authorisation given under this section.
- (12) An authorisation under this section may be given before or after the payment is made.

26 Appointment of person to carry out functions of Treasurer under section 25

- (1) The Treasurer may appoint a person to carry out the Treasurer's functions under section 25.
- (2) The appointment is subject to the conditions (if any) that the Treasurer determines.
- (3) The Treasurer may revoke the appointment at any time.
- (4) A person appointed under this section has, in place of the Treasurer, the Treasurer's function under section 25 (11) of informing the Auditor-General of every authorisation given by the person under section 25.

27 Appointment of person to carry out functions of Minister under section 25 (3) (a)

- (1) A Minister may appoint the accountable authority for a GSF agency for which the Minister is the responsible Minister to carry out the Minister's functions under section 25 (3) (a).
- (2) The appointment is subject to the conditions (if any) that the Minister determines.
- (3) The Minister may revoke the appointment at any time.
- (4) In this section:
accountable authority, for a GSF agency, has the same meaning as in the *Government Sector Finance Act 2018*.
GSF agency has the same meaning as in the *Government Sector Finance Act 2018*.

28 Delayed restructures

- (1) Without limiting section 25, if the responsibility for a service for which an appropriation is made in this Act is transferred on or after the date the Bill for this Act is introduced in the Legislative Assembly because of a determination made before 1 July 2019 by the Premier to create new ministries, or to change or abolish existing ministries, and consequently to create, restructure or abolish any authority, the appropriation does not lapse and may be applied, in accordance with such determination as may be made by the Treasurer, for or towards the service the responsibility for which is transferred.
- (2) Section 4.9 of the *Government Sector Finance Act 2018* does not apply to or in respect of an appropriation or service to which this section applies.

29 Budget related information

- (1) In this section:
budget related information means:
 - (a) notes included in this Act relating to expenses and capital expenditure, and
 - (b) Budget Papers of the Government tabled in Parliament in connection with the Bill for this Act.*this Act* includes the *Appropriation (Parliament) Act 2019*.
- (2) Budget related information:
 - (a) does not form part of this Act, and
 - (b) does not affect the application of any amount appropriated by this Act.

30 Payments authorised on lapse of appropriation

- (1) This section applies only if this Act is assented to after 1 July 2019.
- (2) Any amounts expended for services under section 4.10 of the *Government Sector Finance Act 2018* or any Supply Act on or after 1 July 2019 and before the date of assent to this Act for a purpose for which a sum is appropriated by this Act are taken to have been expended out of such of the sums for services set out in this Act, as may be determined by the Treasurer.

Part 7 Budget variations for the year 2018–19

31 Payments made during 2018–19 under section 22 of Public Finance and Audit Act 1983

- (1) This Act appropriates the sum of \$6,350,000,000, being the total of the sums specified in Column 1 of Schedule 1, out of the Consolidated Fund to provide for the payments for recurrent services specified opposite those sums in Schedule 1, made in anticipation of appropriation by Parliament under section 22 (1) of the *Public Finance and Audit Act 1983* required for the exigencies of Government during the year 2018–19.
- (2) The sum appropriated is in addition to any other sums that may have been appropriated, subject to the adjustment of the vote “Advance to the Treasurer” for the year 2018–19.

32 Operation of budget variations and validation of expenditure

- (1) This Act, to the extent that it appropriates an amount for, and otherwise gives effect to, the budget variations for the year 2018–19, is to be construed as if it formed part of the annual Appropriation Act for the year 2018–19 and to have effect as if it had commenced at the start of that year.
- (2) The payment before the date of assent to this Act out of the Consolidated Fund of the whole or any part of the sum appropriated under section 31 is validated. This subsection applies despite this Act being assented to after the year 2018–19.
- (3) To the extent (if any) to which it may be necessary to do so, the expenditure of the whole or any part of the sum appropriated under section 31 before the date of assent to this Act:
 - (a) is taken to have been validly approved at the time it was approved, or was purported to have been approved, and
 - (b) is taken to have been validly made at the time it was made, or purported to have been made,and is taken thereafter to be, and to have been at all relevant times, validly approved and made.

Schedule 1 Payments during 2018–19

(Section 31)

Column 1
s 22 PF&A Act
Amount \$,000

TREASURER

RECURRENT SERVICES

Crown Finance Entity

To transfer proceeds of the sale of Westconnex (WCX) to the Debt Retirement Fund for the purpose of reducing the debt of the State 5,900,000

Emergency drought relief package 150,000

Total Crown Finance Entity 6,050,000

TOTAL—TREASURER 6,050,000

MINISTER FOR PRIMARY INDUSTRIES

RECURRENT SERVICES

Department of Industry

Emergency drought relief package 300,000

Total Department of Industry 300,000

TOTAL—MINISTER FOR PRIMARY INDUSTRIES 300,000

TOTAL—RECURRENT SERVICES 6,350,000

TOTAL—SECTION 22 PF&A ACT 6,350,000



New South Wales

Appropriation (Parliament) Bill 2019

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

This Bill is cognate with the *Appropriation Bill 2019*.

Overview of Bill

The object of this Bill is to appropriate from the Consolidated Fund the sum of \$164,242,000 required during the 2019–20 financial year for the services of the Legislature, including recurrent services, capital works and services and debt repayment.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the date of assent to the proposed Act.

Clause 3 interprets references in the proposed Act to services for which the Act makes appropriations and to the financial year to which the Act relates and other matters of interpretation.

Clause 4 provides for the appropriation, out of the Consolidated Fund, of the sum of \$164,242,000 for the services of the Legislature for the financial year of 2019–20.

Clause 5 deems certain payments that may be made from the Consolidated Fund on or after 1 July 2019 pending the enactment of the proposed Act, if they are so made, to be made out of the sums appropriated by the proposed Act once enacted.



New South Wales

Appropriation (Parliament) Bill 2019

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New South Wales

Appropriation (Parliament) Bill 2019

No. , 2019

A Bill for

An Act to appropriate out of the Consolidated Fund a sum for the services of the Legislature for the year 2019–20.

The Legislature of New South Wales enacts:

1 Name of Act

This Act is the *Appropriation (Parliament) Act 2019*.

2 Commencement

This Act commences on the date of assent to this Act.

3 Interpretation

(1) In this Act:

- (a) a reference to *services* for which this Act makes an appropriation includes a reference to the following:
 - (i) recurrent services,
 - (ii) capital works and services,
 - (iii) repayment of debt, and
- (b) a reference to the year 2019–20 is a reference to the year from 1 July 2019 to 30 June 2020.

(2) A reference in the *Government Sector Finance Act 2018* to an annual Appropriation Act includes a reference to this Act.

4 Appropriation for services of Legislature

This Act appropriates the sum of \$164,242,000 to the Legislature out of the Consolidated Fund for the services of the Legislature for the year 2019–20.

Note: The appropriation will fund services, as follows:

	Expenses	Capital expenditure
	\$,000	\$,000
01 Effective Parliament and accountable government	170,962	24,540

5 Payments authorised on lapse of appropriation

- (1) This section applies only if this Act is assented to after 1 July 2019.
- (2) Any amounts expended for services under section 4.10 of the *Government Sector Finance Act 2018* or any Parliamentary Supply Act on or after 1 July 2019 and before the date of assent to this Act are taken to have been expended out of the sum appropriated by this Act.

Budget Estimates

2019-20



Budget Paper No. 3

Circulated by The Hon. Dominic Perrottet MP, Treasurer

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Glossary

ABOUT THIS BUDGET PAPER

Purpose and scope

Budget Paper No. 3 *Budget Estimates* outlines the financial and service delivery functions of general government sector agencies. The objectives of this paper are to:

- support and explain appropriations from the Consolidated Fund
- meet the requirement under section 27AA (2)(c) of the *Public Finance and Audit Act 1983* to provide ‘information about the results and services and total expenses of each service group’
- support transparency and accountability by reporting against planned performance from the previous Budget, and explaining how resources have been allocated in the current Budget.

The scope of this Budget Paper extends to the general government sector and only includes agencies that are material within the sector. This Budget Paper includes:

- details of cluster and agency arrangements following recent machinery of government changes
- an overview of financial appropriations, the Government’s priorities and outcome budgeting
- details of recurrent expenses and capital expenditure by cluster and agency.

Government’s priorities

The Government’s priorities provide the overarching framework for the achievement of outcomes for the people of New South Wales. In April 2019, the newly elected Government announced fresh fundamental objectives to deliver great opportunities and quality of life for all citizens across New South Wales no matter where they live or what their circumstances may be.

The key policy priorities of the Government are:

1. **A strong economy, quality jobs and job security for workers of today and tomorrow:** To build the strongest economy in the region, providing the jobs and investment opportunities that will take NSW to the next level
2. **Highest quality education no matter where you live or what your circumstances may be:** To prepare the most dynamic, qualified and skilled workforce in the world
3. **Well-connected communities with quality local environments:** To deliver the infrastructure that connects communities and improves opportunity and quality of life
4. **Making government work better for you by putting the customer at the centre of everything we do:** To provide world-class services for every citizen, no matter where they live or what their circumstances may be
5. **Breaking the cycle of intergenerational disadvantage by fixing problems that have been in the too-hard basket for too long:** To focus on social reform in areas that have been longstanding challenges.

Outcome Budgeting

Outcome budgeting aims to align financial and performance reporting with governance and decision making. It is a framework to cover the entire Budget spend, with a suite of State Outcomes describing what the Government is seeking to achieve for the people of New South Wales. This approach encourages public sector agencies to manage and allocate resources in a way that is based on evidence of what works. It also encourages agencies to align their resources and service delivery toward achievement of these outcomes. In this way the State Outcomes, to which the clusters and agencies are directing their efforts, serve as an effective way of grouping service delivery, and each of the State Outcomes constitutes a service group for the purposes of s27AA(2)(c) of the *Public Finance and Audit Act 1983*.

Changes to Outcome Budgeting reporting for 2019-20

Following the April 2019 announcement of machinery of government changes, the 46 State Outcomes reported in the 2018-19 Budget Paper were refined to better reflect the new cluster arrangements. This has resulted in a revised set of 38 State Outcomes for the 2019-20 Budget that have been re-allocated across the eight government clusters.

The Government will use the new State Outcome structure to develop Outcome and Business Plans for clusters that ensure government expenditure continues to be used efficiently and effectively to deliver outcomes for the people of New South Wales. Measures and indicators of cluster performance will be further refined in the early part of 2019-20 to ensure they fully align with the revised structure. As this realignment will result in a revised set of outcome indicators for the sector, measures and projections for existing indicators have not been included in this Budget Paper.

In the meantime, agency performance information continues to be reported across a range of other sources such as agency websites, annual reports and the Productivity Commission's Report on Government Services. The Government will build on this momentum and continue to drive an outcome focus across the sector, further integrating outcomes in strategic planning, budgeting and performance management.

Cluster and agency arrangements

Clusters are groups of entities with shared or related policy goals. The cluster arrangement aims to improve government services and outcomes for the community by:

- pursuing common objectives across agencies
- better integrating services
- helping to allocate resources between areas.

A cluster is not a legal or reporting entity. Individual agencies are separate legal entities that must prepare financial and annual reports.

Changes to cluster and agency arrangements

In April 2019, the Government announced machinery of government changes to better align with its third term objectives, to deliver great opportunities and quality of life for all citizens across New South Wales, no matter where they live or what their circumstances may be.

The new cluster and agency arrangements will streamline how clusters operate and collaborate to serve communities across the State - whether it be customer service, education, stronger communities, transport, health or industry. From 1 July 2019, eight clusters will deliver the work of the Government.

Under the cluster realignment, the following current departments will cease and their functions will transition to the new cluster arrangements by 1 July 2019:

- Finance, Services & Innovation
- Industry
- Planning & Environment
- Family and Communities, and
- Justice.

Figure 1: The new Government clusters from 1 July 2019



Administrative arrangements

Since 1 July 2018, several Administrative Arrangements Orders have been made to provide for new Ministerial and agency arrangements and responsibilities.

These include:

- Administrative Arrangements (Administrative Changes – NSW State Archives and Subsidence Advisory NSW) Order 2018 - Commenced 1 July 2018
- Administrative Arrangements (Administrative Changes – Greater Sydney Commission) Order 2018 - Commenced 1 July 2018
- Administrative Arrangements (Administrative Changes – Western City and Aerotropolis Authority) Order 2018 - Commenced 9 November 2018
- Administrative Arrangements (Administrative Changes – NSW Fair Trading) Order 2018 - Commenced 21 December 2018
- Administrative Arrangements (Administrative Changes – Ministers) Order 2019 - Commenced 2 April 2019
- Administrative Arrangements (Administrative Changes – Ministers) Order (No.2) 2019 – Commenced 1 May 2019.

The recently announced changes to the machinery of government will be enacted when the Administrative Arrangements (Administrative Changes – Public Service Agencies) Order 2019 as amended by the Administrative Arrangements (Administrative Changes – Public Service Agencies) Amendment Order 2019, takes effect on 1 July 2019.

The 2019-20 Budget Paper reflects the above listed administrative arrangements including those to be enacted under the *Administrative Arrangements (Administrative Changes – Public Service Agencies) Order 2019* and the proposed consolidation of Roads and Maritime Services functions within Transport for NSW.

An overview of the administrative changes to the Government clusters from 1 July 2018 up to and including 1 July 2019 is outlined in the following table:

Cluster	Administrative arrangements changes
Customer Service cluster	<p>The Department of Customer Service is established under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019.</p> <p>Transfers into the Customer Service cluster</p> <p>The persons employed by the Department of Finance, Service and Innovation transfer to the Department of Customer Service, except where noted.</p> <p>The Data Analytics Centre transfers from the Treasury to the Department of Customer Service.</p> <p>The following parts of the Department of Premier and Cabinet transfer to the Department of Customer Service:</p> <ul style="list-style-type: none"> • Office of the Customer Service Commissioner • Behavioural Insights Unit • Government Communications Branch • those persons employed in the Digital, Content and Sponsorships Branch who are principally involved in administering the nsw.gov.au website. <p>The NSW Registry of Births, Deaths and Marriages transfers from the Department of Justice to the Department of Customer Service.</p> <p>The Liquor, Gaming and Racing Division of the Department of Industry transfers to the Department of Customer Service.</p>

Cluster	Administrative arrangements changes
<p>Education cluster</p>	<p>Under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, the following changes are effective 1 July 2019.</p> <p>Transfers into the Education cluster</p> <p>The persons employed in the Department of Industry who are principally involved in the administration of legislation allocated to the Minister for Skills and Tertiary Education (including the provision of support for the portfolio responsibilities of that Minister) transfer to the Department of Education.</p> <p>Transfers out of the Education cluster</p> <p>Aboriginal Affairs NSW transfers from the Department of Education to the Department of Premier and Cabinet.</p>
<p>Planning, Industry and Environment cluster</p>	<p>The Department of Planning, Industry and Environment is established under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, amended by the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Amendment Order 2019</i>, effective 1 July 2019.</p> <p>Transfers into the Planning, Industry and Environment cluster</p> <p>The persons employed in the Department of Planning and Environment and the Department of Industry transfer into the Department of Planning, Industry and Environment, except where noted.</p> <p>The persons employed in the Office of Environment and Heritage transfer to the Department of Planning, Industry and Environment, except where noted.</p> <p>The persons employed in the Office of Local Government transfer to the Department of Planning, Industry and Environment.</p> <p>The persons employed in the Department of Premier and Cabinet who are principally involved in the administration of legislation allocated to the Deputy Premier, Minister for Regional New South Wales, Industry and Trade (including the provision of support for the portfolio responsibilities of that Minister) transfer to the Department of Planning, Industry and Environment.</p> <p>The following parts of the Department of Finance, Services and Innovation transfer to the Department of Planning, Industry and Environment:</p> <ul style="list-style-type: none"> • those persons who are principally involved in the administration of legislation allocated to the Minister for Water, Property and Housing (including the provision of support for the portfolio responsibilities of that Minister) • Property and Advisory Group • Manly Hydraulics Laboratory • Heritage Stoneworks. <p>The persons employed in the Office of Sport who are principally involved in the administration of the <i>Sydney Olympic Park Authority Act 2001</i> transfer to the Department of Planning, Industry and Environment (excluding those persons principally involved in the exercise of venue management functions).</p>

Cluster	Administrative arrangements changes
Planning, Industry and Environment cluster (cont)	<p>The following parts of the Department of Family and Community Services transfer to the Department of Planning, Industry and Environment:</p> <ul style="list-style-type: none"> • those persons who are principally involved in providing support to the New South Wales Land and Housing Corporation • those persons who are principally involved in providing support to the Aboriginal Housing Office (including the Board of the Aboriginal Housing Office) • those persons who are principally involved in asset management.
Premier and Cabinet cluster	<p>The Greater Sydney Commission Staff Agency was established as a Public Service executive agency related to the Department of Premier and Cabinet under the <i>Administrative Arrangements (Administrative Changes - Greater Sydney Commission) Order 2018</i>, effective 1 July 2018.</p> <p>Under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, the following changes are effective 1 July 2019:</p> <p>Transfers into the Premier and Cabinet cluster</p> <p>Aboriginal Affairs NSW transfers from the Department of Education to the Department of Premier and Cabinet.</p> <p>The Heritage Division and the Culture Policy Branch transfer from the Office of Environment and Heritage to the Department of Premier and Cabinet.</p> <p>The persons employed in the Office of Environment and Heritage or the Department of Planning and Environment to enable the Historic Houses Trust to exercise its functions are transferred to the Department of Premier and Cabinet.</p> <p>The persons employed in the Treasury who are principally involved in the administration of legislation allocated to the Special Minister of State, Minister for Public Service and Employee Relations, Aboriginal Affairs, and the Arts (including the provision of support for the portfolio responsibilities of that Minister) transfer to the Department of Premier and Cabinet.</p> <p>The persons employed in the Department of Planning and Environment who are principally involved in the administration of legislation allocated to the Special Minister of State, Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts (including the provision of support for the portfolio responsibilities of that Minister) transfer to the Department of Premier and Cabinet.</p> <p>The persons employed in the Barangaroo Delivery Authority Staff Agency transfer to the Infrastructure NSW Staff Agency</p> <p>The persons employed in the UrbanGrowth NSW Development Corporation Staff Agency transfer to the Infrastructure NSW Staff Agency</p> <p>Transfers out of the Premier and Cabinet cluster</p> <p>The Western City and Aerotropolis Authority Staff Agency was established as a Public Service executive agency related to the Department of Premier and Cabinet under the <i>Administrative Arrangements (Administrative Changes – Western City and Aerotropolis Authority) Order 2018</i>, effective 9 November 2018. The Western City and Aerotropolis Authority transfers to the Treasury cluster effective 1 July 2019.</p>

Cluster	Administrative arrangements changes
<p>Premier and Cabinet cluster (cont)</p>	<p>The following parts of the Department of Premier and Cabinet transfer to the Department of Customer Service:</p> <ul style="list-style-type: none"> • Office of the Customer Service Commissioner • Behavioural Insights Unit • Government Communications Branch • those persons employed in the Digital, Content and Sponsorships Branch who are principally involved in administering the nsw.gov.au website. <p>The persons employed in the Department of Premier and Cabinet who are principally involved in the administration of legislation allocated to the Deputy Premier, Minister for Regional New South Wales, Industry and Trade (including the provision of support for the portfolio responsibilities of that Minister) transfer to the Department of Planning, Industry and Environment.</p>
<p>Stronger Communities cluster</p>	<p>The Department of Family and Community Services and Justice is established under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019.</p> <p>The Department of Family and Community Services and Justice combines the functions of the Department of Family and Community Services and the Department of Justice except where noted.</p> <p>Transfers into the Stronger Communities cluster</p> <p>The persons employed in the former Department of Family and Community Services and the Department of Justice transfer into the Department of Family and Community Services and Justice, except where noted.</p>
<p>Treasury cluster</p>	<p>Under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, the following changes are effective 1 July 2019:</p> <p>Transfers into the Treasury cluster</p> <p>The Western City and Aerotropolis Authority Staff Agency was established as a Public Service executive agency related to the Department of Premier and Cabinet under the <i>Administrative Arrangements (Administrative Changes – Western City and Aerotropolis Authority) Order 2018</i>, effective 9 November 2018. The Western City and Aerotropolis Authority transfers to the Treasury cluster from the Department of Premier and Cabinet cluster effective 1 July 2019.</p> <p>The following parts of the Department of Finance, Services and Innovation transfer to the Treasury:</p> <ul style="list-style-type: none"> • NSW Procurement • those persons who are principally involved in the administration of legislation allocated to the Minister for Finance and Small Business (including the provision of support for the portfolio responsibilities of that Minister). <p>The following parts of the Department of Industry transfer to the Treasury:</p> <ul style="list-style-type: none"> • those persons who are principally involved in the administration of legislation allocated to the Minister for Jobs, Investment, Tourism and Western Sydney (including the provision of support for the portfolio responsibilities of that Minister) • the Office of the Small Business Commissioner • NSW Trade and Investment.

Cluster	Administrative arrangements changes
Treasury cluster (cont)	<p>Transfers out of the Treasury cluster</p> <p>The Data Analytics Centre transfers to the Department of Customer Service.</p> <p>The persons employed in the Treasury who are principally involved in the administration of legislation allocated to the Special Minister of State, Minister for Public Service and Employee Relations, Aboriginal Affairs, and the Arts (including the provision of support for the portfolio responsibilities of that Minister) transfer to the Department of Premier and Cabinet.</p>

An overview of the entities ceasing to operate as a result of the administrative changes from 1 July 2018 up to and including 1 July 2019 is outlined in the following table:

Entity	Details
Barangaroo Delivery Authority Staff Agency	<p>The Barangaroo Delivery Authority Staff Agency is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019. The persons employed in the Barangaroo Delivery Staff Agency transfer to the Infrastructure NSW Staff Agency.</p>
Department of Family and Community Services	<p>The Department of Family and Community Services is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019.</p> <p>Its functions will generally be undertaken by the Department of Family and Community Services and Justice, which will provide support to Ministers in the Stronger Communities cluster in the administration of legislation allocated to them. On 1 July 2019, persons principally involved in providing support to the New South Wales Land and Housing Corporation, the Aboriginal Housing Office (including the Board of the Aboriginal Housing Office) or asset management transfer to the Department of Planning, Industry and Environment.</p>
Department of Finance, Services and Innovation	<p>The Department of Finance, Services and Innovation is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019.</p> <p>Its functions will generally be undertaken by the Department of Customer Service, which will support Ministers in the Customer Service cluster in the administration of legislation allocated to them. On 1 July 2019:</p> <ul style="list-style-type: none"> • persons principally involved in the administration of legislation allocated to the Minister for Water, Property and Housing, the Property Advisory Group, the Manly Hydraulics Laboratory and Heritage Stoneworks transfer to the Department of Planning, Industry and Environment • NSW Procurement and persons principally involved in the administration of legislation allocated to the Minister for Finance and Small Business (including the provision of support for the portfolio responsibilities of that Minister) transfer to the Treasury.

Cluster	Administrative arrangements changes
Department of Industry	<p>The Department of Industry is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019.</p> <p>Its functions will generally be undertaken by the Department of Planning, Industry and Environment, which will support Ministers in the Planning, Industry and Environment cluster in the administration of legislation allocated to them. On 1 July 2019:</p> <ul style="list-style-type: none"> • persons principally involved in the administration of legislation allocated to the Minister for Jobs, Investment, Tourism and Western Sydney, the Office of the Small Business Commissioner and NSW Trade and Investment transfer to the Treasury • the Liquor, Gaming and Racing Division transfers to the Department of Customer Service • persons principally involved in the administration of legislation allocated to the Minister for Skills and Tertiary Education transfer to the Department of Education.
Department of Justice	<p>The Department of Justice is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019. Its functions will generally be undertaken by the Department of Family and Community Services and Justice, which will support Ministers in the Stronger Communities cluster in the administration of legislation allocated to them. Persons principally involved in these functions transfer to the Department of Family and Community Services and Justice. On 1 July 2019, the NSW Registry of Births, Deaths and Marriages transfers to the Department of Customer Service.</p>
Department of Planning and Environment	<p>The Department of Planning and Environment is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019.</p> <p>Its functions will generally be undertaken by the Department of Planning, Industry and Environment, which will support Ministers in the Planning, Industry and Environment cluster in the administration of legislation allocated to them. On 1 July 2019, staff employed to enable the Historic Houses Trust to exercise its functions, and staff who are principally involved in the administration of legislation allocated to the Special Minister of State, Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts transfer to the Department of Premier and Cabinet.</p>
Office of Environment and Heritage	<p>The Office of Environment and Heritage is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019. The persons employed in the Office of Environment and Heritage transfer to the Department of Planning, Industry and Environment, except for the Heritage Division and the Culture Policy Branch which transfer to the Department of Premier and Cabinet.</p>
Office of Local Government	<p>The Office of Local Government is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019. The persons employed in the functions of the Office of Local Government transfer to the Department of Planning, Industry and Environment.</p>
UrbanGrowth NSW Development Corporation Staff Agency	<p>The UrbanGrowth NSW Development Corporation Staff Agency is abolished under the <i>Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019</i>, effective 1 July 2019. The persons employed in UrbanGrowth transfer to Infrastructure NSW Staff Agency.</p>

Administrative arrangement implications

The new cluster and agency arrangements have implications for the content and presentation of this Budget Paper.

Effective 1 July 2019, the accounting and financial consequences flowing from the realignment to eight clusters include:

- Existing reporting entities cease and new ones established with resulting financial and annual reporting implications
- Cluster control relationships are amended with consequential consolidated financial reporting implications
- Assets and liabilities associated with transfers of function transfer from a former cluster to a newly established cluster with the transfers required to be recognised as at 1 July 2019.

The changes in administrative arrangements also have consequences for the presentation of budget information and budget allocations including:

- State Outcome reporting and individual outcome indicators for each cluster have not been presented this year given the impact of the machinery of government changes upon the outcome framework. The revised outcome structure including new State Outcomes and indicators will be embedded within each of the eight clusters following a thorough Outcome and Business Planning process in 2019-20
- Changes between years in recurrent expenses and capital expenditure for the new clusters, and for some principal departments, cannot be provided as the year on year change is distorted by the transfer of functions and agencies. Expense comparisons between years are provided where an agency has been transferred in its entirety
- Budget allocations are aligned with the new cluster control relationships.

Cluster and agency appropriation arrangements

Coordinating Ministers for each cluster receive an appropriation for their principal department. Resources are then allocated to agencies within the cluster through grant funding with the support of Portfolio Ministers and the Secretary of each principal department.

The Legislature and a number of smaller agencies classified as special or independent offices are funded through separate appropriations to maintain their independence from government. The Crown Finance Entity also receives a separate appropriation for central functions of government.

Entities that receive an appropriation for the 2019-20 Budget

Crown Finance Entity	Ministry of Health
Department of Customer Service	New South Wales Electoral Commission
Department of Education	Ombudsman's Office
Department of Planning, Industry and Environment	Office of the Children's Guardian
Department of Premier and Cabinet	Office of the Director of Public Prosecutions
Department of Family and Community Services and Justice	Public Service Commission
Independent Commission Against Corruption	The Legislature
Independent Pricing and Regulatory Tribunal	The Treasury
Judicial Commission of New South Wales	Transport for NSW
Law Enforcement Conduct Commission	

Reporting of Budget data

The financial statements in this Budget Paper are prepared on an accrual basis of accounting, in accordance with Australian Accounting Standards and the Uniform Presentation Framework.

From 1 July 2019, the State applied AASB 15 *Revenue from Contracts with Customers* (AASB 15) and AASB 1058 *Income of Not-for-Profit Entities* (AASB 1058) and AASB 16 *Leases* (AASB 16). The new accounting standards have been applied to 2019-20 estimates in the agency financial statements. The revised estimates for 2018-19 do not reflect the impact of the changes to the accounting standards.

This Budget Paper also presents a balance sheet and cash flow statement.

Cluster-level financial aggregates

Recurrent expenses and capital expenditure reported in this Budget Paper are ‘cluster-eliminated’ – that is, aggregated at the cluster level only. Transfers within the same cluster are eliminated out. Transfers into and out of the cluster are all included: any transfer from cluster A to cluster B will therefore appear in financial tables for both cluster A and B.

How to read this budget paper

This Budget Paper is structured into one chapter for each cluster, as well as a separate chapter for the Legislature. Clusters are groups of entities with shared or related policy goals. The eight clusters presented in this Budget Paper reflect the machinery of government changes that come into effect on 1 July 2019.

Each chapter sets out the Budget highlights for each cluster, as well as more detailed financial information.

Financial statements are presented for agencies established as at 1 July 2019 as well as those agencies abolished under the recent machinery of government changes.

1.1 Cluster Introduction

Section	Description
Introduction	This describes the role, main activities and responsibilities of the cluster.
Contribution to the Government’s Priorities	The Government’s Priorities that the cluster is targeting to achieve.
State Outcomes to be delivered by the cluster	A short description of the State Outcomes the cluster is working towards.

1.2 2019-20 Budget Highlights

This section describes significant new and ongoing initiatives of the cluster listed under each State Outcome. Realignment of State Outcomes is underway and pending this change some individual State Outcomes may not include highlighted expenditure at this time. For further detail on capital projects, see Budget Paper No. 2 *Infrastructure Statement*.

1.3 Machinery of Government

This sets out the machinery of government changes that have impacted the cluster as a result of Administrative Arrangements Orders issued and enacted since 1 July 2018. The section also includes those changes effective on 1 July 2019.

1.4 Overview of cluster expenses by State Outcome

This section includes doughnut charts depicting the amount and percentage of recurrent expenses and capital expenditure across each of the State Outcomes delivered by the cluster.

1.5 Agency Expense Summary

This section lists recurrent expenses and capital expenditure for each agency in the cluster. The expenses by agency are further broken down by State Outcome.

1.6 Financial Statements

Financial statements are presented for the eight clusters established as at 1 July 2019 as well as those abolished clusters.

Section	Description
Operating Statement	This lists the major categories of expenses and revenues for each agency.
Balance Sheet	This details the agency's assets, liabilities and net worth.
Cash Flow Statement	This details the cash impacts of agency activities, including the cash appropriations sourced from whole-of-government activities.

Notes

- The Budget year refers to 2019-20, while the forward estimates period refers to 2020-21, 2021-22 and 2022-23.
- Expenditure figures cited throughout refer to expenditure in the 2019-20 Budget year unless otherwise indicated.
- Expenditure figures cited as '2018-19 revised' refer to 2018-19 Budget updated projections as at 30 April 2019.
- Figures in tables, charts and text have been rounded. Discrepancies between totals and the sum of components reflect rounding:
 - values of \$1 billion and above are rounded to the nearest \$100 million unless specified
 - values below \$1 billion are rounded to the nearest \$100,000
 - estimates under \$100,000 are rounded to the nearest thousand
 - estimates midway between rounding points are rounded up
 - percentages are based on the underlying unrounded values.
- For the budget balance, parentheses indicate a deficit while no sign indicates a surplus.
- One billion equals one thousand million.
- The following notations are used:
 - n.a. means data is not available
 - N/A means not applicable
 - no. means number
 - 0 means not zero, but rounded to zero
 - ... means zero
 - \$m means millions of dollars
 - \$b means billions of dollars.
- Unless otherwise indicated, the data source for financial tables and charts is NSW Treasury.
- Unless otherwise indicated, the data source for the Introduction and Budget Highlights sections is the relevant agency or their cluster's principal department.

1. CUSTOMER SERVICE CLUSTER

1.1 Introduction

The Customer Service cluster builds upon work already undertaken to deliver and exceed customer expectations of NSW Government services. The cluster works to ensure customer insights are embedded in policy design and service. The accelerated use of digital data and behavioural insights ensures that service delivery meets customer expectations.



\$2.7
billion

Recurrent
Expenses
2019-20



\$375
million

Capital
Expenditure
2019-20

Contribution to the Government's Priorities

The Customer Service cluster contributes to delivering the following Government priority:

- Making Government work better for you by putting the customer at the centre of everything we do.

State Outcomes to be delivered by the Customer Service cluster

State Outcome	Description
Excellence in customer service	Improving customers' satisfaction with NSW government services through a customer-centred approach to everything we do, resulting in better customer experiences and easier transactions.
Digital leadership and innovation in government services	Investing in innovation and technology to improve the availability, reliability and security of NSW government platforms, information and services.
Competitive, fair and secure markets	Improving and simplifying regulation in New South Wales to make it easier and safer for businesses and consumers to transact.

1.2 2019-20 Budget Highlights

In 2019-20, the Customer Service cluster will spend \$3.1 billion (\$2.7 billion recurrent expenses and \$374.8 million capital expenditure). Key initiatives are highlighted below.

Excellence in customer service

- Service NSW is the lead customer service touch point for delivering whole of government services and advice. Since it was established in 2013, the range and volume of services that Service NSW offers has expanded. Its one-stop shop customer model makes it easier for the community to interact with government, including accessing rebates and incentives as part of the Cost of Living programs. Additional funding of \$50 million has been provided for 2019-20, which demonstrates the Government's commitment to expand the reach of government services and improve customer experience by funding the continued growth of Service NSW
- \$92.1 million in 2019-20 to continue the Creative Kids program, which provides parents and guardians with a \$100 voucher each year to help with the cost of their school-aged kids' participation in creative and cultural activities
- \$70 million (\$55 million expenses and \$15 million capital over four years) to roll out 10 new Service NSW centres across Metropolitan Sydney
- \$4 million in 2019-20 to roll out four one-stop shop Service NSW buses servicing communities throughout the State
- Helping people with their energy bills by expanding the Energy Switch program to include gas and to provide small businesses with access to the Energy Switch program
- Increasing the number of cost of living services available through Service NSW on behalf of agencies including:
 - Energy Switch Program
 - Regional Seniors Transport Card
 - IVF Rebate Program
 - Road Toll Relief Program.

Digital leadership and innovation in government services

- Establishing a Digital Restart Fund in 2019-20 with seed funding of \$100 million over the next two years to fund whole of government digital transformation
- \$12.5 million over five years to establish a Nuclear Medicine and Technology Hub at Lucas Heights in partnership with the Australian Nuclear Science and Technology Organisation to develop cutting edge treatments
- \$1.5 million to trial the Park n' Pay app in The Rocks precinct in Sydney
- Continuing the roll out of digital drivers' licences through Service NSW.

Competitive, fair and secure markets

- NSW Government will appoint a Building Commissioner to act as the consolidated building regulator in NSW with responsibilities to licence and audit practitioners
- \$49 million (\$27 million expenses and \$22 million capital) in 2019-20 for the Easy to do Business program, which provides a concierge service and interface with local councils and government bodies for small businesses in five sectors (cafes, housing construction, clothing retail, printing and road freight) to reduce the time it takes to either open or expand a small business. This program will enable businesses to reduce red tape and opt in to communications about policy or regulatory changes affecting their industry
- \$35 million in 2019-20 to support responsible gambling and reduce problem gambling in the community. This will be funded through the Responsible Gambling levy on the Star casino, tax from wagering operators, and a drawdown of the Responsible Gambling Fund reserves
- \$13 million in 2019-20 through the ClubGRANTS Category 3 scheme, towards supporting grants in the community and sport and health infrastructure. The NSW Government will continue to work with ClubsNSW to modernise and streamline service provision and regulation of the sector
- \$10.4 million in 2019-20 to assist Greyhound Racing NSW and its clubs to improve animal welfare, including track upgrades to reduce injury rates for racing dogs
- \$2.8 million over two years to extend the quad Bike Safety Improvement Program including rebates for farmers who prefer drones as alternatives to quad bikes.

1.3 Machinery of Government

The Department of Customer Service is established under the *Administrative Arrangements (Administrative Change – Public Service Agencies) Order 2019* effective 1 July 2019. The Customer Service cluster combines the functions and agencies of the former Finance, Services and Innovation cluster with specific functions from the former Industry cluster, the former Justice cluster, the Premier and Cabinet cluster and the Treasury cluster except as provided in other clusters.

Under the *Administrative Arrangements (Administrative Change – Public Service Agencies) Order 2019* the following changes are effective 1 July 2019:

- most of the functions from the former Finance, Services and Innovation cluster transfer to the Customer Service cluster, including the following agencies:
 - Long Service Corporation
 - Rental Bond Board
 - Service NSW
 - State Insurance Regulatory Authority
 - New South Wales Government Telecommunications Authority
- the following functions and agencies from the Premier and Cabinet cluster transfer to the Customer Service cluster:
 - Office of Customer Service Commissioner
 - Behavioural Insights Unit
 - Government Communications Branch
 - Functions undertaken by the Digital, Content and Sponsorships Branch of the Department of Premier and Cabinet in administering the nsw.gov.au website
 - Independent Pricing and Regulatory Tribunal
- the NSW Registry of Births, Death and Marriages and the Information and Privacy Commission transfers from the former Justice cluster
- the Independent Liquor and Gaming Authority transfers from the former Industry cluster
- the Data Analytics Centre transfers from the Treasury cluster.

1.4 Overview of cluster expenses by State Outcome

A summary of expenses by State Outcome is provided in the charts below.

Chart 1.1: Recurrent expenses by outcome 2019-20 (dollars and %)

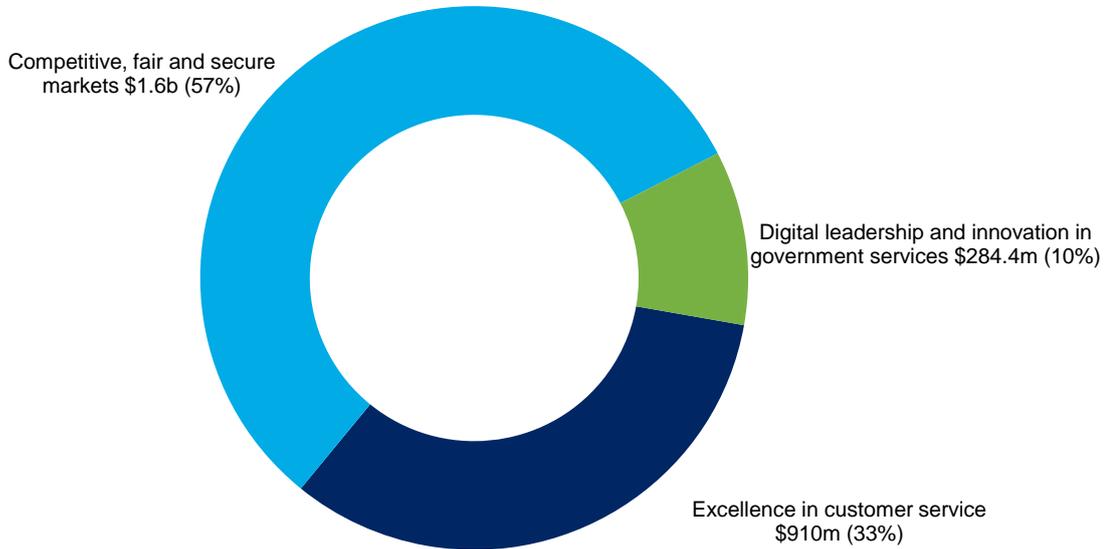
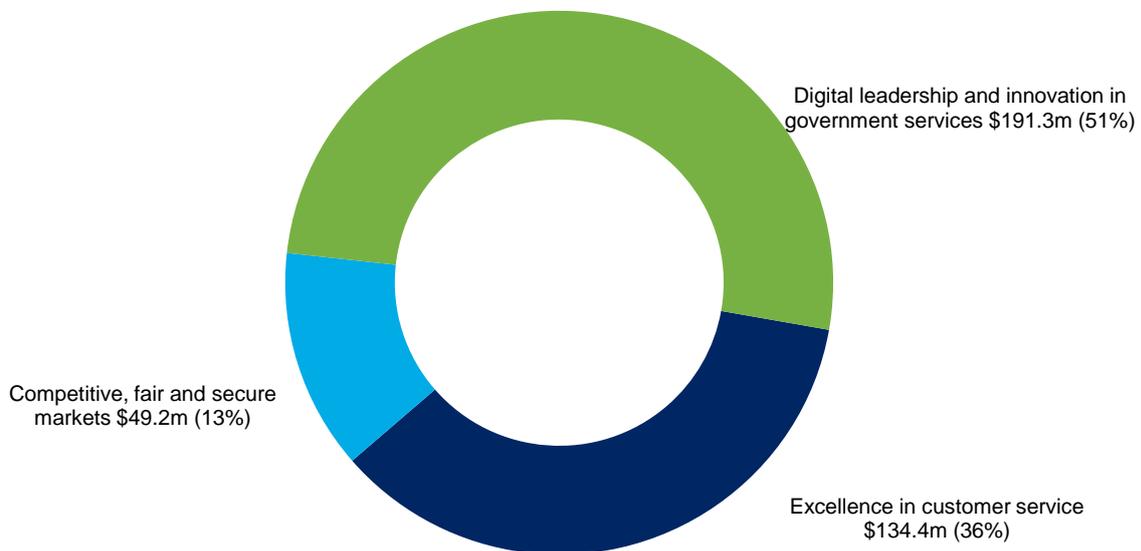


Chart 1.2: Capital expenditure by outcome 2019-20 (dollars and %)



1.5 Agency Expense Summary

The 2019-20 Budget for the Department of Customer Service (and other agencies within the cluster) is listed in the table below.

In 2019-20, the Department of Customer Service will spend \$1.7 billion (\$1.6 billion recurrent expenses and \$141.9 million capital expenditure).

Customer Service cluster	Expenses ^(a)			Capital Expenditure		
	2018-19 Revised	2019-20 Budget	Change	2018-19 Revised	2019-20 Budget	Change
	\$m	\$m	%	\$m	\$m	%
Department of Customer Service ^(b)	N/A ^(b)	1,170.2	N/A ^(b)	N/A ^(b)	141.9	N/A ^(b)
Cluster Grants and other adjustments	N/A ^(b)	415.7	N/A ^(b)	...	...	...
Total Principal Agency	N/A^(b)	1,585.9	N/A^(b)	N/A^(b)	141.9	N/A^(b)
Agencies transferred from: Finance, Services and Innovation (GG) Cluster ^(c)						
Long Service Corporation	263.1	285.0	8.3	1.2	5.8	N/A
Rental Bond Board	56.8	61.2	7.7	0.0	0.0	0.0
Service NSW	534.6	490.1	(8.3)	61.1	44.6	(27.0) ^(g)
State Insurance Regulatory Authority	575.5	594.1	3.2	0.0	5.6	N/A
New South Wales Government Telecommunications Authority	81.3	104.6	28.7	105.7	169.0	59.8
Agencies transferred from: Industry (GG) Cluster ^(d)						
Independent Liquor and Gaming Authority	3.7	2.8	(23.5) ^(h)	0.1	0.0	N/A
Agencies transferred from: Justice (GG) Cluster ^(e)						
Information and Privacy Commission	6.0	5.8	(3.6)	0.2	1.3	N/A
Agencies transferred from: Premier and Cabinet (GG) Cluster ^(f)						
Independent Pricing and Regulatory Tribunal	34.4	32.9	(4.4)	0.2	6.7	N/A
Total Transferred In Agencies	1,555.4	1,576.6	1.4	168.5	232.9	38.3
Principal Agency abolished and absorbed from: Finance, Services and Innovation (GG) Cluster						
Department of Finance, Services and Innovation	1,431.9	N/A	N/A	101.9	N/A	N/A
Cluster Grants and other adjustments	434.9	N/A	N/A	...	...	...
Total Abolished Principal Agency	1,866.9	N/A	N/A	101.9	N/A	N/A

(a) This table shows expenses on an uneliminated cluster basis.

(b) The Department of Customer Service is a newly established entity effective 1 July 2019, following machinery of government changes (see section 1.3). As such, 2018-19 financial data are not available, and comparisons between 2018-19 and 2019-20 are not possible.

(c) Long Service Corporation, Rental Bond Board, Service NSW, State Insurance Regulatory Authority and New South Wales Government Telecommunications Authority transfer from the former Finance, Services and Innovation cluster effective 1 July 2019.

(d) The Independent Liquor and Gaming Authority transfers from the former Industry cluster effective 1 July 2019.

(e) The Information and Privacy Commission transfers from the former Justice cluster effective 1 July 2019.

(f) The Independent Pricing and Regulatory Tribunal transfers from the Premier and Cabinet cluster effective 1 July 2019.

(g) Capital reduction due to completion of the transition of rural and regional motor registries to Service NSW centres.

(h) Decline shows the combined effect of higher employee related expenses in 2018-19 from secretariat support for the Board, and in 2019-20 lower other operating costs.

Note: Some sub-totals in this table may not be exactly equal to the sum of agency totals due to rounding.

1.6 Financial Statements

Department of Customer Service

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	686,133
Personnel Services Expenses	(4,904)
Other Operating Expenses	227,576
Grants and Subsidies	540,439
Appropriation Expense
Depreciation and Amortisation	126,219
Finance Costs	10,451
Other Expenses	30
TOTAL EXPENSES EXCLUDING LOSSES	1,585,944
Revenue			
Appropriation Revenue	988,772
Cluster Grant Revenue
Acceptance by Crown Entity of Employee Benefits and Other	13,755
Liabilities			
Transfers to the Crown Entity
Sales of Goods and Services	362,003
Grants and Contributions	25,801
Investment Revenue	5,426
Retained Taxes, Fees and Fines	87,616
Other Revenue	228,058
Total Revenue	1,711,431
Gain/(loss) on Disposal of Non Current Assets	(1,439)
Other Gains/(Losses)	(1,302)
Net Result	122,746

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	449,655
Taxes Receivable
Receivables	161,371
Inventories	53
Financial Assets at Fair Value	91,040
Other Financial Assets
Other	56,050
Assets Held For Sale	26,978
Total Current Assets	785,148
Non Current Assets			
Taxes Receivable
Receivables	6,358
Inventories	5,248
Financial Assets at Fair Value
Equity Investments
Property, Plant and Equipment -			
Land and Building	226,326
Plant and Equipment	277,644
Infrastructure Systems	(479)
Investment Properties
Intangibles	128,807
Other Assets	4,473
Total Non Current Assets	648,376
Total Assets	1,433,524
Liabilities			
Current Liabilities			
Taxes Payable
Payables	187,553
Other Financial Liabilities at Fair Value
Borrowings	51,689
Provisions	186,149
Other	99,345
Liabilities Associated with Assets Held for Sale
Total Current Liabilities	524,736
Non Current Liabilities			
Taxes Payable
Payables
Other Financial Liabilities at Fair Value
Borrowings	230,158
Provisions	36,116
Other	2,413,591
Total Non Current Liabilities	2,679,865
Total Liabilities	3,204,601
Net Assets	(1,771,077)
Equity			
Accumulated Funds	(1,784,840)
Reserves	13,763
Capital Equity
Total Equity	(1,771,077)

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	653,557
Personnel Services	(4,904)
Grants and Subsidies	540,439
Finance Costs	10,443
Equivalent Income Tax
Other Payments	464,800
Total Payments	1,664,335
Receipts			
Appropriation	988,772
Cluster Grant Revenue
Cash reimbursements from the Crown Entity
Sale Proceeds Transfers to the Crown Entity
Cash transfers to the Crown Entity	(18,077)
Sale of Goods and Services	324,310
Retained Taxes, Fees and Fines	(1,288)
Interest Received	5,426
Grants and Contributions	25,801
Other Receipts	509,374
Total Receipts	1,834,318
Net Cash Flows From Operating Activities	169,983
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	50,097
Purchases of Property, Plant and Equipment	(59,593)
Proceeds from Sale of Investments
Purchases of Investments
Advances Repayments Received
Advances made
Other Investing	(49,518)
Net Cash Flows From Investing Activities	(59,014)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances
Repayment of Borrowings and Advances	(125,897)
Dividends Paid
Other Financing
Capital Appropriation - Equity Appropriation
Cash Equity Injection to For-Profit Entities
Net Cash Flows From Financing Activities	(125,897)
Net Increase/(Decrease) in Cash	(14,929)
Opening Cash and Cash Equivalents	456,358
Reclassification of Cash Equivalents
Cash transferred in (out) as a Result of Administrative Restructuring	8,226
Closing Cash and Cash Equivalents	449,655

Independent Liquor and Gaming Authority

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	778	1,183	798
Personnel Services Expenses	...	...	...
Other Operating Expenses	1,724	2,443	1,970
Grants and Subsidies	250	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	30	30	30
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	2,782	3,656	2,798
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	2,975
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	250	265	...
Grants and Contributions	...	538	...
Investment Revenue	...	321	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	...	...
Total Revenue	250	1,125	2,975
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(2,532)	(2,531)	177

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	2,239	1,801	2,002
Taxes Receivable	...	...	...
Receivables	936	12	12
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	3,175	1,813	2,014
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	4,620	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	...
Plant and Equipment	111	40	10
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	4,731	40	10
Total Assets	7,906	1,853	2,024
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	2,525	155	164
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	1,061	...	(15)
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	3,586	155	149
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Total Non Current Liabilities	...	...	...
Total Liabilities	3,586	155	149
Net Assets	4,320	1,698	1,875
Equity			
Accumulated Funds	4,320	1,698	1,875
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	4,320	1,698	1,875

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	864	1,183	874
Personnel Services	...	...	...
Grants and Subsidies	250	...	...
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	1,890	12,554	2,136
Total Payments	3,004	13,737	3,010
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	2,975
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	250	265	(0)
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	321	...
Grants and Contributions	...	538	...
Other Receipts	166	166	166
Total Receipts	416	1,291	3,141
Net Cash Flows From Operating Activities	(2,588)	(12,447)	131
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	...	(70)	70
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	...	(70)	70
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	(2,588)	(12,517)	201
Opening Cash and Cash Equivalents	4,827	14,317	1,801
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	2,239	1,801	2,002

Information and Privacy Commission

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	4,555	4,520	4,568
Personnel Services Expenses	...	...	...
Other Operating Expenses	1,052	1,257	645
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	241	258	598
Finance Costs	...	...	7
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	5,848	6,035	5,818
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	5,618	5,573	5,589
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	170	140	177
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	...	...
Investment Revenue	1	...	1
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	12	13	13
Total Revenue	5,802	5,726	5,780
Gain/(loss) on Disposal of Non Current Assets	...	(3)	...
Other Gains/(Losses)	...	...	...
Net Result	(46)	(312)	(38)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	424	349	348
Taxes Receivable	...	...	...
Receivables	685	365	414
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	1,109	714	762
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	1,091
Plant and Equipment	88	87	66
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	876	855	785
Other Assets	...	...	...
Total Non Current Assets	964	942	1,942
Total Assets	2,073	1,656	2,704
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	235	232	231
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	373
Provisions	497	377	377
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	732	609	981
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	714
Provisions	7	7	7
Other	...	...	...
Total Non Current Liabilities	7	7	721
Total Liabilities	739	616	1,702
Net Assets	1,334	1,040	1,002
Equity			
Accumulated Funds	1,334	1,040	1,002
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	1,334	1,040	1,002

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	4,385	4,408	4,391
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	7
Equivalent Income Tax	...	...	...
Other Payments	1,229	1,404	827
Total Payments	5,614	5,812	5,225
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	5,618	5,573	5,589
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	1	...	1
Grants and Contributions	...	...	...
Other Receipts	144	94	145
Total Receipts	5,764	5,667	5,735
Net Cash Flows From Operating Activities	150	(145)	510
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	...	(19)	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(150)	(158)	(150)
Net Cash Flows From Investing Activities	(150)	(177)	(150)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(361)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(361)
Net Increase/(Decrease) in Cash	...	(322)	(1)
Opening Cash and Cash Equivalents	424	671	349
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	424	349	348

Service NSW

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	160,576	256,419	146,210
Personnel Services Expenses	...	...	...
Other Operating Expenses	190,877	193,094	245,809
Grants and Subsidies	...	2,500	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	42,871	82,594	95,176
Finance Costs	...	...	2,947
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	394,324	534,608	490,142
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	117,584	164,792	134,856
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	4,323	8,547	4,360
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	286,268	308,562	293,823
Grants and Contributions	14,400	14,400	7,600
Investment Revenue	200	324	199
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	206	1,035	205
Total Revenue	422,981	497,660	441,043
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	28,657	(36,948)	(49,099)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	8,440	21,330	1,839
Taxes Receivable	...	...	...
Receivables	42,869	46,642	46,841
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	51,309	67,972	48,680
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	117,147
Plant and Equipment	81,820	81,820	54,217
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	211,937	110,546	81,603
Other Assets	...	...	...
Total Non Current Assets	293,757	192,366	252,967
Total Assets	345,066	260,338	301,647
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	38,365	74,876	72,380
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	15,471
Provisions	16,509	16,509	13,229
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	54,874	91,385	101,080
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	81,233
Provisions	6,547	6,547	6,027
Other	...	...	...
Total Non Current Liabilities	6,547	6,547	87,260
Total Liabilities	61,421	97,932	188,340
Net Assets	283,645	162,406	113,307
Equity			
Accumulated Funds	283,645	162,406	113,307
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	283,645	162,406	113,307

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	160,105	253,476	143,333
Personnel Services	...	...	...
Grants and Subsidies	...	2,500	...
Finance Costs	...	...	2,947
Equivalent Income Tax	...	...	...
Other Payments	224,678	173,696	275,056
Total Payments	384,783	429,673	421,335
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	117,584	164,792	134,856
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	280,180	308,923	293,624
Retained Taxes, Fees and Fines	...	...	...
Interest Received	200	324	199
Grants and Contributions	14,400	14,400	7,600
Other Receipts	24,531	1,204	24,639
Total Receipts	436,896	489,643	460,917
Net Cash Flows From Operating Activities	52,113	59,970	39,582
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(22,400)	(18,946)	(18,141)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(35,198)	(42,107)	(26,326)
Net Cash Flows From Investing Activities	(57,598)	(61,053)	(44,467)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(14,606)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(14,606)
Net Increase/(Decrease) in Cash	(5,485)	(1,083)	(19,590)
Opening Cash and Cash Equivalents	13,925	22,412	21,330
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	8,440	21,330	1,839

Long Service Corporation

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	375	567	229
Personnel Services Expenses	8,057	7,851	8,259
Other Operating Expenses	125,350	223,118	239,519
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	427	143	1,242
Finance Costs	66,138	31,378	35,762
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	200,347	263,058	285,011
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	...	...
Investment Revenue	92,600	116,750	117,566
Retained Taxes, Fees and Fines	157,000	203,907	212,494
Other Revenue	134	201	210
Total Revenue	249,734	320,858	330,270
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	49,387	57,800	45,258

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	111,806	96,759	116,217
Taxes Receivable	...	...	...
Receivables	9,247	9,460	9,939
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	221,000	221,000
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	121,053	327,218	347,156
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	1,604,801	1,501,359	1,712,640
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	809
Plant and Equipment	1,965	182	59
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	3,020	1,481	5,346
Other Assets	...	...	...
Total Non Current Assets	1,609,786	1,503,022	1,718,854
Total Assets	1,730,839	1,830,240	2,066,010
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	2,636	2,259	3,727
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	1,056,629	1,211,701	1,372,763
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	1,059,264	1,213,961	1,376,490
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	176,868	186,474	214,455
Other	...	...	...
Total Non Current Liabilities	176,868	186,474	214,455
Total Liabilities	1,236,132	1,400,434	1,590,945
Net Assets	494,707	429,806	475,065
Equity			
Accumulated Funds	494,707	429,806	475,065
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	494,707	429,806	475,065

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	375	567	229
Personnel Services	8,057	7,851	8,259
Grants and Subsidies	...	...	...
Finance Costs	...	...	20
Equivalent Income Tax	...	...	...
Other Payments	72,054	91,185	86,969
Total Payments	80,486	99,603	95,477
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	...	...
Retained Taxes, Fees and Fines	157,172	204,010	211,811
Interest Received	2,101	6,311	6,441
Grants and Contributions	...	...	...
Other Receipts	1,819	62,379	2,442
Total Receipts	161,092	272,699	220,694
Net Cash Flows From Operating Activities	80,606	173,096	125,217
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(1,981)	(78)	(970)
Proceeds from Sale of Investments	...	...	(3,436)
Purchases of Investments	(69,387)	(125,543)	(96,530)
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(2,610)	(1,172)	(4,823)
Net Cash Flows From Investing Activities	(73,978)	(126,792)	(105,759)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	6,628	46,304	19,459
Opening Cash and Cash Equivalents	105,177	50,455	96,759
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	111,805	96,759	116,217

New South Wales Government Telecommunications Authority

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	3,544	...	3,500
Personnel Services Expenses	8,237	14,154	14,308
Other Operating Expenses	63,577	44,154	63,231
Grants and Subsidies	...	6,962	3,872
Appropriation Expense	...	...	...
Depreciation and Amortisation	12,894	13,264	19,473
Finance Costs	...	169	192
Other Expenses	...	2,565	...
TOTAL EXPENSES EXCLUDING LOSSES	88,252	81,268	104,576
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	165,772	113,873	165,382
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	56,574	63,054	62,616
Grants and Contributions	63,193	4,154	24,599
Investment Revenue	826	977	811
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	...	...
Total Revenue	286,365	182,058	253,408
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	198,113	100,790	148,833

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	27,290	62,282	60,854
Taxes Receivable	...	...	...
Receivables	1,979	12,496	12,578
Inventories	580	806	830
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	29,849	75,584	74,262
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	320	2,634
Plant and Equipment	321,328	175,385	327,580
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	595	48,917	48,518
Other Assets	...	...	...
Total Non Current Assets	321,923	224,622	378,732
Total Assets	351,772	300,206	452,993
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	12,456	53,781	53,887
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	12,456	53,781	53,887
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	3,849
Provisions	3,422	5,881	5,881
Other	...	...	...
Total Non Current Liabilities	3,422	5,881	9,730
Total Liabilities	15,878	59,662	63,617
Net Assets	335,894	240,544	389,377
Equity			
Accumulated Funds	335,894	240,544	389,377
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	335,894	240,544	389,377

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	3,544	...	3,500
Personnel Services	8,237	14,154	14,308
Grants and Subsidies	...	6,962	3,872
Finance Costs	...	...	192
Equivalent Income Tax	...	...	...
Other Payments	63,696	38,243	63,171
Total Payments	75,477	59,359	85,043
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	165,772	113,873	165,382
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	56,693	58,057	62,516
Retained Taxes, Fees and Fines	...	...	...
Interest Received	826	977	811
Grants and Contributions	63,193	4,154	24,599
Other Receipts	...	7	40
Total Receipts	286,484	177,068	253,348
Net Cash Flows From Operating Activities	211,007	117,709	168,306
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(212,037)	(103,159)	(168,530)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	(2,585)	...
Net Cash Flows From Investing Activities	(212,037)	(105,743)	(168,530)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(1,204)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(1,204)
Net Increase/(Decrease) in Cash	(1,030)	11,965	(1,428)
Opening Cash and Cash Equivalents	28,320	50,317	62,282
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	27,290	62,282	60,854

Rental Bond Board

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	30,625	30,515	33,530
Grants and Subsidies	26,330	26,330	27,541
Appropriation Expense	...	...	...
Depreciation and Amortisation	...	...	...
Finance Costs	...	...	...
Other Expenses	...	...	144
TOTAL EXPENSES EXCLUDING LOSSES	56,955	56,845	61,215
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	...	...
Investment Revenue	57,602	59,642	60,662
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	2,293	1,157
Total Revenue	57,602	61,935	61,820
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	(26)	...	...
Net Result	622	5,091	605

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	62,158	65,362	65,967
Taxes Receivable	...	...	...
Receivables	4,508	7,047	7,047
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	66,666	72,410	73,014
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -	...	...	...
Land and Building	...	...	...
Plant and Equipment	...	...	...
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	...	...	...
Total Assets	66,666	72,410	73,014
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	2,781	1,647	1,647
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	2,781	1,647	1,647
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Total Non Current Liabilities	...	...	...
Total Liabilities	2,781	1,647	1,647
Net Assets	63,885	70,762	71,367
Equity			
Accumulated Funds	63,885	70,762	71,367
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	63,885	70,762	71,367

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	...	...	...
Grants and Subsidies	26,330	26,330	27,541
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	30,625	29,526	33,674
Total Payments	56,955	55,856	61,215
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	57,602	64,090	60,662
Grants and Contributions	...	...	...
Other Receipts	(26)	2,295	1,157
Total Receipts	57,576	66,386	61,820
Net Cash Flows From Operating Activities	622	10,530	605
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	...	...	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	...	...	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	622	10,530	605
Opening Cash and Cash Equivalents	61,536	54,833	65,362
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	62,158	65,362	65,967

State Insurance Regulatory Authority

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	5,816	13,616	4,517
Personnel Services Expenses	50,137	44,480	51,840
Other Operating Expenses	511,694	509,850	518,197
Grants and Subsidies	12,687	8,035	12,605
Appropriation Expense	...	...	...
Depreciation and Amortisation	2,648	1,873	8,241
Finance Costs	...	...	577
Other Expenses	(1,872)	(2,344)	(1,829)
TOTAL EXPENSES EXCLUDING LOSSES	581,110	575,510	594,149
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	7,179	2,315	7,280
Grants and Contributions	4,578	...	3,625
Investment Revenue	7,939	9,118	8,076
Retained Taxes, Fees and Fines	561,004	536,100	547,432
Other Revenue	632	7,933	640
Total Revenue	581,331	555,466	567,052
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	(510)	...	(520)
Net Result	(289)	(20,044)	(27,617)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	140,713	127,346	112,980
Taxes Receivable	...	...	...
Receivables	67,012	51,776	52,296
Inventories	...	...	...
Financial Assets at Fair Value	177,823	191,040	185,885
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	385,548	370,163	351,161
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -	...	...	...
Land and Building	...	...	19,407
Plant and Equipment	12,546	992	4,644
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	6,468	7,353	7,003
Other Assets	...	...	...
Total Non Current Assets	19,014	8,346	31,055
Total Assets	404,562	378,509	382,215
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	46,569	35,900	51,894
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	2,387
Provisions	23,688	10,806	10,420
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	70,256	46,706	64,701
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	107,101	130,794	129,985
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	19,102
Provisions	96,138	94,538	89,573
Other	...	...	...
Total Non Current Liabilities	203,239	225,333	238,661
Total Liabilities	273,495	272,038	303,362
Net Assets	131,066	106,470	78,853
Equity			
Accumulated Funds	131,066	106,470	78,853
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	131,066	106,470	78,853

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	6,202	13,229	4,912
Personnel Services	50,137	44,480	51,840
Grants and Subsidies	12,687	8,035	12,605
Finance Costs	...	...	577
Equivalent Income Tax	...	...	...
Other Payments	514,595	527,839	506,139
Total Payments	583,621	593,583	576,073
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	7,179	2,315	7,280
Retained Taxes, Fees and Fines	561,004	536,160	547,432
Interest Received	2,209	3,388	2,231
Grants and Contributions	4,578	...	3,625
Other Receipts	632	8,440	(400)
Total Receipts	575,601	550,303	560,167
Net Cash Flows From Operating Activities	(8,020)	(43,280)	(15,906)
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(4,555)	...	(4,555)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	11,000	10,100	11,000
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(1,000)	...	(1,000)
Net Cash Flows From Investing Activities	5,445	10,100	5,445
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(3,906)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(3,906)
Net Increase/(Decrease) in Cash	(2,575)	(33,180)	(14,367)
Opening Cash and Cash Equivalents	143,288	160,526	127,346
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	140,713	127,346	112,980

Department of Finance, Services and Innovation (Discontinued)

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	734,438	689,175	...
Personnel Services Expenses	11,426	...	...
Other Operating Expenses	345,841	438,902	...
Grants and Subsidies	614,110	578,181	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	95,077	151,241	...
Finance Costs	7,672	9,359	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	1,808,563	1,866,859	...
Revenue			
Appropriation Revenue	1,116,500	1,002,305	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	14,381	12,552	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	503,348	508,798	...
Grants and Contributions	32,301	33,729	...
Investment Revenue	805	9,131	...
Retained Taxes, Fees and Fines	87,434	95,995	...
Other Revenue	226,479	230,785	...
Total Revenue	1,981,249	1,893,296	...
Gain/(loss) on Disposal of Non Current Assets	1,484	109,921	...
Other Gains/(Losses)	(1,263)	(853)	...
Net Result	172,907	135,504	...

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	416,270	456,358	...
Taxes Receivable	...	...	...
Receivables	252,318	226,329	...
Inventories	53	53	...
Financial Assets at Fair Value	...	91,040	...
Other Financial Assets	...	...	...
Other	51,161	51,111	...
Assets Held For Sale	...	26,978	...
Total Current Assets	719,803	851,871	...
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	26,529	7,114	...
Inventories	5,464	5,464	...
Financial Assets at Fair Value	...	...	...
Equity Investments	40,922	...	...
Property, Plant and Equipment -			...
Land and Building	43,159	65,656	...
Plant and Equipment	214,234	199,763	...
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	188,398	113,639	...
Other Assets	4,241	4,241	...
Total Non Current Assets	522,946	395,876	...
Total Assets	1,242,748	1,247,746	...
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	224,469	233,295	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	56,416	72,445	...
Provisions	174,337	202,642	...
Other	137,221	137,513	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	592,443	645,896	...
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other financial liabilities at fair value	...	...	...
Borrowings	16,396	28,181	...
Provisions	36,786	35,639	...
Other	2,494,571	2,485,561	...
Total Non Current Liabilities	2,547,753	2,549,381	...
Total Liabilities	3,140,196	3,195,276	...
Net Assets	(1,897,447)	(1,947,530)	...
Equity			
Accumulated Funds	(1,932,633)	(1,961,293)	...
Reserves	35,186	13,763	...
Capital Equity	...	...	...
Total Equity	(1,897,447)	(1,947,530)	...

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	700,924	708,122	...
Personnel Services	11,426	...	...
Grants and Subsidies	614,110	578,181	...
Finance Costs	7,672	9,359	...
Equivalent Income Tax	...	...	...
Other Payments	651,533	399,204	...
Total Payments	1,985,666	1,694,867	...
Receipts			
Appropriation	1,116,500	1,002,305	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	(9,000)	(163,142)	...
Sale of Goods and Services	498,775	538,016	...
Retained Taxes, Fees and Fines	(1,263)	(6,038)	...
Interest Received	805	5,535	...
Grants and Contributions	32,301	33,729	...
Other Receipts	491,367	251,644	...
Total Receipts	2,129,486	1,662,050	...
Net Cash Flows From Operating Activities	143,820	(32,817)	...
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	84,567	74,806	...
Purchases of Property, Plant and Equipment	(88,095)	(55,733)	...
Proceeds from Sale of Investments	...	111,601	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances Made	...	...	...
Other Investing	(57,607)	(41,641)	...
Net Cash Flows From Investing Activities	(61,135)	89,033	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	(120,114)	(107,775)	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	(120,114)	(107,775)	...
Net Increase/(Decrease) in Cash	(37,429)	(51,560)	...
Opening Cash and Cash Equivalents	453,699	496,835	...
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	11,083	...
Closing Cash and Cash Equivalents	416,270	456,358	...

Independent Pricing and Regulatory Tribunal

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	23,350	22,185	25,685
Personnel Services Expenses	...	...	...
Other Operating Expenses	7,746	11,138	5,006
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	1,029	1,112	2,167
Finance Costs	...	...	62
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	32,125	34,435	32,920
Revenue			
Appropriation Revenue	27,850	26,855	30,996
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	393	543	403
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	1,329	1,191	1,352
Grants and Contributions	...	2,500	...
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	588	...
Total Revenue	29,571	31,677	32,751
Gain/(loss) on Disposal of Non Current Assets	...	(15)	...
Other Gains/(Losses)	...	...	...
Net Result	(2,554)	(2,773)	(169)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	933	1,011	1,011
Taxes Receivable	...	...	...
Receivables	1,689	2,016	2,016
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	2,622	3,027	3,027
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	5,342
Plant and Equipment	1,534	1,346	663
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	671	15	561
Other Assets	...	...	...
Total Non Current Assets	2,205	1,361	6,566
Total Assets	4,827	4,388	9,593
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	1,737	2,029	2,029
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	1,156
Provisions	2,396	2,396	2,396
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	4,133	4,425	5,581
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	4,218
Provisions	875	875	875
Other	...	...	...
Total Non Current Liabilities	875	875	5,093
Total Liabilities	5,008	5,300	10,674
Net Assets	(181)	(912)	(1,081)
Equity			
Accumulated Funds	(181)	(912)	(1,081)
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	(181)	(912)	(1,081)

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	22,957	21,615	25,282
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	62
Equivalent Income Tax	...	...	...
Other Payments	8,967	11,706	6,227
Total Payments	31,924	33,321	31,571
Receipts			
Appropriation	27,850	26,736	30,996
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	1,329	1,191	1,352
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	...	2,500	...
Other Receipts	1,221	(707)	1,221
Total Receipts	30,399	29,720	33,569
Net Cash Flows From Operating Activities	(1,525)	(3,601)	1,998
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(180)	(180)	(180)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(712)	...	(712)
Net Cash Flows From Investing Activities	(892)	(180)	(892)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(1,106)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(1,106)
Net Increase/(Decrease) in Cash	(2,417)	(3,781)	...
Opening Cash and Cash Equivalents	3,350	4,792	1,011
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	933	1,011	1,011

2. EDUCATION CLUSTER

2.1 Introduction

The Education cluster delivers and regulates education and training services for NSW students, workers and industry. This includes the early childhood education and care sector, government and non-government schools, and the vocational education and training sector.



\$18.6 billion

Recurrent Expenses 2019-20



\$2.4 billion

Capital Expenditure 2019-20

Contribution to the Government's Priorities

The Education cluster contributes to delivering the following Government priority:

- Highest quality education no matter where you live or what your circumstances may be.

State Outcomes to be delivered by the Education cluster

State Outcome	Description
Educational foundations for success	Providing a high standard of education for children and young people through the State's public school system, and providing support to non-government schools.
Best start in life for young children	Regulating and overseeing the delivery of accessible and high-quality early childhood education services.
Equipping teachers with the best skills for educating our young people	Improving teacher quality in New South Wales through the regulation and accreditation of school and early childhood teachers by the New South Wales Education Standards Authority (NESA).
Skilled and employable workforce	Contributing to job growth by delivering a highly skilled workforce that meets current and future requirements of NSW businesses and industry, including the activities of TAFE NSW.

2.2 2019-20 Budget Highlights

In 2019-20, the Education cluster will spend more than \$20.9 billion (\$18.6 billion recurrent expenses and \$2.4 billion capital expenditure). Key initiatives are highlighted below.

Educational foundations for success

- New South Wales was the first state to sign the original Gonski Agreement, and has now signed the National School Reform Agreement (NSRA) for 2019 to 2023, highlighting a commitment to deliver needs-based funding to government and non-government schools. Under the NSRA, New South Wales has committed to implement national policy initiatives, and a series of state-based reforms across government and non-government schools
- 4,600 extra teachers will be recruited across government schools in New South Wales over four years to meet population growth and provide more targeted support to the students that need it most. This investment will deliver the highest number of teachers in government schools in the State's history
- \$1.4 billion to support non-government schools in 2019-20, including additional funding for non-government school essential capital works under the Building Grants Assistance Scheme
- \$917.4 million over four years to build eight new schools and significantly upgrade a further 32 schools, bringing the Government's total investment in school infrastructure to \$6.7 billion over the next four years
- \$500 million over four years to support non-government schools to build, extend or upgrade their facilities to provide more student places in growing communities
- \$449 million to clear the existing school maintenance backlog in all public schools by July 2020, bringing the total investment to more than \$1.3 billion over five years
- \$120 million over four years to expand before and after school care, making it available to all parents with children at public primary schools by 2021
- \$88.4 million over four years to employ 100 additional school counsellors or psychologists and an additional 350 student support officers, as well as dedicated services for rural and remote students, to ensure public high school students across the State have access to mental health and wellbeing support
- \$10 million over four years for the Sustainable Schools Program to help schools and students develop innovative and hands-on solutions outside the classroom to reduce, re-use and recycle in order to make their school environments more sustainable
- \$8 million over four years for Foodbank NSW and ACT Limited to expand the School Breakfast 4 Health program to a further 500 schools
- \$7.4 million over four years to upgrade 11 public schools, including installation of solar panels, covered outdoor learning areas and upgrades to sports facilities
- \$2 million over four years to support Life Education NSW to continue to deliver the Healthy Harold program and promote healthy lifestyles in schools
- \$0.2 million to support the NSW Federation of Community Language Schools to assist students to learn a second language
- The Department of Education will trial a Year 1 phonics screening check in select public schools in order to help boost literacy outcomes in the early years. The trial will be 'opt in' – giving principals the freedom to choose whether they want to participate.

Best start in life for young children

- \$526.7 million in 2019-20 (recurrent expenses). This includes the Start Strong program to support preschool education across New South Wales, in both community preschools and long day care centres. Funding support will be provided for all three-year olds in community preschools from 1 January 2019. This funding will support universal access to two years of early childhood education, continuing a commitment made in the 2018-19 Budget
- \$20 million over four years for new and existing community preschools to build, renovate or extend their facilities to cater for increasing enrolments across the state
- \$1.8 million over two years to support Playgroup NSW to establish 'Play Strong' playgroups to support early learning pathways for vulnerable communities across New South Wales.

Equipping teachers with the best skills for educating our young people

- \$146.2 million in 2019-20, including for the administration of the Higher School Certificate and NAPLAN in government and non-government schools.

Skilled and employable workforce

- \$2.4 billion in 2019-20 (\$2.3 billion recurrent expenses and \$137.5 million capital expenditure) to support TAFE NSW and support vocational education and training across New South Wales
- \$79.6 million over four years to deliver a new TAFE super campus for Western Sydney specialising in construction trades
- \$71 million over four years for an additional 100,000 free TAFE and VET courses, including 70,000 fee-free courses for young job-seekers combining work and study through a traineeship, and 30,000 free TAFE places for mature-aged workers seeking to retrain or re-enter the workforce
- \$61.7 million over four years to construct eight new TAFE Connected Learning Centres in rural and regional locations, including at Byron Bay, Nelson Bay, Batemans Bay, Jindabyne, Nambucca Heads, Hay, Cobar and West Wyalong
- \$5.9 million over four years to offer online courses for women to build their financial literacy and business start-up skills, together with mentoring, networking and coaching opportunities from January 2020.

2.3 Machinery of Government

Under the *Administrative Arrangements (Administrative Changes - Public Service Agencies) Order 2019*, the following changes to the Education cluster are effective 1 July 2019:

- the following functions and agency transfer from the former Industry cluster into the Education cluster:
 - TAFE Commission
 - the other functions of the former Industry cluster associated with the administration of legislation allocated to the Minister for Skills and Tertiary Education
- Aboriginal Affairs NSW transfers from the Education cluster to the Premier and Cabinet cluster.

2.4 Overview of cluster expenses by State Outcome

A summary of expenses by State Outcome is provided in the charts below.

Chart 2.1: Recurrent expenses^(a) by outcome 2019-20 (dollars and %)



- (a) The figures in the above chart are cluster eliminated expenses due to material intra-cluster payments to TAFE NSW
- (b) Grouped for presentation purposes, "Other State Outcomes" comprises:
- Best start in life for young children
 - Equipping teachers with the best skills for educating our young people.

Chart 2.2: Capital expenditure^(c) by outcome 2019-20 (dollars and %)



- (c) The figures in the above chart are cluster eliminated expenses due to intra-cluster payments to TAFE NSW
- (d) Grouped for presentation purposes, "Other State Outcomes" comprises:
- Equipping teachers with the best skills for educating our young people
 - Skilled and Employable Workforce.

2.5 Agency Expense Summary

The 2019-20 Budget for the Department of Education (and other agencies within the cluster) is listed in the table below.

In 2019-20, the Department of Education will spend \$20.4 billion (\$18.2 billion recurrent expenses and \$2.2 billion capital expenditure).

Education cluster	Expenses ^(a)			Capital Expenditure		
	2018-19 Revised	2019-20 Budget	Change	2018-19 Revised	2019-20 Budget	Change
	\$m	\$m	%	\$m	\$m	%
Department of Education	15,134.8	18,158.7	20.0 ^(c)	1,674.5	2,242.6	33.9
Cluster Grants	136.0	34.4	(74.7) ^(d)	...	...	...
Total Principal Agency	15,270.7	18,193.2	19.1	1,674.5	2,242.6	33.9
NSW Education Standards Authority	172.7	146.2	(15.3) ^(e)	1.4	2.2	59.4
Total Agency	172.7	146.2	(15.3)	1.4	2.2	59.4
Agencies transferred from: Industry (GG) Cluster^(b)						
TAFE Commission	1,794.7	1,850.3	3.1	146.1	137.2	(6.1)
Total Transferred In Agency	1,794.7	1,850.3	3.1	146.1	137.2	(6.1)

(a) This table shows expenses on an uneliminated cluster basis.

(b) The TAFE Commission transfers from the former Industry cluster effective 1 July 2019.

(c) For 2019-20, the Education cluster includes the functions of the former Industry cluster under legislation allocated to the Minister for Skills and Tertiary Education effective 1 July 2019 excluding the TAFE Commission which is reported separately. For 2019-20, the Education cluster transfers Aboriginal Affairs NSW to the Premier and Cabinet cluster.

(d) Reduction in cluster grants due to NESA services, which will now be directly paid by the Department of Education.

(e) Expenses for the NSW Education Standards Authority were higher in 2018-19 due to one-off items such as the implementation of NAPLAN Online and NSW Curriculum Review.

Note: Some sub-totals in this table may not be exactly equal to the sum of agency totals due to rounding.

2.6 Financial Statements

Department of Education

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	9,850,821	10,053,920	10,914,883
Personnel Services Expenses	...	...	...
Other Operating Expenses	3,168,866	2,529,704	2,500,624
Grants and Subsidies	1,989,221	1,962,870	3,999,658
Appropriation Expense	...	...	...
Depreciation and Amortisation	657,704	704,757	757,594
Finance Costs	19,823	19,471	19,799
Other Expenses	644	...	613
TOTAL EXPENSES EXCLUDING LOSSES	15,687,079	15,270,722	18,193,171
Revenue			
Appropriation Revenue	14,838,776	14,686,601	18,085,890
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	385,558	375,072	349,752
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	529,361	465,370	675,079
Grants and Contributions	379,778	437,104	353,435
Investment Revenue	11,337	12,337	17,830
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	83,209	94,923	81,261
Total Revenue	16,228,019	16,071,407	19,563,246
Gain/(loss) on Disposal of Non Current Assets	...	(16,220)	...
Other Gains/(Losses)	...	(391)	...
Net Result	540,940	784,074	1,370,075

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	767,445	754,976	892,710
Taxes Receivable	...	...	...
Receivables	166,378	219,291	254,710
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	250	250
Total Current Assets	933,822	974,517	1,147,670
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	62	53	53
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	33,174,984	31,733,787	33,172,390
Plant and Equipment	307,010	315,991	327,278
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	292,204	267,826	232,335
Other Assets	...	...	...
Total Non Current Assets	33,774,260	32,317,657	33,732,056
Total Assets	34,708,082	33,292,175	34,879,727
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	469,447	661,063	661,695
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	7,269	147,768	35,399
Provisions	867,389	901,784	1,053,899
Other	100,275	43,038	43,920
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	1,444,380	1,753,653	1,794,913
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	148,861	145,252	316,408
Provisions	33,062	41,175	41,175
Other	2,578	27,552	32,613
Total Non Current Liabilities	184,502	213,980	390,197
Total Liabilities	1,628,882	1,967,633	2,185,110
Net Assets	33,079,200	31,324,542	32,694,617
Equity			
Accumulated Funds	14,297,866	14,407,091	15,777,166
Reserves	18,781,334	16,917,451	16,917,451
Capital Equity	...	...	...
Total Equity	33,079,200	31,324,542	32,694,617

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	9,441,874	9,656,745	10,491,516
Personnel Services	...	...	...
Grants and Subsidies	1,989,221	1,962,870	3,999,658
Finance Costs	19,823	19,471	19,799
Equivalent Income Tax	...	...	...
Other Payments	3,397,305	2,738,140	2,796,089
Total Payments	14,848,224	14,377,226	17,307,061
Receipts			
Appropriation	14,838,776	14,686,601	18,085,890
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	529,361	440,647	643,009
Retained Taxes, Fees and Fines	...	...	...
Interest Received	3,297	12,337	17,830
Grants and Contributions	378,046	422,561	349,233
Other Receipts	312,110	322,703	321,087
Total Receipts	16,061,590	15,884,850	19,417,501
Net Cash Flows From Operating Activities	1,213,366	1,507,624	2,110,440
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	275,457	640	295,112
Purchases of Property, Plant and Equipment	(1,611,924)	(1,674,480)	(2,225,480)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	(1,336,467)	(1,673,840)	(1,930,368)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	(6,965)	(6,961)	(42,338)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	(6,965)	(6,961)	(42,338)
Net Increase/(Decrease) in Cash	(130,066)	(173,177)	137,734
Opening Cash and Cash Equivalents	897,511	928,153	754,976
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	767,445	754,976	892,710

NSW Education Standards Authority

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	119,763	120,617	113,367
Personnel Services Expenses	...	...	...
Other Operating Expenses	40,244	50,277	25,876
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	1,361	1,782	6,865
Finance Costs	...	...	113
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	161,369	172,675	146,220
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	126,297	135,961	34,389
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	2,815	2,814	2,747
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	30,450	29,764	104,326
Grants and Contributions	1,784	2,451	1,771
Investment Revenue	208	...	212
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	518	2,895	805
Total Revenue	162,072	173,885	144,249
Gain/(loss) on Disposal of Non Current Assets	10	...	10
Other Gains/(Losses)	...	...	...
Net Result	713	1,210	(1,961)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	7,879	5,892	3,947
Taxes Receivable	...	...	...
Receivables	4,629	4,616	4,629
Inventories	1,779	1,712	1,712
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	14,288	12,220	10,288
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	1,650	1,532	3,511
Plant and Equipment	277	467	463
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	6,955	7,870	7,940
Other Assets	...	...	...
Total Non Current Assets	8,881	9,869	11,914
Total Assets	23,168	22,089	22,202
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	9,773	10,210	10,210
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	591
Provisions	4,532	4,532	4,532
Other	8,294	8,294	8,294
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	22,599	23,036	23,627
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	1,483
Provisions	122	122	122
Other	...	...	...
Total Non Current Liabilities	122	122	1,605
Total Liabilities	22,721	23,158	25,232
Net Assets	447	(1,069)	(3,030)
Equity			
Accumulated Funds	447	(1,069)	(3,030)
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	447	(1,069)	(3,030)

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	116,948	118,796	110,620
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	113
Equivalent Income Tax	...	...	...
Other Payments	43,444	51,561	29,076
Total Payments	160,393	170,357	139,808
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	126,297	135,961	34,389
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	30,450	34,186	104,326
Retained Taxes, Fees and Fines	...	...	...
Interest Received	208	...	212
Grants and Contributions	1,784	2,451	1,771
Other Receipts	7,826	3,213	4,005
Total Receipts	166,565	175,812	144,702
Net Cash Flows From Operating Activities	6,172	5,456	4,894
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	30	...	30
Purchases of Property, Plant and Equipment	...	(280)	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(1,584)	(1,100)	(2,200)
Net Cash Flows From Investing Activities	(1,554)	(1,380)	(2,170)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(4,656)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(4,656)
Net Increase/(Decrease) in Cash	4,618	4,076	(1,932)
Opening Cash and Cash Equivalents	2,233	1,816	5,879
Reclassification of Cash Equivalents	1,028	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	7,879	5,892	3,947

TAFE Commission

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	1,155,609	1,215,356	1,268,716
Personnel Services Expenses	...	...	...
Other Operating Expenses	465,736	423,927	424,122
Grants and Subsidies	620	620	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	146,536	154,826	157,482
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	1,768,501	1,794,729	1,850,320
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	60,000	60,000	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	50,398	49,540	47,352
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	570,617	373,207	342,998
Grants and Contributions	1,016,357	1,080,073	1,474,299
Investment Revenue	4,638	2,554	2,851
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	6,069	6,431	5,916
Total Revenue	1,708,081	1,571,805	1,873,417
Gain/(loss) on Disposal of Non Current Assets	...	19,367	...
Other Gains/(Losses)	...	(24,876)	...
Net Result	(60,420)	(228,433)	23,096

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	222,837	198,422	197,003
Taxes Receivable	...	...	...
Receivables	263,471	184,165	225,398
Inventories	...	...	...
Financial Assets at Fair Value	...	134	134
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	32,773	...
Total Current Assets	486,308	415,495	422,535
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	2,311	4,765	4,765
Inventories	...	...	...
Financial Assets at Fair Value	557	175	175
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	3,729,212	3,751,214	3,713,430
Plant and Equipment	30,194	16,220	14,380
Infrastructure Systems	...	...	1,132
Investment Properties	...	...	...
Intangibles	90,785	75,478	110,027
Other Assets	...	...	...
Total Non Current Assets	3,853,058	3,847,852	3,843,909
Total Assets	4,339,367	4,263,348	4,266,445
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	120,074	118,892	118,892
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	82,745	91,493	94,367
Other	145,723	125,789	88,876
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	348,542	336,173	302,134
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	14,040
Provisions	2,800	2,874	2,874
Other	...	...	...
Total Non Current Liabilities	2,800	2,874	16,914
Total Liabilities	351,342	339,047	319,048
Net Assets	3,988,025	3,924,301	3,947,397
Equity			
Accumulated Funds	1,634,164	1,499,768	1,522,864
Reserves	2,353,861	2,424,533	2,424,533
Capital Equity	...	...	...
Total Equity	3,988,025	3,924,301	3,947,397

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	1,101,510	1,175,816	1,218,491
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	465,736	446,374	424,122
Total Payments	1,567,246	1,622,190	1,642,613
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	60,000	60,000	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	570,617	411,597	297,625
Retained Taxes, Fees and Fines	...	...	...
Interest Received	4,638	2,554	2,851
Grants and Contributions	1,016,357	1,080,073	1,474,299
Other Receipts	6,069	6,431	5,916
Total Receipts	1,657,682	1,560,655	1,780,692
Net Cash Flows From Operating Activities	90,436	(61,535)	138,079
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	5,245	60,093	...
Purchases of Property, Plant and Equipment	(150,972)	(120,509)	(96,975)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(28,515)	(25,593)	(40,242)
Net Cash Flows From Investing Activities	(174,242)	(86,009)	(137,217)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(2,282)
Dividends Paid	...	...	...
Other Financing	...	100,000	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	100,000	(2,282)
Net Increase/(Decrease) in Cash	(83,806)	(47,544)	(1,420)
Opening Cash and Cash Equivalents	306,643	245,967	198,422
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	222,837	198,422	197,003

3. HEALTH CLUSTER

3.1 Introduction

The Health cluster works to protect, maintain and improve the health and wellbeing of residents in New South Wales.

Contribution to the Government's Priorities

The Health cluster contributes to delivering the following Government priorities:

- A strong economy, quality jobs and job security for workers of today and tomorrow
- Well-connected communities with quality local environments
- Making Government work better for you by putting the customer at the centre of everything we do.



State Outcomes delivered by the Health cluster

State Outcome	Description
Improved service in hospitals	Improving the treatment of patients admitted to NSW public hospitals, attending an emergency department or an outpatient-type or specialist clinic, and/or ambulance service.
Mentally healthy communities	Strengthening health care for people with mental illness, their families and carers, including through better access to community mental health services and improved quality of care and patient safety.
Healthy, resilient communities	Providing community health and public health services, including dental services, health protection and preventative health.
World class research and innovation	Conducting research programs that translate research evidence into improved health care, health services, medical devices and therapeutics.
Continuously improving healthcare	Improving health care through the Health Care Complaints Commission that acts to protect public health and safety, and the Mental Health Commission responsible for monitoring, reviewing and improving the mental health system.

¹ This includes \$78 million for lease acquisitions. The total amount of capital investment in 2019-20 will be \$2.9 billion, this includes \$148 million of capital expensing from the Ministry of Health's expense budget.

3.2 2019-20 Budget Highlights

In 2019-20, the Health cluster will spend \$26.7 billion (\$24.0 billion recurrent expenses and \$2.7² billion capital expenditure). Key initiatives are highlighted below.

Improved service in hospitals

- \$10.1 billion³ over four years to invest in New South Wales's health infrastructure to continue current works and commence upgrading and building a further 29 hospital and health facility projects. Within the next four years, this will enable:
 - delivery of new hospitals at Tweed, Maitland, Macksville and Mudgee as well as commencement of works at Bankstown-Lidcombe and Eurobodalla
 - completion of hospital upgrades at Blacktown / Mt Druitt, Concord, Dubbo, Manning, Nepean, Wagga Wagga, Westmead and Wyong
 - commencement of hospital upgrades at Ryde, Shoalhaven and St George
 - acceleration of work at Nepean, Randwick, Tweed and Westmead
 - completion of the Rural Ambulance Infrastructure Reconfiguration program, the Sydney Ambulance Metropolitan Infrastructure Strategy and the regional Multipurpose Services Strategy
- This infrastructure investment includes \$2.9 billion in 2019-20, to:
 - commence new works at John Hunter Health and Innovation Precinct (Estimated Total Cost (ETC) \$780 million), the Children's Hospital at Westmead (ETC \$619 million), and Tumut Hospital (ETC \$50 million)
 - enhance redevelopments at Griffith Hospital, Goulburn Hospital, Hornsby Hospital and Mona Vale Hospital
 - build three new hospital car parks (Liverpool, Shellharbour, and Wagga Wagga) with a combined ETC of \$103.3 million
 - progress planning for a number of major health infrastructure commitments (including Sutherland, Sydney Children's Hospital Network at Randwick Stage 1 and Comprehensive Children's Cancer Centre, along with Royal Prince Alfred Hospital)
 - invest \$92.4 million in streamlined patient care through digital technology projects, with \$42.1 million for Digital Patient Records including linking NSW Ambulance and hospital medical records in 'real time' to support faster and safer transfer of care from NSW Ambulance to hospital emergency departments; as well as \$50.3 million for a Whole of System Digital Platform including more mobile digital healthcare and next-generation video conferencing for clinicians and patients
- \$2.8 billion to recruit a total of 8,300 frontline health staff, over four years, with 45 per cent located in regional New South Wales, including an additional:
 - 5,000 nurses and midwives including mental health and palliative care nurses⁴
 - 1,060 medical staff including doctors, psychiatrists and specialists to enhance response times for patients waiting in emergency departments, for elective surgery and to access psychiatric care

² This includes \$78 million for lease acquisitions. The total amount of capital investment in 2019-20 will be \$2.9 billion, this includes \$148 million of capital expensing from the Ministry of Health's expense budget.

³ This includes \$1.0 billion for lease acquisitions and \$536 million of capital expensing from the Ministry of Health's expense budget over the next four years.

⁴ This also includes funding for the McGrath foundation to employ six additional Breast Care Nurses.

- 880 allied health staff including pharmacists, social workers, physiotherapists, occupational therapists and psychologists
- 1,360 hospital support staff
- \$76 million over four years to boost elective surgery, focusing on children and cataract patients with the delivery of an additional 8,000 paediatric operations and 10,000 cataract surgeries. The cost of this commitment, excluding the cost of additional frontline staff, is \$27 million over four years
- \$45 million over four years for palliative care including 100 palliative care nurses, Aboriginal health workers, digital health solutions and the refurbishment of existing facilities. The cost of this commitment, excluding the cost of frontline staff, is \$18 million over four years. These palliative services complement the \$100 million package for palliative care announced in the 2017-18 Budget
- \$42 million over four years to provide greater choice of IVF services. This will include a rebate of up to \$500 for out-of-pocket medical expenses related to pre-IVF fertility testing, the first state-wide fertility preservation service for cancer patients at The Royal Hospital for Women (in partnership with the University of NSW), and the expansion of NSW Government supported clinics to provide lower cost IVF treatments for 6,000 women
- \$27.1 million in 2019-20 to employ an additional 221 paramedics and call centre staff to improve response times, reduce paramedic fatigue and support safety. This is the second tranche of the Government's plan to employ 750 paramedics and call centre staff over four years
- \$25 million in 2019-20 to assist patients needing to travel long distances for treatment that is not available locally, through the Isolated Patients Travel and Accommodation Assistance Scheme.

Mentally healthy communities

- As part of the \$700 million State-wide Mental Health Infrastructure Program, the Government will begin planning in 2019-20 to:
 - deliver specialised beds for mothers and their babies in a public hospital setting, allowing new mothers who need a hospital admission for their mental health care, to stay with their baby. This includes:
 - a new mother and baby unit each at Westmead and Royal Prince Alfred Hospitals
 - a new child and adolescent mental health unit at Nepean Hospital
- \$23.5 million over four years to expand the capacity of Lifeline and Kids Helpline
- \$19.7 million in 2019-20 to support implementation of key initiatives to drive suicides towards zero in New South Wales. The funding will support a range of initiatives targeted at providing communities with the most effective tools to prevent and respond to suicide
- \$3 million in funding over four years for the Gidget Foundation, a not-for-profit organisation, to expand its work to stop maternal suicide, by identifying, diagnosing and treating perinatal depression and anxiety among mothers and fathers.

Healthy, resilient communities

- \$70 million over four years to provide 35 new free mobile dental clinics for primary school children in Western Sydney, the Mid North Coast and the Central Coast. The service will allow access to dental checks and basic dental care for up to 136,000 primary school children each year
- \$9.5 million in 2019-20 as part of the NSW Government's response to the Royal Commission into Institutional Responses to Child Sexual Abuse. Specialist health services across New South Wales are being enhanced to better support people impacted by sexual assault and children with problematic or harmful sexual behaviours
- An additional \$7.9 million in 2019-20 for the NSW Baby Bundle to provide new parents with welcomed essential items to assist in their child's early health and development
- \$4.6 million over four years to expand services to reduce waiting times for children's allergy testing and management.

World class research and innovation & Continuously improving healthcare

- \$15 million over five years to support research associated with spinal cord injuries.

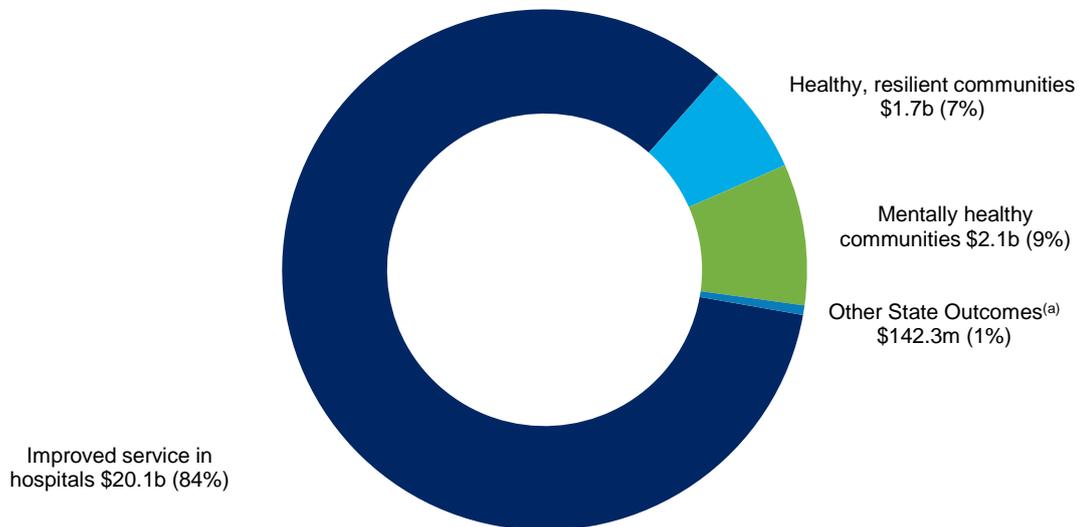
3.3 Machinery of Government

There are no machinery of government changes affecting the Health cluster.

3.4 Overview of cluster expenses by State Outcome

A summary of expenses by State Outcome is provided in the charts below.

Chart 3.1: Recurrent expenses by outcome 2019-20 (dollars and %)



- (a) Grouped for presentation purposes, "Other State Outcomes" comprises:
- World class research and innovation
 - Continuously improving healthcare.

Note: The sum of percentages does not equal one hundred due to rounding.

Chart 3.2: Capital expenditure by outcome 2019-20 (dollars and %)



- (b) Grouped for presentation purposes, "Other State Outcomes" comprises:
- Mentally healthy communities
 - Continuously improving healthcare.

Note: The sum of percentages does not equal one hundred due to rounding.

3.5 Agency Expense Summary

The 2019-20 Budget for the Health cluster (and other agencies within the cluster) is listed in the table below.

In 2019-20, the Health cluster will spend \$26.7 billion (\$24.0 billion recurrent expenses and \$2.7 billion capital expenditure).

Health cluster	Expenses ^(a)			Capital Expenditure		
	2018-19 Revised	2019-20 Budget	Change	2018-19 Revised	2019-20 Budget	Change
	\$m	\$m	%	\$m	\$m	%
Ministry of Health	22,977.8	23,961.0	4.3	2,221.7	2,740.3	23.3
Cluster Grants	28.3	30.6	8.2	...	...	...
Total Principal Agency	23,006.1	23,991.6	4.3	2,221.7	2,740.3	23.3
Total excluding impact of one-off factors	22,713.0	23,735.1	4.5	...	...	...
Total capital investment for the Health cluster ^(b) .....	...	...	...	2,371.9	2,888.9	21.8
Health Care Complaints Commission	18.1	19.6	7.9	0.8	0.3	N/A
Mental Health Commission of New South Wales	11.5	13.4	17.0	0.0	0.0	N/A

(a) Health's underlying growth rate is 4.5 per cent after adjusting for several one-off or time-limited variations. These variations include the impact of: Hepatitis C drug treatment and other high cost drugs funded by the Commonwealth, construction of a new Government office building in St Leonards, and other time-limited programs including various agreements funded by the Commonwealth.

(b) Total capital investment includes capital expensing relating to certain expenditure associated with the construction of capital projects, which falls below the capitalisation threshold and is not classified as capital expenditure under accounting standards.

Note: Some sub-totals in this table may not be exactly equal to the sum of agency totals due to rounding.

3.6 Financial Statements

Ministry of Health

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	13,849,658	13,905,150	14,633,657
Personnel Services Expenses	...	...	...
Other Operating Expenses	6,795,813	6,738,486	6,772,670
Grants and Subsidies	1,337,063	1,390,081	1,428,963
Appropriation Expense	...	...	...
Depreciation and Amortisation	845,730	868,606	1,035,455
Finance Costs	103,865	103,772	120,821
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	22,932,128	23,006,095	23,991,566
Revenue			
Appropriation Revenue	13,514,974	13,272,795	14,601,021
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	474,579	474,579	500,208
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	2,836,127	2,868,887	2,833,076
Grants and Contributions	7,145,163	7,395,232	7,704,607
Investment Revenue	29,448	37,376	25,421
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	166,755	173,280	168,431
Total Revenue	24,167,046	24,222,149	25,832,763
Gain/(loss) on Disposal of Non Current Assets	(1,800)	(1,800)	...
Other Gains/(Losses)	(10,283)	(10,283)	(10,283)
Net Result	1,222,835	1,203,971	1,830,914

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	1,437,566	1,295,137	1,407,138
Taxes Receivable	...	...	...
Receivables	716,584	823,531	825,102
Inventories	180,717	181,661	157,131
Financial Assets at Fair Value	24,207	44,076	43,712
Other Financial Assets	...	314,786	314,786
Other	...	...	...
Assets Held For Sale	5,224	36,370	2,652
Total Current Assets	2,364,298	2,695,561	2,750,522
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	8,569	9,073	9,073
Inventories	...	...	...
Financial Assets at Fair Value	42,591	33,591	30,184
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	16,756,087	17,988,218	20,200,730
Plant and Equipment	1,326,156	1,272,455	1,824,239
Infrastructure Systems	457,844	488,621	463,099
Investment Properties	...	...	...
Intangibles	677,490	701,961	696,045
Other Assets	69,265	68,584	65,754
Total Non Current Assets	19,338,003	20,562,503	23,289,123
Total Assets	21,702,302	23,258,063	26,039,644
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	1,620,412	1,750,368	1,750,365
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	22,794	18,004	156,993
Provisions	1,920,427	2,169,115	2,170,812
Other	33,855	26,741	26,064
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	3,597,489	3,964,228	4,104,234
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	1,073,951	1,081,706	1,486,564
Provisions	42,032	44,811	45,576
Other	137,453	166,087	161,124
Total Non Current Liabilities	1,253,436	1,292,604	1,693,264
Total Liabilities	4,850,925	5,256,832	5,797,499
Net Assets	16,851,377	18,001,232	20,242,146
Equity			
Accumulated Funds	11,150,890	11,060,826	12,891,740
Reserves	5,700,486	6,940,406	7,350,406
Capital Equity	...	...	...
Total Equity	16,851,377	18,001,232	20,242,146

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	13,372,725	13,428,217	14,130,987
Personnel Services	...	...	...
Grants and Subsidies	1,337,063	1,390,081	1,428,963
Finance Costs	103,865	103,772	120,821
Equivalent Income Tax	...	...	...
Other Payments	8,147,298	8,106,538	8,162,884
Total Payments	22,960,951	23,028,608	23,843,654
Receipts			
Appropriation	13,514,974	13,272,795	14,601,021
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	2,796,900	2,903,457	2,813,594
Retained Taxes, Fees and Fines	(10,283)	...	...
Interest Received	29,448	37,376	25,421
Grants and Contributions	7,145,163	7,393,838	7,704,607
Other Receipts	1,577,358	1,582,065	1,578,089
Total Receipts	25,053,560	25,189,530	26,722,731
Net Cash Flows From Operating Activities	2,092,609	2,160,922	2,879,077
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	15,000	59,216	48,718
Purchases of Property, Plant and Equipment	(2,064,609)	(2,124,460)	(2,597,359)
Proceeds from Sale of Investments	...	3,825	3,771
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(98,126)	(97,192)	(64,648)
Net Cash Flows From Investing Activities	(2,147,735)	(2,158,612)	(2,609,518)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	(20,482)	(20,441)	(157,558)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	(20,482)	(20,441)	(157,558)
Net Increase/(Decrease) in Cash	(75,608)	(18,130)	112,001
Opening Cash and Cash Equivalents	1,509,349	1,313,267	1,295,137
Reclassification of Cash Equivalents	3,825	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	1,437,566	1,295,137	1,407,138

Health Care Complaints Commission

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	13,741	13,182	15,241
Personnel Services Expenses	...	...	...
Other Operating Expenses	3,896	4,810	2,948
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	276	137	1,347
Finance Costs	...	...	31
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	17,913	18,129	19,567
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	17,062	16,914	18,787
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	289	294	289
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	...	...
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	500	1,563	500
Total Revenue	17,851	18,771	19,576
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(62)	642	9

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	408	302	352
Taxes Receivable	...	...	...
Receivables	331	446	446
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	739	748	798
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	137	140	140
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	452	1,127	1,836
Plant and Equipment	28	266	283
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	(85)	127	117
Other Assets	...	...	...
Total Non Current Assets	532	1,660	2,376
Total Assets	1,271	2,408	3,174
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	258	472	416
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	810
Provisions	820	1,340	1,340
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	1,078	1,812	2,566
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	354	367	370
Other	...	...	...
Total Non Current Liabilities	354	367	370
Total Liabilities	1,432	2,179	2,936
Net Assets	(161)	229	238
Equity			
Accumulated Funds	(161)	229	238
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	(161)	229	238

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	13,578	12,774	15,076
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	31
Equivalent Income Tax	...	...	...
Other Payments	4,335	4,785	3,318
Total Payments	17,913	17,559	18,425
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	17,062	16,914	18,787
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	142	(84)	142
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	...	...	...
Other Receipts	799	1,563	799
Total Receipts	18,003	18,393	19,728
Net Cash Flows From Operating Activities	90	834	1,303
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(386)	(837)	(325)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	(386)	(837)	(325)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(928)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(928)
Net Increase/(Decrease) in Cash	(296)	(3)	50
Opening Cash and Cash Equivalents	704	305	302
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	408	302	352

Mental Health Commission of New South Wales

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	5,156	4,610	5,527
Personnel Services Expenses	...	...	...
Other Operating Expenses	2,091	2,743	3,761
Grants and Subsidies	4,093	4,034	4,084
Appropriation Expense	...	...	...
Depreciation and Amortisation	50	76	40
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	11,390	11,463	13,412
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	11,315	11,315	11,822
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	50	150	69
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	...	1,360
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	78	...
Total Revenue	11,365	11,543	13,251
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(25)	80	(161)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	274	372	373
Taxes Receivable	...	...	...
Receivables	278	304	304
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	552	676	677
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	4	24	23
Plant and Equipment	32	(6)	(6)
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	58	63	48
Other Assets	...	...	...
Total Non Current Assets	94	81	65
Total Assets	646	757	742
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	653	446	592
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	157	157	157
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	810	603	749
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	280	280	280
Other	...	...	...
Total Non Current Liabilities	280	280	280
Total Liabilities	1,090	883	1,029
Net Assets	(444)	(126)	(287)
Equity			
Accumulated Funds	(444)	(126)	(287)
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	(444)	(126)	(287)

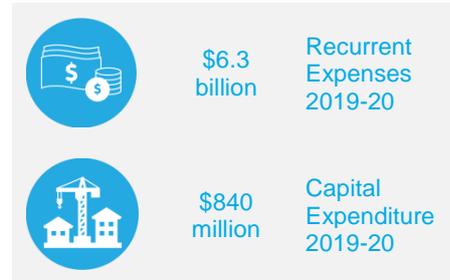
Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	5,106	4,505	5,458
Personnel Services	...	...	...
Grants and Subsidies	4,093	4,034	4,084
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	2,091	3,360	3,615
Total Payments	11,290	11,899	13,157
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	11,315	11,315	11,822
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	...	...	1,360
Other Receipts	...	88	...
Total Receipts	11,315	11,403	13,182
Net Cash Flows From Operating Activities	25	(496)	25
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(25)	(18)	(25)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	1	(7)	1
Net Cash Flows From Investing Activities	(24)	(25)	(24)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	1	(521)	1
Opening Cash and Cash Equivalents	274	893	372
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	275	372	373

4. PLANNING, INDUSTRY AND ENVIRONMENT CLUSTER

4.1 Introduction

The purpose of the Planning, Industry and Environment cluster is to improve the liveability, prosperity and sustainability of our state. The cluster’s key areas of focus include the security and affordability of water and energy, building sustainable communities with adequate public spaces, job creation and industry development, and environmental conservation. It also aims to strengthen regional areas and primary producers to unlock the economic potential of rural New South Wales.



Contribution to the Government’s Priorities

The Planning, Industry and Environment cluster contributes to delivering the following Government priorities:

- A strong economy, quality jobs and job security for the workers of today and tomorrow
- Well-connected communities with quality local environments.

State Outcomes to be delivered by the Planning, Industry and Environment cluster

State Outcome	Description
Sustainable and productive regional industries and communities	Supporting strong and resilient regional communities through economic development, investment in infrastructure, innovation and risk management in primary industries, safe and sustainable access to geological resources and enhanced biodiversity, biosecurity and food safety outcomes.
Resilient and sustainable environment and energy	Protecting and preserving our environment to support a healthy New South Wales while securing an affordable, reliable and sustainable energy future.
Create a strong and liveable NSW	Planning for attractive places that create the conditions for prosperity, economic development, innovation and jobs, delivering infrastructure and a diverse housing mix which responds to the needs of communities, and securing environmental sustainability and safe and inclusive public spaces that brings communities together.
Maximise community benefit from government land and property	Delivering a cross-agency strategic approach to the use of government owned property to maximise community benefits by delivering quality public spaces and diverse housing outcomes.
Sustainable and secure water resources	Enabling equitable use of and access to, water now and into the future to generate social, economic and environmental benefits for the State.

4.2 2019-20 Budget Highlights

In 2019-20, the Planning, Industry and Environment cluster will spend \$7.1 billion (\$6.3 billion recurrent expenses and \$839.8 million capital expenditure). Key initiatives are highlighted below.

Sustainable and productive regional industries and communities

- \$350 million added to the Farm Innovation Fund, which provides concessional interest rate loans to primary producers to support farming communities affected by the drought, bringing the Fund to \$1.0 billion and the total investment in drought support to over \$1.8 billion
- \$185 million to continue existing drought assistance programs. Key components include:
 - \$70 million in transport rebates for fodder, stock and water
 - \$50 million for one-year relief from Local Land Services Annual Rates
 - \$10 million in Farm Innovation Fund loan interest relief
- \$170 million reserved for a special purpose Drought Stimulus Package to undertake water security measures, including new groundwater supply at Dubbo, augmenting supply to Coonabarabran and construction of new supply at Nyngan
- \$100 million allocated for round three of the Stronger Country Communities Fund for projects and programs in the regions, including \$50 million aimed at supporting young people
- \$98.3 million (\$394.1 million over four years) to enable the sustainable exploration and regulated safe access to geological resources
- \$97.2 million (\$518.8 million over four years) for the Regional Digital Connectivity program to provide mobile black spot towers and data centres to improve internet connectivity and reliability in the State's regions, partially funded from the \$4.2 billion Snowy Hydro Legacy Fund
- \$40 million to support the forestry industry, including \$34 million as part of round two of the NSW Forest Industries Innovation Fund loan scheme and \$3.5 million to support training and certification
- \$24.4 million to deliver three new Doppler radars in western New South Wales. The new radar stations will provide real time rainfall data and wind observations to 34 local government areas in western New South Wales, covering almost 30 per cent of the state by 2022
- \$22.9 million (\$47 million over three years) to boost agricultural productivity and support world class food and fibre production through upgrading Primary Industries' research stations across New South Wales, as part of a \$50 million investment in our regions
- \$7.5 million towards the first stage of a new Australian Opal Centre in Lightning Ridge, in partnership with the Australian Government and Walgett Shire Council
- \$5.8 million (\$105.4 million over four years) to deliver a range of projects to support and strengthen regional communities through grants to local councils, and to non-government organisations supporting local tourism and economies across New South Wales
- \$5.4 million (\$22.4 million over four years) to expand the Local Landcare Coordinator Initiative, which will see a continuation of an ongoing partnership between Local Land Services and Landcare NSW, supporting ongoing sustainability and oversight of Landcare NSW

- \$3.4 million (\$37.5 million over three years) to extend the Wild Dog Exclusion Fence in western New South Wales to prevent wild dogs entering the state
- \$2.4 million (\$20.1 million over ten years) to implement the private native forestry reforms to facilitate land holders to engage in forestry activities
- \$2.4 million (\$8 million over four years) to establish at least another five Country University Centres across regional New South Wales
- \$1.1 million (\$3.5 million over four years) to establish a Dairy Business Advisory Unit to continue industry support services and identify immediate and necessary actions for the sector
- \$500,000 (\$2 million over four years) to establish an independent Agricultural Commissioner, with legislated powers to protect the Right to Farm, allowing farmers to undertake lawful agricultural practices whilst reducing conflict with other land users.

Resilient and sustainable environment and energy

- \$324.5 million (\$1.1 billion over four years) supporting low income households to manage cost of living pressures through energy rebate programs. These rebates include the Low Income Household Rebate, Family Energy Rebate, Gas Rebate, Life Support Rebate, Medical Energy Rebate and Energy Accounts Payment Assistance
- \$295.4 million for programs to help communities and businesses adapt to a changing climate and minimise the impacts of climate change, as part of a five-year, \$1.4 billion investment
- \$143.3 million (\$352.4 million over four years) for programs to support the Waste Less Recycle More initiative, improve waste management and resource recovery and manage contaminated land, PFAS (per- and poly-fluoroalkyl substances), asbestos and high-risk hazardous waste and chemicals
- \$51.3 million (\$212.7 million over four years) for the Biodiversity Conservation Trust of New South Wales to deliver private land conservation outcomes across priority areas
- \$32.3 million (\$65 million over three years) to protect threatened plant, animal and ecological communities through the State's Saving our Species program and NSW Koala Strategy
- \$30 million for the Regional Community Energy Fund to provide grants for renewable energy projects and clean backup power for emergency response sites to improve the reliability and affordability of energy for regional NSW communities
- \$27.2 million for the Australian Institute of Botanic Science, a purpose-built, state-of-the-art facility protecting the Royal Botanic Gardens' collection of more than 1.4 million plant specimens, as part of a \$59.5 million investment
- \$25.2 million (\$149.5 million over four years) to improve access to NSW national parks through upgrading and extending walking trails, improving visitor infrastructure and facilities and introducing online and digital tools for virtual tours
- \$17 million (\$125.9 million over four years) to upgrade and maintain the fire trail network across New South Wales
- \$12.5 million (\$30 million over four years) to co-fund new on-demand clean energy projects with the private sector through the Emerging Energy Program, including \$10 million to pilot initiatives to recycle and re-use materials in solar panels and battery systems
- \$10.4 million (\$42.1 million over four years) to establish a new energy rebate to assist self-funded retirees to meet cost of living pressures

- \$7.9 million (\$65.4 million over four years) to support the rollout of solar panels and battery systems to households across New South Wales through the Empowering Homes Program, improving energy efficiency and reducing the cost of living
- \$5.1 million (\$18 million over three years) to accelerate the roll-out of solar panels on government buildings, such as schools and hospitals, with a target to reach 55,000 megawatt hours per year by 2024.

Create a strong and liveable NSW

- \$315.1 million (\$1.3 billion over four years) towards the provision of infrastructure to support growing communities and local councils through the Local Infrastructure Growth Scheme, Special Infrastructure Contributions and Voluntary Planning Agreements
- \$16.8 million (\$36.4 million over three years) to partner with communities, councils and businesses to increase the average tree canopy across Sydney as part of the Five Million Trees for Greater Sydney by 2030 program
- \$6 million (\$12 million over two years) for the Royal Society for the Prevention of Cruelty to Animals (RSPCA) NSW to update and grow its animal adoption centre in Yagoona
- \$5.5 million (\$55 million over four years) under the Roads to Home program to deliver local road infrastructure upgrades and subdivision in collaboration with Local Aboriginal Land Councils in ten remote Aboriginal communities across New South Wales, to improve access and increase economic opportunities
- \$4.3 million (\$14.6 million over four years) to create the Sydney Quantum Academy, putting New South Wales at the forefront of the quantum computing industry, in partnership with the State's leading universities
- \$4 million (\$19.2 million over four years) for the creation and upgrade of inclusive play spaces to improve liveability as part of the Everyone Can Play in NSW program.

Maximise community benefit from government land and property

- \$99 million to manage and deliver large-scale community infrastructure and environmental projects by Public Works Advisory, who provide expert advice and professional services in the commissioning, design and delivery of these projects
- \$83.4 million for community housing leasing for vulnerable individuals and families in the private rental market, as a pathway to independence and better outcomes
- \$68.4 million (\$157 million over four years) to undertake improvement works at Western Sydney Parklands, including works at Bungarabee Park, cycle and walking tracks, native tree planting, picnic and barbecue areas and additional car parking
- \$37.5 million (\$125 million over four years) to establish new and improved public parklands and create a network of connected regional parks and gardens across Sydney, as part of the Government's \$150 million program Strategic Open Spaces program
- \$33.4 million to implement the NSW Motor Sport Strategy, including \$6.4 million for a motor sport Centre for Excellence, \$16 million to install permanent lighting at the Sydney Motorsport Park and \$11 million to upgrade the Sydney International Dragway
- \$29.3 million (\$106.9 million over four years) to deliver new housing and upgraded housing through the Aboriginal Housing Office's capital works program
- \$24.2 million (\$99.2 million over four years) to maintain and repair existing Aboriginal Housing Office homes
- \$17.8 million to deliver Crown Land asset safety upgrades for staff and community safety
- \$15.8 million to upgrade and repair Aboriginal Community owned homes.

Sustainable and secure water resources

- \$174.3 million (\$741.2 million over four years) supporting low income households to manage cost of living pressures through water rebate programs
- \$45 million to waive fixed charges for water licence holders and provide emergency water carting to secure town water supplies, as part of the Government's drought assistance program
- \$10 million (\$32 million over three years) to investigate the augmentation of the Wyangala Dam
- \$5.1 million to further enhance water regulation through the recently established Natural Resources Access Regulator
- \$2.9 million to continue implementation of enhancements to dam safety
- \$1.5 million (\$13 million over four years) to rehabilitate high priority free flowing bores and drains in the Great Artesian Basin to enhance reliability of water supply to reduce the impact of drought.

4.3 Machinery of Government

The Department of Planning, Industry and Environment is established under the *Administrative Arrangements (Administrative Change – Public Service Agencies) Order 2019* effective 1 July 2019. The Planning, Industry and Environment cluster combines the functions and agencies of the former Planning and Environment cluster and the former Industry cluster with specific functions from the former Finance, Services and Innovation cluster, the former Family and Community Services cluster and the Premier and Cabinet cluster.

Under the *Administrative Arrangements (Administrative Change – Public Service Agencies) Order 2019* the following changes are effective 1 July 2019:

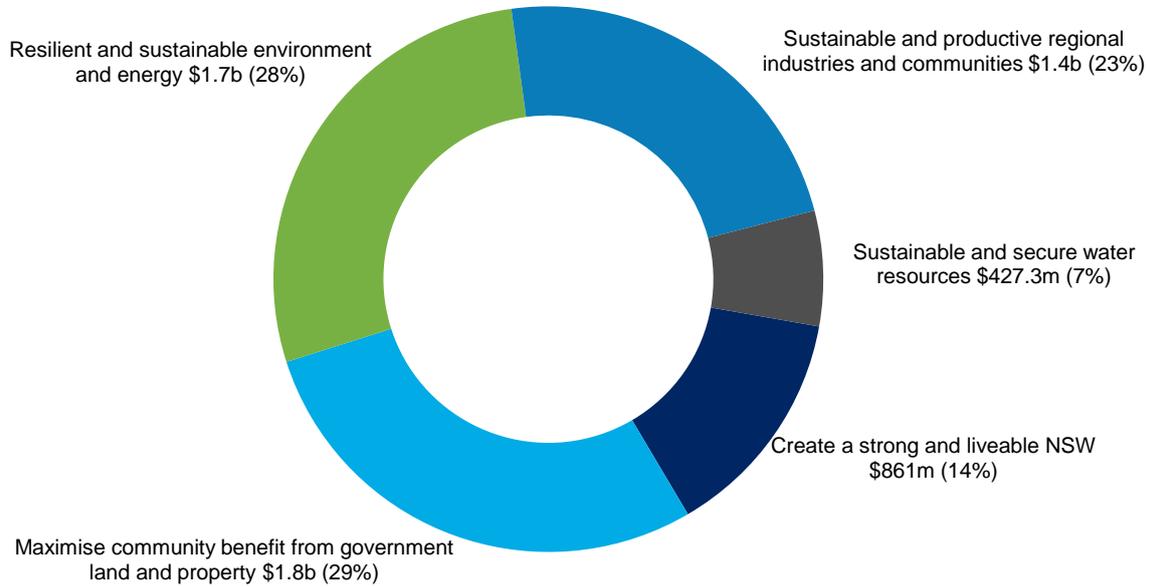
- most of the functions transfer from the former Planning and Environment cluster including the functions of the Office of Environment and Heritage, Office of Local Government as well as the following agencies and entities:
 - Biodiversity Conservation Trust of NSW
 - Centennial Park and Moore Park Trust
 - Environment Protection Authority
 - Environmental Trust
 - Hunter and Central Coast Development Corporation
 - Planning Ministerial Corporation
 - Royal Botanic Gardens and Domain Trust
 - Western Sydney Parklands Trust
- most of the functions from the former Industry cluster transfer including the following agencies and entities:
 - Lands Administration Ministerial Corporation
 - Local Land Services
 - New South Wales Rural Assistance Authority
 - NSW Food Authority
 - Water Administration Ministerial Corporation

- the functions in the Office of Sport associated with the administration of the *Sydney Olympic Park Authority Act 2001* (except venue management functions) transfer from the Office of Sport
- the functions in the Premier and Cabinet cluster associated with the administration of legislation allocated to the Deputy Premier, Minister for Regional New South Wales, Industry and Trade including the Natural Resources Commission transfer from the Premier and Cabinet cluster
- the following functions and agencies transfer from the former Finance, Services and Innovation cluster:
 - functions associated with the administration of legislation allocated to the Minister for Water, Property and Housing
 - Property and Advisory Group
 - Manly Hydraulics Laboratory
 - Heritage Stoneworks
 - Luna Park Reserve Trust
 - Property NSW
- the following functions and agency transfer from the former Family and Community Services cluster:
 - functions associated in providing support to the New South Wales Land and Housing Corporation
 - functions associated with asset management
 - Aboriginal Housing Office.

4.4 Overview of cluster expenses by State Outcome

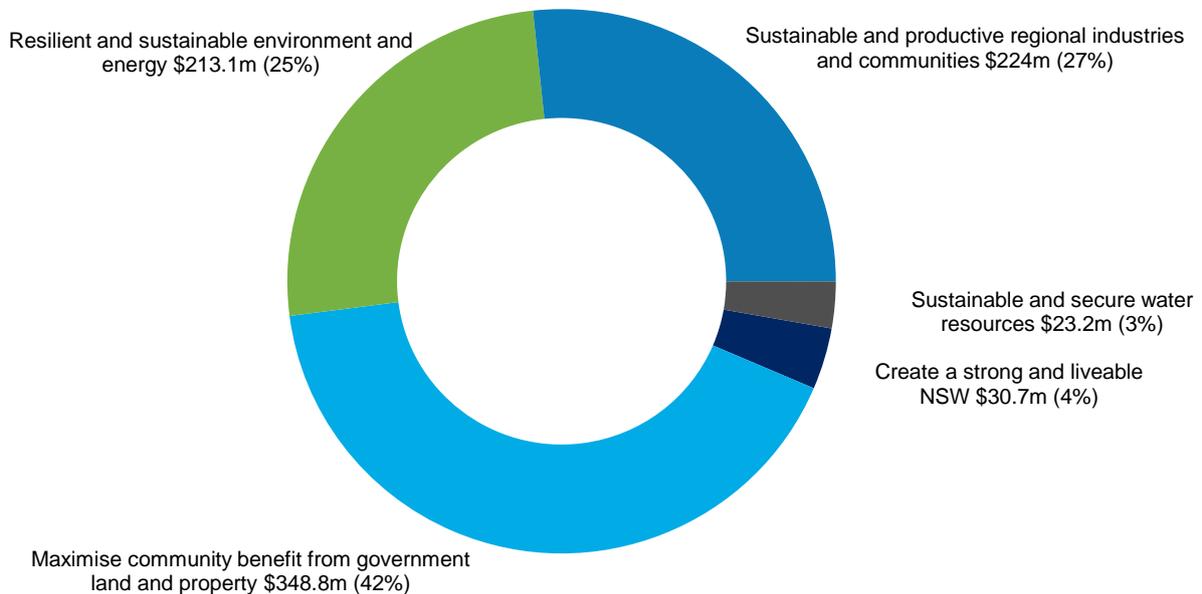
A summary of expenses by State Outcome is provided in the charts below.

Chart 4.1: Recurrent expenses by State Outcome 2019-20 (%)



Note: The sum of percentages does not equal one hundred due to rounding.

Chart 4.2: Capital expenditure by State Outcome 2019-20 (%)



Note: The sum of percentages does not equal one hundred due to rounding.

4.5 Agency Expense Summary

The 2019-20 Budget for the Department of Planning, Industry and Environment (and other agencies within the cluster) is listed in the table below.

In 2019-20, the Department of Planning, Industry and Environment will spend \$5.7 billion (\$5.2 billion recurrent expenses and \$504.8 million capital expenditure).

Planning, Industry and Environment cluster	Expenses ^(a)			Capital Expenditure		
	2018-19	2019-20	Change	2018-19	2019-20	Change
	Revised	Budget		Revised	Budget	
	\$m	\$m	%	\$m	\$m	%
Department of Planning, Industry and Environment^(b)	N/A ^(b)	4,460.8	N/A ^(b)	N/A ^(b)	504.8	N/A ^(b)
Cluster Grants	N/A ^(b)	694.1	N/A ^(b)	...	...	...
Total Principal Agency	N/A^(b)	5,154.9	N/A^(b)	N/A^(b)	504.8	N/A^(b)
Agencies transferred from: Planning and Environment (GG) Cluster^(c)						
Biodiversity Conservation Trust of NSW	27.3	31.3	14.7	4.3	20.0	367.8
Centennial Park and Moore Park Trust	32.2	35.0	8.8	20.3	11.4	(43.9)
Environment Protection Authority	199.7	255.5	27.9	6.8	12.1	78.5
Environmental Trust	76.8	56.8	(26.0) ^(d)	0.0	0.0	0.0
Hunter and Central Coast Development Corporation	55.4	107.1	93.3	0.1	0.0	0.0
Planning Ministerial Corporation	38.3	110.3	187.9	217.5	102.0	(53.1)
Royal Botanic Gardens and Domain Trust	56.4	59.1	4.8	5.4	32.6	500.0
Western Sydney Parklands Trust	11.3	12.9	14.1	20.9	55.6	166.1
Agencies transferred from: Industry (GG) Cluster^{(e)(g)}						
Lands Administration Ministerial Corporation	18.1	4.8	(73.3) ^(f)	0.0	0.0	0.0
Local Land Services	222.3	216.2	(2.8)	2.6	16.4	541.6
New South Wales Rural Assistance Authority	164.3	112.3	(31.6) ^(g)	0.0	0.1	N/A
NSW Food Authority	18.9	20.8	9.8	1.0	1.1	7.8
Sydney Olympic Park Authority	155.3	154.4	(0.6)	22.1	23.6	6.7
Water Administration Ministerial Corporation	68.7	48.1	(30.0) ^(h)	31.0	0.0	N/A
Agencies transferred from: Family and Community Services (GG) Cluster⁽ⁱ⁾						
Aboriginal Housing Office	115.0	123.0	6.9	33.5	35.8	7.1
Agencies transferred from: Finance, Services and Innovation (GG) Cluster^(j)						
Luna Park Reserve Trust	2.7	2.1	(22.4)	0.0	0.0	0.0
Property NSW	699.3	443.5	(36.6) ^(k)	130.0	24.4	(81.2)
Agencies transferred from: Premier and Cabinet (GG) Cluster^(l)						
Natural Resources Commission	6.9	8.5	22.8	0.0	0.0	0.0
Total Transferred In Agencies^(m)	1,969.1	1,801.6	(8.5)	495.5	335.0	(32.4)

Planning, Industry and Environment cluster	Expenses ^(a)			Capital Expenditure		
	2018-19	2019-20	Change	2018-19	2019-20	Change
	Revised	Budget		Revised	Budget	
	\$m	\$m	%	\$m	\$m	%
Agency abolished and absorbed within Department of Planning and Industry						
Office of Environment and Heritage	1,087.4	N/A ⁽ⁿ⁾	N/A ⁽ⁿ⁾	81.5	N/A ⁽ⁿ⁾	N/A ⁽ⁿ⁾
Office of Local Government	261.4	N/A ⁽ⁿ⁾	N/A ⁽ⁿ⁾	3.2	N/A ⁽ⁿ⁾	N/A ⁽ⁿ⁾
Principal Agency abolished and absorbed from: Industry (GG) Cluster						
Department of Industry	2,681.0	N/A ⁽ⁿ⁾	N/A ⁽ⁿ⁾	76.0	N/A ⁽ⁿ⁾	N/A ⁽ⁿ⁾
Cluster Grants and other adjustments	813.7	N/A ⁽ⁿ⁾	N/A ⁽ⁿ⁾
Principal Agency abolished and absorbed from: Planning and Environment (GG) Cluster						
Department of Planning and Environment	1,356.8	N/A ⁽ⁿ⁾	N/A ⁽ⁿ⁾	93.6	N/A ⁽ⁿ⁾	N/A ⁽ⁿ⁾
Cluster Grants	1,242.3	N/A ⁽ⁿ⁾	N/A ⁽ⁿ⁾
Total Abolished Principal and Departments	7,442.6	N/A⁽ⁿ⁾	N/A⁽ⁿ⁾	254.3	N/A⁽ⁿ⁾	N/A⁽ⁿ⁾

- (a) This table shows expenses on an uneliminated cluster basis.
- (b) The Planning, Industry and Environment cluster is established effective 1 July 2019 following machinery of government changes (see section 4.3), and thus no comparison between 2018-19 and 2019-20 figures is possible.
- (c) The Biodiversity Conservation Trust of NSW, Centennial Park and Moore Park Trust, Environment Protection Authority, Environmental Trust, Hunter and Central Coast Development Corporation, Planning Ministerial Corporation, Royal Botanic Gardens and Domain Trust and Western Sydney Parklands Trust are transferred from the former Planning and Environment cluster, effective 1 July 2019.
- (d) Recurrent reduction due to reprofiling of grant expenditure to match updated grantee milestones and funding approvals.
- (e) The Lands Administration Ministerial Corporation, Local Land Services, New South Wales Rural Assistance Authority, NSW Food Authority, Sydney Olympic Park Authority and Water Administration Ministerial Corporation are transferred from the former Industry cluster, effective 1 July 2019.
- (f) Recurrent reduction due to the transfer out of Albury Environmental Land being recognised in 2018-19.
- (g) Recurrent reduction due to one-off expenditure incurred in 2018-19.
- (h) Recurrent reduction due to completion of a water delivery project in 2018-19.
- (i) The Aboriginal Housing Office is transferred from the former Family and Community Services cluster effective 1 July 2019.
- (j) The Luna Park Reserve Trust and Property NSW is transferred from the former Finance, Services and Innovation Cluster effective 1 July 2019.
- (k) Recurrent reduction due to the impact of new accounting standards, whereby sub-leases have been reclassified as finance leases.
- (l) The Natural Resources Commission is transferred from the Premier and Cabinet cluster effective 1 July 2019.
- (m) This total excludes an additional \$57.7 million in other funds and trusts within the cluster.
- (n) Where entities are abolished or functions absorbed following machinery of government changes (see section 4.3), no comparison between 2018-19 and 2019-20 figures is possible.

Note: Some sub-totals in this table may not be exactly equal to the sum of agency totals due to rounding.

4.6 Financial Statements

Department of Planning, Industry and Environment

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	1,481,413
Personnel Services Expenses	4,472
Other Operating Expenses	896,441
Grants and Subsidies	2,492,311
Appropriation Expense
Depreciation and Amortisation	274,546
Finance Costs	5,763
Other Expenses
TOTAL EXPENSES EXCLUDING LOSSES	5,154,946
Revenue			
Appropriation Revenue	3,183,305
Cluster Grant Revenue
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	52,237
Transfers to the Crown Entity	(62,434)
Sales of Goods and Services	1,043,465
Grants and Contributions	817,146
Investment Revenue	18,238
Retained Taxes, Fees and Fines	8,764
Other Revenue	92,868
Total Revenue	5,153,589
Gain/(loss) on Disposal of Non Current Assets	20,711
Other Gains/(Losses)	(100)
Net Result	19,254

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	1,091,879
Taxes Receivable
Receivables	396,356
Inventories	5,035
Financial Assets at Fair Value	5,199
Other Financial Assets
Other	(2,287)
Assets Held For Sale
Total Current Assets	1,496,182
Non Current Assets			
Taxes Receivable
Receivables	128,169
Inventories	7,935
Financial Assets at Fair Value	10,854
Equity Investments	40
Property, Plant and Equipment -
Land and Building	8,265,189
Plant and Equipment	249,914
Infrastructure Systems	3,717,486
Investment Properties	-
Intangibles	486,843
Other Assets
Total Non Current Assets	12,866,430
Total Assets	14,362,612
Liabilities			
Current Liabilities			
Taxes Payable
Payables	559,584
Other Financial Liabilities at Fair Value
Borrowings	59,955
Provisions	205,668
Other	84,571
Liabilities Associated with Assets Held for Sale
Total Current Liabilities	909,778
Non Current Liabilities			
Taxes Payable
Payables
Other Financial Liabilities at Fair Value
Borrowings	165,510
Provisions	35,891
Other	13
Total Non Current Liabilities	201,414
Total Liabilities	1,111,192
Net Assets	13,251,420
Equity			
Accumulated Funds	13,198,673
Reserves	52,747
Capital Equity
Total Equity	13,251,420

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	1,425,743
Personnel Services	4,472
Grants and Subsidies	2,363,587
Finance Costs	4,881
Equivalent Income Tax
Other Payments	922,574
Total Payments	4,721,257
Receipts			
Appropriation	3,182,337
Cluster Grant Revenue	968
Cash reimbursements from the Crown Entity
Sale Proceeds Transfers to the Crown Entity
Cash transfers to the Crown Entity	(62,434)
Sale of Goods and Services	1,040,943
Retained Taxes, Fees and Fines
Interest Received	19,030
Grants and Contributions	760,706
Other Receipts	151,653
Total Receipts	5,093,203
Net Cash Flows From Operating Activities	371,946
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	42,544
Purchases of Property, Plant and Equipment	(416,231)
Proceeds from Sale of Investments
Purchases of Investments
Advances Repayments Received
Advances made
Other Investing	(29,376)
Net Cash Flows From Investing Activities	(403,063)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances
Repayment of Borrowings and Advances	(60,015)
Dividends Paid
Other Financing
Capital Appropriation - Equity Appropriation
Cash Equity Injection to For-Profit Entities
Net Cash Flows From Financing Activities	(60,015)
Net Increase/(Decrease) in Cash	(91,132)
Opening Cash and Cash Equivalents	357,578
Reclassification of Cash Equivalents
Cash transferred in (out) as a Result of Administrative Restructuring	825,433
Closing Cash and Cash Equivalents	1,091,879

Environment Protection Authority

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	90,374	88,753	100,852
Personnel Services Expenses	...	...	...
Other Operating Expenses	60,338	69,597	79,608
Grants and Subsidies	35,628	38,261	70,521
Appropriation Expense	...	...	...
Depreciation and Amortisation	3,093	3,119	4,469
Finance Costs	...	...	61
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	189,433	199,730	255,511
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	145,160	137,760	216,065
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	6,500	6,501	6,454
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	28,505	30,087	33,181
Grants and Contributions	4,049	22,474	5,224
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	400	896	422
Other Revenue	...	2,351	...
Total Revenue	184,614	200,070	261,346
Gain/(loss) on Disposal of Non Current Assets	...	20	...
Other Gains/(Losses)	...	(600)	...
Net Result	(4,819)	(241)	5,835

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	6,088	12,997	14,090
Taxes Receivable	...	...	...
Receivables	2,075	6,040	6,045
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	8,163	19,037	20,135
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	4,677	4,386	6,304
Plant and Equipment	2,913	2,880	3,398
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	11,446	11,573	19,256
Other Assets	...	...	...
Total Non Current Assets	19,036	18,839	28,958
Total Assets	27,200	37,875	49,092
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	6,887	3,891	6,896
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	419
Provisions	7,685	9,316	9,316
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	14,572	13,207	16,631
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	1,867
Provisions	220	238	238
Other	...	...	...
Total Non Current Liabilities	220	238	2,105
Total Liabilities	14,792	13,445	18,736
Net Assets	12,408	24,430	30,356
Equity			
Accumulated Funds	11,017	23,034	28,869
Reserves	1,391	1,396	1,487
Capital Equity	...	...	...
Total Equity	12,408	24,430	30,356

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	83,873	82,252	94,397
Personnel Services	...	...	...
Grants and Subsidies	35,628	38,261	70,521
Finance Costs	...	...	61
Equivalent Income Tax	...	...	...
Other Payments	60,318	75,577	76,603
Total Payments	179,820	196,090	241,583
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	145,160	137,760	216,065
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	28,505	29,487	33,181
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	4,049	22,474	5,224
Other Receipts	380	3,827	417
Total Receipts	178,094	193,549	254,887
Net Cash Flows From Operating Activities	(1,726)	(2,542)	13,304
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	20	...
Purchases of Property, Plant and Equipment	(1,306)	(1,306)	(550)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(5,498)	(5,498)	(11,277)
Net Cash Flows From Investing Activities	(6,804)	(6,784)	(11,827)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(384)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(384)
Net Increase/(Decrease) in Cash	(8,530)	(9,326)	1,093
Opening Cash and Cash Equivalents	14,618	22,323	12,997
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	6,088	12,997	14,090

Environmental Trust

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	3,895	5,000	5,464
Grants and Subsidies	76,669	71,827	51,353
Appropriation Expense	...	...	...
Depreciation and Amortisation	...	...	...
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	80,564	76,827	56,817
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	79,920	70,103	49,510
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	1,000	2,494
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	257	...
Other Revenue	1,000	8,715	2,988
Total Revenue	80,920	80,075	54,991
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	(2,892)	...
Net Result	356	356	(1,826)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	1,556	3,264	1,100
Taxes Receivable	...	...	...
Receivables	2,050	793	1,131
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	3,606	4,057	2,231
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	...
Plant and Equipment	...	...	...
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	...	...	...
Total Assets	3,606	4,057	2,231
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	262	378	378
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	262	378	378
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Total Non Current Liabilities	...	...	...
Total Liabilities	262	378	378
Net Assets	3,344	3,680	1,854
Equity			
Accumulated Funds	3,344	3,680	1,854
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	3,344	3,680	1,854

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	...	...	...
Grants and Subsidies	76,669	71,827	51,353
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	4,288	5,393	5,802
Total Payments	80,957	77,220	57,155
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	79,920	70,103	49,510
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	(2,892)	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	...	1,000	2,494
Other Receipts	1,000	8,972	2,988
Total Receipts	80,920	77,183	54,991
Net Cash Flows From Operating Activities	(37)	(37)	(2,164)
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	...	...	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	...	...	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	(37)	(37)	(2,164)
Opening Cash and Cash Equivalents	1,593	3,301	3,264
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	1,556	3,264	1,100

Natural Resources Commission

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	3,386	3,815	4,208
Personnel Services Expenses	...	...	...
Other Operating Expenses	1,779	2,898	3,590
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	218	222	468
Finance Costs	...	10	264
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	5,382	6,945	8,530
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	5,109	5,065	6,999
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	54	81	55
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	...	...
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	1,279	1,158
Total Revenue	5,162	6,425	8,212
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(220)	(520)	(318)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	667	493	444
Taxes Receivable	...	...	...
Receivables	40	40	40
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	707	533	484
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	7,096
Plant and Equipment	934	939	757
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	934	939	7,853
Total Assets	1,641	1,471	8,336
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	308	266	266
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	187
Provisions	307	220	199
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	615	486	652
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	7,019
Provisions	147	130	128
Other	...	...	...
Total Non Current Liabilities	147	130	7,147
Total Liabilities	762	616	7,799
Net Assets	879	855	537
Equity			
Accumulated Funds	879	855	537
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	879	855	537

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	3,323	3,765	4,177
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	264
Equivalent Income Tax	...	...	...
Other Payments	1,866	3,447	3,590
Total Payments	5,189	7,213	8,030
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	5,109	5,065	6,999
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	...	...	...
Other Receipts	(2)	1,632	1,158
Total Receipts	5,107	6,697	8,157
Net Cash Flows From Operating Activities	(82)	(516)	127
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	1	...
Purchases of Property, Plant and Equipment	...	...	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	...	1	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(176)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(176)
Net Increase/(Decrease) in Cash	(82)	(515)	(49)
Opening Cash and Cash Equivalents	750	1,008	493
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	668	493	444

New South Wales Rural Assistance Authority

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	151	...
Personnel Services Expenses	2,413	4,413	2,414
Other Operating Expenses	2,820	7,366	2,756
Grants and Subsidies	20,796	139,249	93,700
Appropriation Expense	...	...	...
Depreciation and Amortisation	9	9	9
Finance Costs	14,524	13,152	13,460
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	40,562	164,341	112,339
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	7,932	143,896	95,297
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	151	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	740	740	583
Grants and Contributions	4,019	4,019	4,019
Investment Revenue	23,888	14,598	15,672
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	1,034	(2,012)	1,034
Total Revenue	37,613	161,392	116,605
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(2,949)	(2,949)	4,266

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	44,587	44,687	50,717
Taxes Receivable	...	...	...
Receivables	1,618	2,739	2,739
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	2,363	36,071	15,494
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	48,568	83,497	68,950
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	403,047	408,999	628,155
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	...
Plant and Equipment	142	42	84
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	9	9	8
Other Assets	...	...	...
Total Non Current Assets	403,198	409,050	628,247
Total Assets	451,766	492,546	697,196
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	5,732	4,536	4,536
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	56,884	89,012	90,051
Provisions	3,526	3,526	3,526
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	66,142	97,074	98,113
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	382,825	392,693	592,038
Provisions	13	13	13
Other	...	...	...
Total Non Current Liabilities	382,838	392,706	592,051
Total Liabilities	448,980	489,781	690,165
Net Assets	2,786	2,766	7,032
Equity			
Accumulated Funds	2,786	2,766	7,032
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	2,786	2,766	7,032

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	2,413	4,413	2,414
Grants and Subsidies	20,796	139,249	93,700
Finance Costs	10,595	10,928	10,595
Equivalent Income Tax	...	...	...
Other Payments	3,450	17,952	1,736
Total Payments	37,254	172,542	108,445
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	7,932	143,896	95,297
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	882	882	583
Retained Taxes, Fees and Fines	...	...	...
Interest Received	9,615	468	(410)
Grants and Contributions	4,019	4,019	4,019
Other Receipts	(106)	2,503	(1,006)
Total Receipts	22,342	151,768	98,483
Net Cash Flows From Operating Activities	(14,912)	(20,774)	(9,962)
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(50)	...	(50)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	96,205	134,269	99,240
Advances made	(206,928)	(178,844)	(281,737)
Other Investing	...	...	...
Net Cash Flows From Investing Activities	(110,773)	(44,574)	(182,547)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	177,827	276,852	304,338
Repayment of Borrowings and Advances	(47,777)	(207,268)	(105,799)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	130,050	69,584	198,539
Net Increase/(Decrease) in Cash	4,365	4,235	6,030
Opening Cash and Cash Equivalents	40,222	40,452	44,687
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	44,587	44,687	50,717

Royal Botanic Gardens and Domain Trust

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	29,498	26,731	30,183
Other Operating Expenses	21,372	23,426	22,312
Grants and Subsidies	...	1	1
Appropriation Expense	...	...	...
Depreciation and Amortisation	6,721	6,220	6,571
Finance Costs	...	...	7
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	57,591	56,378	59,074
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	25,011	24,687	27,672
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	19,984	17,449	19,841
Grants and Contributions	14,290	8,073	37,859
Investment Revenue	114	146	116
Retained Taxes, Fees and Fines	1,436	928	1,153
Other Revenue	1,944	2,422	1,550
Total Revenue	62,779	53,704	88,192
Gain/(loss) on Disposal of Non Current Assets	...	(48)	...
Other Gains/(Losses)	...	...	...
Net Result	5,188	(2,722)	29,118

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	3,093	5,167	5,895
Taxes Receivable	...	...	...
Receivables	1,800	1,734	2,026
Inventories	21	15	16
Financial Assets at Fair Value	...	...	...
Other Financial Assets	2,606	2,606	2,668
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	7,520	9,522	10,605
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	398,287	395,074	427,692
Plant and Equipment	56,325	349,052	357,558
Infrastructure Systems	90,606	92,105	95,363
Investment Properties	...	...	...
Intangibles	688	1,183	1,012
Other Assets	7,894	7,894	8,435
Total Non Current Assets	553,800	845,308	890,060
Total Assets	561,320	854,830	900,665
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	4,463	4,701	5,490
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	121
Provisions	2,592	2,819	2,889
Other	441	893	1,566
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	7,496	8,412	10,066
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	718	718	767
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	101
Provisions	60	60	62
Other	...	...	1,352
Total Non Current Liabilities	778	778	2,282
Total Liabilities	8,273	9,191	12,348
Net Assets	553,046	845,640	888,317
Equity			
Accumulated Funds	198,681	473,153	499,582
Reserves	354,365	372,487	388,735
Capital Equity	...	...	...
Total Equity	553,046	845,640	888,317

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	29,498	26,731	30,183
Grants and Subsidies	...	1	1
Finance Costs	...	...	2
Equivalent Income Tax	...	...	...
Other Payments	23,945	28,881	25,899
Total Payments	53,443	55,613	56,086
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	25,011	24,687	27,672
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	19,970	18,150	19,840
Retained Taxes, Fees and Fines	...	...	...
Interest Received	52	86	54
Grants and Contributions	14,290	6,410	35,469
Other Receipts	6,917	7,377	6,391
Total Receipts	66,240	56,710	89,427
Net Cash Flows From Operating Activities	12,797	1,097	33,341
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(11,924)	(5,327)	(32,484)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	(1)
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	(11,924)	(5,327)	(32,485)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(129)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(129)
Net Increase/(Decrease) in Cash	873	(4,230)	728
Opening Cash and Cash Equivalents	2,220	9,397	5,167
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	3,093	5,167	5,895

Sydney Olympic Park Authority

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	32,040	32,040	20,858
Other Operating Expenses	48,897	51,442	46,033
Grants and Subsidies	...	9,000	25,500
Appropriation Expense	...	...	...
Depreciation and Amortisation	52,542	62,832	61,939
Finance Costs	...	...	77
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	133,479	155,314	154,407
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	33,101	55,323	16,103
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	52,945	54,444	54,110
Grants and Contributions	40,801	32,853	19,139
Investment Revenue	1,610	3,720	1,852
Retained Taxes, Fees and Fines	615	615	599
Other Revenue	44,286	44,286	46,837
Total Revenue	173,359	191,241	138,639
Gain/(loss) on Disposal of Non Current Assets	...	(44)	11,500
Other Gains/(Losses)	...	...	...
Net Result	39,880	35,883	(4,268)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	177,616	56,762	28,870
Taxes Receivable	...	...	...
Receivables	22,432	68,932	22,432
Inventories	90	90	90
Financial Assets at Fair Value	...	88,419	88,906
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	200,138	214,203	140,298
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	71,789	71,789	65,008
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	1,226,304	1,288,872	1,439,528
Plant and Equipment	52,221	57,485	52,063
Infrastructure Systems	406,369	407,442	296,367
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	512,380	512,380	556,726
Total Non Current Assets	2,269,063	2,337,968	2,409,692
Total Assets	2,469,201	2,552,171	2,549,990
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	12,662	12,662	12,662
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	127
Provisions	3,225	3,225	3,225
Other	2,645	2,645	2,645
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	18,532	18,532	18,659
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	1,960
Provisions	79	79	79
Other	1,616	1,616	1,616
Total Non Current Liabilities	1,695	1,695	3,655
Total Liabilities	20,227	20,227	22,314
Net Assets	2,448,974	2,531,944	2,527,676
Equity			
Accumulated Funds	1,346,837	1,355,248	1,350,980
Reserves	1,102,137	1,176,697	1,176,697
Capital Equity	...	...	...
Total Equity	2,448,974	2,531,944	2,527,676

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	32,040	32,040	20,858
Grants and Subsidies	...	9,000	25,500
Finance Costs	...	...	77
Equivalent Income Tax	...	...	...
Other Payments	58,927	117,198	56,063
Total Payments	90,967	158,238	102,498
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	33,101	55,323	16,103
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	52,945	44,749	54,110
Retained Taxes, Fees and Fines	...	...	...
Interest Received	1,590	2,611	1,345
Grants and Contributions	1,998	2,202	2,048
Other Receipts	13,113	18,325	13,140
Total Receipts	102,748	123,209	86,745
Net Cash Flows From Operating Activities	11,781	(35,029)	(15,753)
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	34	11,500
Purchases of Property, Plant and Equipment	(11,329)	(24,163)	(23,587)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	(11,329)	(24,129)	(12,087)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(52)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(52)
Net Increase/(Decrease) in Cash	452	(59,158)	(27,892)
Opening Cash and Cash Equivalents	183,945	115,920	56,762
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	184,397	56,763	28,870

Aboriginal Housing Office

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	10,587	13,664	15,285
Other Operating Expenses	59,841	60,534	61,281
Grants and Subsidies	42,382	20,058	25,019
Appropriation Expense	...	...	...
Depreciation and Amortisation	20,684	20,744	21,318
Finance Costs	...	...	51
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	133,494	115,000	122,954
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	55,210	55,210	55,984
Grants and Contributions	92,833	56,483	71,585
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	20,330	...
Total Revenue	148,043	132,024	127,568
Gain/(loss) on Disposal of Non Current Assets	...	(513)	...
Other Gains/(Losses)	(1,453)	(3,392)	(1,453)
Net Result	13,097	13,119	3,161

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	10,901	12,295	3,874
Taxes Receivable	...	...	...
Receivables	2,631	1,449	1,500
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	13,532	13,744	5,374
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	2,200,624	2,154,363	2,166,512
Plant and Equipment	893	700	1,140
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	2,201,517	2,155,063	2,167,652
Total Assets	2,215,049	2,168,807	2,173,026
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	21,563	23,626	24,608
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	348
Provisions	...	...	...
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	21,563	23,626	24,956
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	1,577
Provisions	257	302	302
Other	...	213	213
Total Non Current Liabilities	257	515	2,092
Total Liabilities	21,820	24,141	27,048
Net Assets	2,193,229	2,144,666	2,145,978
Equity			
Accumulated Funds	952,946	979,858	983,019
Reserves	1,240,283	1,164,808	1,162,959
Capital Equity	...	...	...
Total Equity	2,193,229	2,144,666	2,145,978

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	10,587	13,664	15,285
Grants and Subsidies	42,382	20,058	25,019
Finance Costs	...	...	51
Equivalent Income Tax	...	...	...
Other Payments	59,780	62,492	61,329
Total Payments	112,749	96,214	101,684
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	55,210	55,210	55,984
Retained Taxes, Fees and Fines	(553)	...	(553)
Interest Received	...	...	...
Grants and Contributions	92,833	56,483	71,585
Other Receipts	...	5,646	(71)
Total Receipts	147,490	117,339	126,944
Net Cash Flows From Operating Activities	34,742	21,126	25,260
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	5,955	5,955	1,960
Purchases of Property, Plant and Equipment	(51,455)	(34,989)	(35,312)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	(45,500)	(29,034)	(33,352)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(329)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(329)
Net Increase/(Decrease) in Cash	(10,758)	(7,909)	(8,421)
Opening Cash and Cash Equivalents	21,659	20,204	12,295
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	10,901	12,295	3,874

Biodiversity Conservation Trust of New South Wales

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	10,660	10,269	11,482
Other Operating Expenses	1,543	13,721	6,409
Grants and Subsidies	62,169	3,304	13,425
Appropriation Expense	...	...	...
Depreciation and Amortisation	...	7	3
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	74,372	27,301	31,319
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	10,005	10,005	15,240
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	193	1	439
Grants and Contributions	52,400	62,435	53,162
Investment Revenue	...	861	499
Retained Taxes, Fees and Fines	...	...	995
Other Revenue	846	608	499
Total Revenue	63,444	73,910	70,834
Gain/(loss) on Disposal of Non Current Assets	...	24	...
Other Gains/(Losses)	...	(20)	...
Net Result	(10,928)	46,614	39,515

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	17,294	72,716	86,209
Taxes Receivable	...	...	...
Receivables	38	314	314
Inventories	...	16,229	30,000
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	5,963	13,213
Total Current Assets	17,332	95,223	129,737
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	5,000	...	...
Plant and Equipment	65	48	2,556
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	2,500
Other Assets	...	...	...
Total Non Current Assets	5,065	48	5,056
Total Assets	22,397	95,271	134,793
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	112	1,694	1,694
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	4
Provisions	729	382	382
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	841	2,075	2,079
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	3
Provisions	...	...	...
Other	...	...	...
Total Non Current Liabilities	...	...	3
Total Liabilities	841	2,075	2,082
Net Assets	21,556	93,196	132,711
Equity			
Accumulated Funds	21,556	93,196	132,711
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	21,556	93,196	132,711

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	1,059	...
Personnel Services	10,660	10,269	11,482
Grants and Subsidies	62,169	3,304	13,425
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	1,543	29,841	27,430
Total Payments	74,372	44,472	52,337
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	10,005	10,005	15,240
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	193	1	439
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	865	499
Grants and Contributions	52,400	62,435	53,162
Other Receipts	846	398	1,494
Total Receipts	63,444	73,704	70,834
Net Cash Flows From Operating Activities	(10,928)	29,231	18,497
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	15,000	310	15,000
Purchases of Property, Plant and Equipment	(15,000)	(4,278)	(17,500)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	(2,500)
Net Cash Flows From Investing Activities	...	(3,968)	(5,000)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(4)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(4)
Net Increase/(Decrease) in Cash	(10,928)	25,264	13,493
Opening Cash and Cash Equivalents	28,222	47,453	72,716
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	17,294	72,716	86,209

Centennial Park and Moore Park Trust

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	7,610	7,089	7,688
Other Operating Expenses	19,998	18,694	19,875
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	6,772	6,373	7,417
Finance Costs	...	...	2
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	34,380	32,155	34,981
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	3,542	1,342	4,175
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	26,468	24,749	28,923
Grants and Contributions	5,579	17,162	4,211
Investment Revenue	116	287	119
Retained Taxes, Fees and Fines	434	410	419
Other Revenue	1,391	1,072	1,000
Total Revenue	37,530	45,020	38,847
Gain/(loss) on Disposal of Non Current Assets	...	(2,463)	...
Other Gains/(Losses)	(62)	(7)	...
Net Result	3,088	10,395	3,866

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	2,399	6,182	2,087
Taxes Receivable	...	...	...
Receivables	2,189	2,281	2,797
Inventories	175	179	218
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	4,763	8,641	5,102
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	688,042	743,214	755,537
Plant and Equipment	2,113	712	468
Infrastructure Systems	444,635	456,788	472,723
Investment Properties	...	...	...
Intangibles	968	2,093	1,949
Other Assets	...	417	2,915
Total Non Current Assets	1,135,758	1,203,224	1,233,592
Total Assets	1,140,521	1,211,865	1,238,694
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	2,644	3,568	3,762
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	63
Provisions	839	839	739
Other	2,212	2,056	2,058
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	5,694	6,463	6,622
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	38	265
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	40
Provisions	...	...	...
Other	669	...	...
Total Non Current Liabilities	669	38	305
Total Liabilities	6,364	6,501	6,927
Net Assets	1,134,158	1,205,364	1,231,767
Equity			
Accumulated Funds	652,426	664,108	667,973
Reserves	481,732	541,257	563,795
Capital Equity	...	...	...
Total Equity	1,134,158	1,205,364	1,231,767

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	7,610	7,089	7,688
Grants and Subsidies	...	...	...
Finance Costs	...	...	1
Equivalent Income Tax	...	...	...
Other Payments	24,193	24,579	17,802
Total Payments	31,803	31,668	25,491
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	3,542	1,342	4,175
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	26,411	24,751	28,329
Retained Taxes, Fees and Fines	...	...	...
Interest Received	28	100	119
Grants and Contributions	3,664	13,462	2,922
Other Receipts	6,115	7,257	(2,716)
Total Receipts	39,759	46,911	32,829
Net Cash Flows From Operating Activities	7,956	15,243	7,338
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	35	...
Purchases of Property, Plant and Equipment	(15,131)	(20,213)	(11,368)
Proceeds from Sale of Investments	7,467	7,594	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	(7,664)	(12,584)	(11,368)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(65)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(65)
Net Increase/(Decrease) in Cash	292	2,659	(4,095)
Opening Cash and Cash Equivalents	2,107	3,523	6,182
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	2,399	6,182	2,087

Hunter and Central Coast Development Corporation

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	131	11	11
Personnel Services Expenses	5,212	5,465	6,439
Other Operating Expenses	47,231	43,271	61,461
Grants and Subsidies	26,785	4,994	38,113
Appropriation Expense	...	...	...
Depreciation and Amortisation	...	620	1,029
Finance Costs	...	7	3
Other Expenses	...	1,035	...
TOTAL EXPENSES EXCLUDING LOSSES	79,359	55,404	107,056
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	12,112	8,188	16,997
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	49,381	47,639	56,684
Grants and Contributions	3,856	4,958	2,562
Investment Revenue	49	955	649
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	365	5,476	96
Total Revenue	65,763	67,216	76,987
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(13,596)	11,812	(30,068)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	17,075	41,773	54,948
Taxes Receivable	...	...	...
Receivables	295	899	1,200
Inventories	17,000	11,670	9,282
Financial Assets at Fair Value	...	30,000	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	34,370	84,342	65,430
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	27,540	33,621	29,468
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	14,750	14,822
Plant and Equipment	216	282	109
Infrastructure Systems	...	12,279	12,303
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	27,756	60,932	56,702
Total Assets	62,126	145,273	122,131
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	646	7,797	14,649
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	57
Provisions	440	449	460
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	1,086	8,246	15,166
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	6
Provisions	30	30	30
Other	...	...	...
Total Non Current Liabilities	30	30	36
Total Liabilities	1,116	8,276	15,202
Net Assets	61,010	136,998	106,929
Equity			
Accumulated Funds	61,010	136,998	106,929
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	61,010	136,998	106,929

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	131	12	11
Personnel Services	5,212	5,465	6,439
Grants and Subsidies	26,785	4,994	38,113
Finance Costs	...	7	3
Equivalent Income Tax	...	...	...
Other Payments	42,160	32,833	48,257
Total Payments	74,288	43,312	92,823
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	12,112	8,188	16,997
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	49,381	47,438	56,684
Retained Taxes, Fees and Fines	...	...	...
Interest Received	49	847	604
Grants and Contributions	3,856	4,958	2,562
Other Receipts	365	5,685	96
Total Receipts	65,763	67,116	76,942
Net Cash Flows From Operating Activities	(8,525)	23,804	(15,880)
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	...	(98)	(800)
Proceeds from Sale of Investments	...	(25,000)	30,000
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	...	(25,098)	29,200
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(145)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(145)
Net Increase/(Decrease) in Cash	(8,525)	(1,294)	13,175
Opening Cash and Cash Equivalents	25,600	43,067	41,773
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	17,075	41,773	54,948

Lands Administration Ministerial Corporation

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	207	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	2,393	2,212	2,194
Grants and Subsidies	1,914	13,554	1,904
Appropriation Expense	...	...	...
Depreciation and Amortisation	708	2,132	734
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	5,015	18,105	4,831
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	102	102	(4,308)
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	(2,000)	(600)	(100)
Sales of Goods and Services	4,225	5,455	4,484
Grants and Contributions	...	685	...
Investment Revenue	990	1,089	727
Retained Taxes, Fees and Fines	...	...	(0)
Other Revenue	...	6	...
Total Revenue	3,317	6,737	804
Gain/(loss) on Disposal of Non Current Assets	...	(1,034)	...
Other Gains/(Losses)	(200)	(3,524)	(200)
Net Result	(1,898)	(15,925)	(4,227)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	41,677	43,694	40,257
Taxes Receivable	...	...	...
Receivables	3,822	2,106	2,106
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	45,499	45,800	42,362
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	10,446	6,352	6,312
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	136,140	149,833	147,189
Plant and Equipment	...	207	181
Infrastructure Systems	385	5,136	5,108
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	146,971	161,529	158,792
Total Assets	192,470	207,329	201,154
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	291	616	616
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	1,135	2,052	104
Other	...	603	603
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	1,426	3,271	1,323
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Total Non Current Liabilities	...	...	...
Total Liabilities	1,426	3,271	1,323
Net Assets	191,044	204,059	199,831
Equity			
Accumulated Funds	188,186	204,059	199,831
Reserves	2,858	...	...
Capital Equity	...	...	...
Total Equity	191,044	204,059	199,831

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	207	...
Personnel Services	...	...	...
Grants and Subsidies	420	5,070	440
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	2,393	2,205	3,194
Total Payments	2,813	7,482	3,634
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	102	102	(4,308)
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	(2,000)	(600)	(1,048)
Sale of Goods and Services	4,225	5,455	4,484
Retained Taxes, Fees and Fines	(200)	(200)	(200)
Interest Received	990	1,089	727
Grants and Contributions	...	60	...
Other Receipts	...	(1)	40
Total Receipts	3,117	5,904	(304)
Net Cash Flows From Operating Activities	304	(1,578)	(3,938)
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	500	500	500
Purchases of Property, Plant and Equipment	...	...	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	500	500	500
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	804	(1,078)	(3,438)
Opening Cash and Cash Equivalents	40,873	44,772	43,694
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	41,677	43,694	40,257

Local Land Services

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	105,078	112,610	107,596
Personnel Services Expenses	...	...	...
Other Operating Expenses	80,213	80,527	72,797
Grants and Subsidies	19,138	23,625	26,998
Appropriation Expense	...	...	...
Depreciation and Amortisation	3,854	3,854	7,813
Finance Costs	...	...	1,014
Other Expenses	...	1,734	...
TOTAL EXPENSES EXCLUDING LOSSES	208,284	222,349	216,219
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	81,225	132,172	123,795
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	3,772	4,064	3,919
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	7,175	44,078	46,185
Grants and Contributions	...	4,850	120
Investment Revenue	500	500	400
Retained Taxes, Fees and Fines	51,858	15	...
Other Revenue	68,124	38,674	37,243
Total Revenue	212,653	224,354	211,662
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	4,370	2,004	(4,557)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	40,261	41,029	26,413
Taxes Receivable	...	...	...
Receivables	9,850	7,116	7,542
Inventories	1,300	1,300	1,300
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	102	102	102
Total Current Assets	51,512	49,547	35,357
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	574,117	574,117	599,998
Plant and Equipment	2,980	2,580	7,050
Infrastructure Systems	20,904	20,904	20,526
Investment Properties	...	...	...
Intangibles	10,298	10,298	19,693
Other Assets	...	...	...
Total Non Current Assets	608,299	607,899	647,267
Total Assets	659,812	657,446	682,625
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	10,520	13,291	13,542
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	4,380
Provisions	8,700	8,700	8,700
Other	1,500	1,500	1,500
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	20,720	23,491	28,122
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	25,104
Provisions	1,200	1,200	1,200
Other	700	700	700
Total Non Current Liabilities	1,900	1,900	27,004
Total Liabilities	22,620	25,391	55,126
Net Assets	637,192	632,055	627,499
Equity			
Accumulated Funds	521,641	516,505	511,948
Reserves	115,550	115,550	115,550
Capital Equity	...	...	...
Total Equity	637,192	632,055	627,499

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	101,282	112,341	103,677
Personnel Services	...	...	...
Grants and Subsidies	19,138	23,625	26,998
Finance Costs	...	...	1,014
Equivalent Income Tax	...	...	...
Other Payments	84,039	97,730	72,546
Total Payments	204,459	233,696	204,236
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	81,225	132,172	123,795
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	7,175	37,792	45,759
Retained Taxes, Fees and Fines	51,858	15	...
Interest Received	500	500	400
Grants and Contributions	...	4,850	120
Other Receipts	70,124	39,128	37,243
Total Receipts	210,881	214,457	207,317
Net Cash Flows From Operating Activities	6,422	(19,239)	3,081
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	400	...
Purchases of Property, Plant and Equipment	(1,250)	...	(3,250)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(9,517)	(2,550)	(9,814)
Net Cash Flows From Investing Activities	(10,767)	(2,150)	(13,064)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(4,633)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(4,633)
Net Increase/(Decrease) in Cash	(4,345)	(21,389)	(14,616)
Opening Cash and Cash Equivalents	44,606	62,418	41,029
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	40,261	41,029	26,413

Luna Park Reserve Trust

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	1,179	1,807	1,199
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	858	870	879
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	2,037	2,677	2,078
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	1,944	942	1,980
Grants and Contributions	...	...	...
Investment Revenue	104	936	106
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	...	...
Total Revenue	2,049	1,878	2,087
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	11	(798)	9

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	3,231	1,944	2,830
Taxes Receivable	...	...	...
Receivables	216	559	559
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	3,447	2,503	3,389
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	33,749	34,170	34,063
Plant and Equipment	...	...	...
Infrastructure Systems	7,181	7,346	7,016
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	40,930	41,516	41,079
Total Assets	44,377	44,019	44,468
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	541	444	444
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	541	444	444
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Total Non Current Liabilities	...	...	...
Total Liabilities	541	444	444
Net Assets	43,836	43,575	44,024
Equity			
Accumulated Funds	8,360	7,803	7,810
Reserves	35,476	35,772	36,214
Capital Equity	...	...	...
Total Equity	43,836	43,575	44,024

Cash Flow Statement

	2018-19 Budget \$000	2018-19 Revised \$000	2019-20 Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	1,348	1,817	1,030
Total Payments	1,348	1,817	1,030
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	1,944	942	1,980
Retained Taxes, Fees and Fines	...	...	...
Interest Received	104	32	138
Grants and Contributions	...	...	...
Other Receipts	167	11	(203)
Total Receipts	2,216	985	1,916
Net Cash Flows From Operating Activities	867	(832)	886
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	...	(286)	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	904	...
Net Cash Flows From Investing Activities	...	618	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	867	(214)	886
Opening Cash and Cash Equivalents	2,364	2,158	1,944
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	3,231	1,944	2,830

NSW Food Authority

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	19,562	17,068	18,918
Grants and Subsidies	560	560	567
Appropriation Expense	...	...	...
Depreciation and Amortisation	1,277	1,277	1,277
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	21,399	18,905	20,762
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	10,714	...	6,222
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	2,196	2,196	2,183
Grants and Contributions	...	...	...
Investment Revenue	400	400	405
Retained Taxes, Fees and Fines	7,949	7,949	8,100
Other Revenue	...	...	...
Total Revenue	21,259	10,545	16,910
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(140)	(8,359)	(3,852)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	19,534	14,278	10,603
Taxes Receivable	...	...	...
Receivables	1,504	1,046	1,046
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	21,038	15,324	11,649
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	8,008	8,001	7,774
Plant and Equipment	173	181	81
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	2,759	2,731	2,881
Other Assets	...	...	...
Total Non Current Assets	10,940	10,913	10,736
Total Assets	31,977	26,238	22,385
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	2,699	1,149	1,149
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	2,699	1,149	1,149
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Total Non Current Liabilities	...	...	...
Total Liabilities	2,699	1,149	1,149
Net Assets	29,278	25,088	21,236
Equity			
Accumulated Funds	25,856	21,666	17,814
Reserves	3,422	3,422	3,422
Capital Equity	...	...	...
Total Equity	29,278	25,088	21,236

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	...	...	...
Grants and Subsidies	560	560	567
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	21,412	33,927	20,768
Total Payments	21,972	34,487	21,335
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	10,714	...	6,222
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	2,196	2,196	2,183
Retained Taxes, Fees and Fines	...	...	...
Interest Received	400	400	405
Grants and Contributions	...	...	...
Other Receipts	9,799	8,249	9,950
Total Receipts	23,109	10,845	18,760
Net Cash Flows From Operating Activities	1,137	(23,642)	(2,575)
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(200)	(50)	(200)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(900)	(970)	(900)
Net Cash Flows From Investing Activities	(1,100)	(1,020)	(1,100)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	37	(24,662)	(3,675)
Opening Cash and Cash Equivalents	19,497	38,940	14,278
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	19,534	14,278	10,603

Planning Ministerial Corporation

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	48	48	48
Personnel Services Expenses	...	3,078	3,579
Other Operating Expenses	13,584	10,506	12,795
Grants and Subsidies	62,000	6,242	78,500
Appropriation Expense	...	...	...
Depreciation and Amortisation	2,439	3,875	799
Finance Costs	14,556	14,556	14,556
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	92,627	38,305	110,277
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	54,000	12,500
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	1,581	2,504	1,474
Grants and Contributions	...	2,920	19,500
Investment Revenue	3,131	1,722	3,108
Retained Taxes, Fees and Fines	8,716	8,716	8,716
Other Revenue	...	909	...
Total Revenue	13,427	70,770	45,298
Gain/(loss) on Disposal of Non Current Assets	18,596	18,596	18,596
Other Gains/(Losses)	...	...	...
Net Result	(60,604)	51,061	(46,383)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	18,045	60,588	37,504
Taxes Receivable	...	...	...
Receivables	1,962	3,337	3,337
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	72,973	6,087	6,087
Other	120	...	...
Assets Held For Sale	826	651	651
Total Current Assets	93,926	70,663	47,579
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	1,641,466	2,022,848	1,809,674
Plant and Equipment	997	822	792
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	189	188	188
Other Assets	...	...	...
Total Non Current Assets	1,642,652	2,023,858	1,810,654
Total Assets	1,736,578	2,094,520	1,858,232
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	13,803	108,104	8,104
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	18,269	17,822	17,822
Provisions	...	...	...
Other	481	4,708	4,708
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	32,553	130,634	30,634
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	194,484	175,887	200,887
Provisions	...	...	...
Other	...	...	...
Total Non Current Liabilities	194,484	175,887	200,887
Total Liabilities	227,037	306,521	231,521
Net Assets	1,509,541	1,787,999	1,626,711
Equity			
Accumulated Funds	584,145	752,462	611,174
Reserves	925,396	1,035,537	1,015,537
Capital Equity	...	...	...
Total Equity	1,509,541	1,787,999	1,626,711

Cash Flow Statement

	2018-19 Budget \$000	Revised \$000	2019-20 Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	48	48	48
Personnel Services	...	3,078	3,579
Grants and Subsidies	7,000	4,242	4,000
Finance Costs	14,556	14,556	14,556
Equivalent Income Tax	...	...	...
Other Payments	17,584	(89,492)	16,795
Total Payments	39,188	(67,569)	38,978
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	54,000	12,500
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	1,581	2,504	1,474
Retained Taxes, Fees and Fines	...	...	...
Interest Received	3,131	1,722	3,108
Grants and Contributions	...	...	19,500
Other Receipts	12,716	9,625	12,716
Total Receipts	17,427	67,851	49,298
Net Cash Flows From Operating Activities	(21,761)	135,419	10,320
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	43,596	43,596	43,596
Purchases of Property, Plant and Equipment	(65,000)	(217,478)	(102,000)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	(21,404)	(173,882)	(58,404)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	25,000	25,000	25,000
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	25,000	25,000	25,000
Net Increase/(Decrease) in Cash	(18,165)	(13,463)	(23,084)
Opening Cash and Cash Equivalents	29,210	67,051	60,588
Reclassification of Cash Equivalents	7,000	7,000	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	18,045	60,588	37,504

Property NSW

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	49,538	50,837	50,980
Other Operating Expenses	580,505	587,944	128,373
Grants and Subsidies	20,275	29,137	94,238
Appropriation Expense	...	...	...
Depreciation and Amortisation	25,634	25,634	70,234
Finance Costs	4,808	5,797	99,722
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	680,760	699,349	443,546
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	60,959	72,724	28,600
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	625,113	607,121	232,530
Grants and Contributions	...	...	7,000
Investment Revenue	5,880	6,115	71,581
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	650	650	...
Total Revenue	692,602	686,609	339,711
Gain/(loss) on Disposal of Non Current Assets	14,122	7,834	309
Other Gains/(Losses)	(300)	(347)	...
Net Result	25,663	(5,252)	(103,526)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	30,888	46,419	45,265
Taxes Receivable	...	...	...
Receivables	67,821	50,877	48,564
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	301,684
Other	41,360	21,211	21,635
Assets Held For Sale	...	...	...
Total Current Assets	140,070	118,507	417,147
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	76,263	76,263	77,261
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	1,249,409	1,149,931	1,656,777
Plant and Equipment	1,517	4,765	(4,135)
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	2,810	4,097	1,717
Other Assets	177,996	239,023	2,070,646
Total Non Current Assets	1,507,994	1,474,079	3,802,265
Total Assets	1,648,063	1,592,586	4,219,412
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	39,800	33,005	30,785
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	339,568
Provisions	41,579	24,157	30,930
Other	10,702	11,083	14,761
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	92,082	68,245	416,044
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	34,398	34,398	2,440,979
Provisions	124,051	197,461	191,721
Other	151,818	58,152	50,457
Total Non Current Liabilities	310,267	290,012	2,683,157
Total Liabilities	402,349	358,258	3,099,201
Net Assets	1,245,715	1,234,328	1,120,211
Equity			
Accumulated Funds	945,676	889,584	775,467
Reserves	300,039	344,744	344,744
Capital Equity	...	...	...
Total Equity	1,245,715	1,234,328	1,120,211

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	49,538	50,837	50,980
Grants and Subsidies	19,515	24,868	9,238
Finance Costs	4,808	2,577	99,435
Equivalent Income Tax	...	...	...
Other Payments	593,541	664,248	123,694
Total Payments	667,402	742,531	283,348
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	60,959	72,724	28,600
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	(5,530)	(8,402)	(10,590)
Sale of Goods and Services	627,830	620,639	232,224
Retained Taxes, Fees and Fines	...	...	...
Interest Received	5,880	6,115	65,924
Grants and Contributions	...	...	7,000
Other Receipts	(15,556)	17,904	(835)
Total Receipts	673,583	708,980	322,323
Net Cash Flows From Operating Activities	6,180	(33,551)	38,975
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	41,776	48,701	1,109
Purchases of Property, Plant and Equipment	(131,917)	(127,747)	220,995
Proceeds from Sale of Investments	...	(940)	302,148
Purchases of Investments	...	...	(232,564)
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(585)	(4,529)	3,849
Net Cash Flows From Investing Activities	(90,726)	(84,514)	295,536
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(335,666)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(335,666)
Net Increase/(Decrease) in Cash	(84,546)	(118,064)	(1,154)
Opening Cash and Cash Equivalents	115,434	164,484	46,419
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	30,888	46,419	45,265

Water Administration Ministerial Corporation

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	52,573	64,408	43,780
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	4,308	4,308	4,308
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	56,881	68,716	48,088
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	39,634	36,024	(278)
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	43,300	51,581	44,057
Grants and Contributions	...	...	...
Investment Revenue	...	74	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	...	...
Total Revenue	82,934	87,679	43,779
Gain/(loss) on Disposal of Non Current Assets	...	(264)	...
Other Gains/(Losses)	...	...	...
Net Result	26,053	18,698	(4,309)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	...	...	(1)
Taxes Receivable	...	...	...
Receivables	(2,900)	(740)	(740)
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	755	3,465	3,465
Assets Held For Sale	...	...	...
Total Current Assets	(2,145)	2,725	2,724
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	15,634	6,875	6,731
Plant and Equipment	222	241	157
Infrastructure Systems	785,959	785,716	781,720
Investment Properties	...	...	...
Intangibles	460	465	381
Other Assets	...	...	...
Total Non Current Assets	802,275	793,297	788,989
Total Assets	800,130	796,022	791,714
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	(2,606)	4,896	4,896
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	2,449	2,449
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	(2,606)	7,345	7,345
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Total Non Current Liabilities	...	...	...
Total Liabilities	(2,606)	7,345	7,345
Net Assets	802,736	788,677	784,369
Equity			
Accumulated Funds	672,761	658,702	654,393
Reserves	129,975	129,975	129,975
Capital Equity	...	...	...
Total Equity	802,736	788,677	784,369

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	55,934	59,868	43,780
Total Payments	55,934	59,868	43,780
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	39,634	36,024	(278)
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	43,300	51,581	44,057
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	74	...
Grants and Contributions	...	-	...
Other Receipts	4,000	3,189	...
Total Receipts	86,934	90,868	43,779
Net Cash Flows From Operating Activities	31,000	31,000	(1)
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(31,000)	(31,000)	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	(31,000)	(31,000)	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	...	...	(1)
Opening Cash and Cash Equivalents	...	...	...
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	...	...	(1)

Western Sydney Parklands Trust

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	(1)
Personnel Services Expenses	3,032	2,534	3,038
Other Operating Expenses	5,249	5,763	5,182
Grants and Subsidies	...	66	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	4,592	2,899	4,591
Finance Costs	...	...	45
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	12,873	11,262	12,855
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	4,033	4,033	37,391
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	9,082	8,505	9,753
Grants and Contributions	115	62	120
Investment Revenue	477	967	372
Retained Taxes, Fees and Fines	...	30	...
Other Revenue	3,193	3,052	493
Total Revenue	16,901	16,649	48,129
Gain/(loss) on Disposal of Non Current Assets	...	(50)	...
Other Gains/(Losses)	...	...	...
Net Result	4,028	5,336	35,274

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	3,000	5,442	7,504
Taxes Receivable	...	...	...
Receivables	246	4,230	4,230
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	19,762	19,485	1,473
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	23,008	29,157	13,207
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	44,622	60,246	60,246
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	667,284	720,741	722,138
Plant and Equipment	1,899	3,567	3,351
Infrastructure Systems	118,930	108,125	159,849
Investment Properties	...	...	...
Intangibles	1,288	198	198
Other Assets	...	...	...
Total Non Current Assets	834,023	892,877	945,782
Total Assets	857,031	922,034	958,989
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	3,295	9,886	9,886
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	216
Provisions	55	288	236
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	3,350	10,174	10,338
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	1,517
Provisions	364	170	170
Other	14,936	10,509	10,509
Total Non Current Liabilities	15,300	10,679	12,196
Total Liabilities	18,650	20,853	22,534
Net Assets	838,381	901,181	936,455
Equity			
Accumulated Funds	599,623	601,588	636,861
Reserves	238,758	299,593	299,593
Capital Equity	...	...	...
Total Equity	838,381	901,181	936,455

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	(1)
Personnel Services	3,032	2,534	3,038
Grants and Subsidies	...	66	...
Finance Costs	...	...	45
Equivalent Income Tax	...	...	...
Other Payments	6,314	3,913	4,114
Total Payments	9,346	6,513	7,196
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	4,033	4,033	37,391
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	9,082	9,595	9,753
Retained Taxes, Fees and Fines	...	...	...
Interest Received	477	890	372
Grants and Contributions	115	62	120
Other Receipts	4,313	2,413	(627)
Total Receipts	18,021	16,992	47,009
Net Cash Flows From Operating Activities	8,675	10,479	39,813
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(25,971)	(20,883)	(55,560)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	(4,643)	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	(25,971)	(25,526)	(55,560)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(203)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(203)
Net Increase/(Decrease) in Cash	(17,296)	(15,047)	(15,950)
Opening Cash and Cash Equivalents	12,399	8,922	5,442
Reclassification of Cash Equivalents	7,897	11,567	18,012
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	3,000	5,442	7,504

Department of Industry (Discontinued)

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	499,996	553,355	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	380,677	367,416	...
Grants and Subsidies	2,607,132	2,486,414	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	77,426	86,351	...
Finance Costs	...	1,200	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	3,565,230	3,494,736	...
Revenue			
Appropriation Revenue	3,231,727	3,320,486	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	18,928	19,283	...
Transfers to the Crown Entity	(62,434)	(62,434)	...
Sales of Goods and Services	179,434	201,733	...
Grants and Contributions	110,165	143,214	...
Investment Revenue	26,839	25,122	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	34,696	50,080	...
Total Revenue	3,539,355	3,697,485	...
Gain/(loss) on Disposal of Non Current Assets	8,425	5,221	...
Other Gains/(Losses)	...	(3,600)	...
Net Result	(17,450)	204,370	...

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	123,650	487,170	...
Taxes Receivable	...	...	...
Receivables	168,298	161,265	...
Inventories	4,933	4,294	...
Financial Assets at Fair Value	6,104	5,181	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	105	...	...
Total Current Assets	303,090	657,910	...
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	120,561	128,169	...
Inventories	5,666	7,719	...
Financial Assets at Fair Value	7,698	6,379	...
Equity Investments	30	40	...
Property, Plant and Equipment -			
Land and Building	5,358,716	5,590,086	...
Plant and Equipment	47,565	41,843	...
Infrastructure Systems	1,397,157	1,769,979	...
Investment Properties	...	...	...
Intangibles	211,019	205,077	...
Other Assets	...	...	...
Total Non Current Assets	7,148,412	7,749,291	...
Total Assets	7,451,502	8,407,201	...
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	141,652	348,917	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	82,558	71,993	...
Other	31,832	28,814	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	256,042	449,725	...
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other financial liabilities at fair value	...	...	...
Borrowings	...	...	...
Provisions	7,497	13,923	...
Other	...	...	...
Total Non Current Liabilities	7,497	13,923	...
Total Liabilities	263,539	463,647	...
Net Assets	7,187,963	7,943,554	...
Equity			
Accumulated Funds	6,466,528	6,661,384	...
Reserves	721,435	1,282,170	...
Capital Equity	...	...	...
Total Equity	7,187,963	7,943,554	...

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	479,411	534,072	...
Personnel Services	...	...	...
Grants and Subsidies	2,533,555	2,469,328	...
Finance Costs	...	1,200	...
Equivalent Income Tax	...	...	...
Other Payments	446,849	367,415	...
Total Payments	3,459,815	3,372,016	...
Receipts			
Appropriation	3,231,727	3,320,486	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	(62,434)	(62,434)	...
Sale of Goods and Services	179,433	195,114	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	26,839	25,122	...
Grants and Contributions	110,165	136,678	...
Other Receipts	101,166	56,699	...
Total Receipts	3,586,896	3,671,666	...
Net Cash Flows From Operating Activities	127,081	299,650	...
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	26,049	26,008	...
Purchases of Property, Plant and Equipment	(85,860)	(65,404)	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances Made	...	...	...
Other Investing	(10,558)	(10,558)	...
Net Cash Flows From Investing Activities	(70,369)	(49,954)	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	24,000	24,000	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	(24,000)	(24,000)	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	56,712	249,697	...
Opening Cash and Cash Equivalents	66,939	237,474	487,170
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	(487,170)
Closing Cash and Cash Equivalents	123,651	487,170	...

Department of Planning and Environment (Discontinued)

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	295,601	295,226	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	197,236	231,313	...
Grants and Subsidies	2,163,837	2,055,943	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	16,508	16,547	...
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	2,673,181	2,599,029	...
Revenue			
Appropriation Revenue	2,538,126	2,203,908	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	4,414	11,001	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	254,048	259,967	...
Grants and Contributions	241,793	141,271	...
Investment Revenue	1,396	6,587	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	5,477	11,394	...
Total Revenue	3,045,254	2,634,129	...
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	372,073	35,100	...

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	313,285	357,578	...
Taxes Receivable	...	...	...
Receivables	69,078	64,353	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	382,363	421,931	...
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	4,475	4,475	...
Equity Investments	9	...	...
Property, Plant and Equipment -			
Land and Building	671,870	375,209	...
Plant and Equipment	38,319	15,689	...
Infrastructure Systems	93	9,847	...
Investment Properties	-	-	...
Intangibles	61,021	67,203	...
Other Assets	...	...	...
Total Non Current Assets	775,787	472,423	...
Total Assets	1,158,150	894,354	...
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	79,039	114,299	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	19,491	28,383	...
Other	18,329	35,792	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	116,859	178,474	...
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other financial liabilities at fair value	...	...	...
Borrowings	...	...	...
Provisions	2,414	2,675	...
Other	746	13	...
Total Non Current Liabilities	3,160	2,688	...
Total Liabilities	120,019	181,162	...
Net Assets	1,038,131	713,192	...
Equity			
Accumulated Funds	1,038,131	704,251	...
Reserves	...	8,941	...
Capital Equity	...	...	...
Total Equity	1,038,131	713,192	...

Cash Flow Statement

	2018-19 Budget \$000	2018-19 Revised \$000	2019-20 Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	291,187	284,225	...
Personnel Services	...	...	...
Grants and Subsidies	2,145,221	2,021,245	...
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	177,331	206,409	...
Total Payments	2,613,740	2,511,879	...
Receipts			
Appropriation	2,538,126	2,203,909	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	254,048	260,046	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	1,396	6,587	...
Grants and Contributions	202,403	91,881	...
Other Receipts	6,347	11,394	...
Total Receipts	3,002,321	2,573,817	...
Net Cash Flows From Operating Activities	388,581	61,938	...
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(377,977)	(79,161)	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances Made	...	...	...
Other Investing	(20,790)	(14,461)	...
Net Cash Flows From Investing Activities	(398,767)	(93,622)	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	(10,186)	(31,684)	-
Opening Cash and Cash Equivalents	323,471	389,262	357,578
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	(357,578)
Closing Cash and Cash Equivalents	313,285	357,578	...

Office of Environment and Heritage (Discontinued)

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	488,214	473,729	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	333,627	296,798	...
Grants and Subsidies	233,908	209,221	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	108,090	106,611	...
Finance Costs	2,297	1,010	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	1,166,136	1,087,369	...
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	498,355	482,976	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	23,974	13,918	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	214,090	213,552	...
Grants and Contributions	355,682	345,161	...
Investment Revenue	319	12,642	...
Retained Taxes, Fees and Fines	3,339	3,089	...
Other Revenue	39,241	63,791	...
Total Revenue	1,135,001	1,135,130	...
Gain/(loss) on Disposal of Non Current Assets	860	124	...
Other Gains/(Losses)	(100)	(100)	...
Net Result	(30,375)	47,785	...

Balance Sheet

	2018-19		2019-20
	Budget \$000	Revised \$000	Budget \$000
Assets			
Current Assets			
Cash Assets	252,909	338,771	...
Taxes Receivable	...	...	...
Receivables	56,147	75,847	...
Inventories	743	741	...
Financial Assets at Fair Value	18	18	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	309,816	415,378	...
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	2,538,783	2,452,375	...
Plant and Equipment	53,567	58,944	...
Infrastructure Systems	1,319,982	1,856,689	...
Investment Properties	...	...	...
Intangibles	209,574	212,673	...
Other Assets	...	...	...
Total Non Current Assets	4,121,906	4,580,682	...
Total Assets	4,431,723	4,996,059	...
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	10,958	15,750	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	2,300	...
Provisions	70,053	69,557	...
Other	110	110	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	81,121	87,717	...
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other financial liabilities at fair value	...	...	...
Borrowings	40,691	30,164	...
Provisions	5,639	5,590	...
Other	...	...	...
Total Non Current Liabilities	46,330	35,754	...
Total Liabilities	127,451	123,471	...
Net Assets	4,304,271	4,872,588	...
Equity			
Accumulated Funds	3,847,980	3,983,194	...
Reserves	456,291	889,394	...
Capital Equity	...	...	...
Total Equity	4,304,271	4,872,588	...

Cash Flow Statement

	2018-19 Budget \$000	Revised \$000	2019-20 Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	460,854	456,425	...
Personnel Services	...	...	...
Grants and Subsidies	233,908	209,221	...
Finance Costs	2,297	...	...
Equivalent Income Tax	...	...	...
Other Payments	340,850	325,174	...
Total Payments	1,037,909	990,820	...
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	498,355	482,976	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	214,364	213,826	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	1,885	3,500	...
Grants and Contributions	354,982	340,631	...
Other Receipts	49,702	69,319	...
Total Receipts	1,119,289	1,110,252	...
Net Cash Flows From Operating Activities	81,380	119,432	...
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	2,695	2,695	...
Purchases of Property, Plant and Equipment	(71,313)	(60,165)	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances Made	...	...	...
Other Investing	(17,962)	(21,349)	...
Net Cash Flows From Investing Activities	(86,580)	(78,819)	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	(5,200)	40,613	...
Opening Cash and Cash Equivalents	258,109	298,158	338,771
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	(338,771)
Closing Cash and Cash Equivalents	252,909	338,771	...

Office of Local Government (Discontinued)

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	16,705	15,764	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	9,430	12,430	...
Grants and Subsidies	201,603	232,330	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	896	896	...
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	228,635	261,421	...
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	207,434	239,654	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	338	338	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	5,193	5,618	...
Grants and Contributions	7,435	7,563	...
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	6,838	6,838	...
Other Revenue	...	169	...
Total Revenue	227,239	260,181	...
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(1,396)	(1,240)	...

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	6,136	4,162	...
Taxes Receivable	...	...	...
Receivables	5,238	3,388	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	11,374	7,550	...
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	...
Plant and Equipment	343	265	...
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	2,502	4,022	...
Other Assets	...	...	...
Total Non Current Assets	2,845	4,287	...
Total Assets	14,219	11,837	...
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	7,478	5,652	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	2,233	2,131	...
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	9,711	7,783	...
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other financial liabilities at fair value	...	...	...
Borrowings	...	...	...
Provisions	343	304	...
Other	...	...	...
Total Non Current Liabilities	343	304	...
Total Liabilities	10,054	8,087	...
Net Assets	4,165	3,750	...
Equity			
Accumulated Funds	4,165	3,750	...
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	4,165	3,750	...

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	16,367	15,426	...
Personnel Services	...	...	...
Grants and Subsidies	201,603	232,330	...
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	9,505	12,432	...
Total Payments	227,475	260,189	...
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	207,434	239,654	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	5,193	5,619	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	7,435	7,563	...
Other Receipts	6,913	7,007	...
Total Receipts	226,975	259,844	...
Net Cash Flows From Operating Activities	(500)	(345)	...
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(105)	(105)	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances Made	...	...	...
Other Investing	(40)	(3,055)	...
Net Cash Flows From Investing Activities	(145)	(3,160)	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	(645)	(3,505)	...
Opening Cash and Cash Equivalents	6,781	7,667	4,162
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	(4,162)
Closing Cash and Cash Equivalents	6,136	4,162	...

5. PREMIER AND CABINET CLUSTER

5.1 Introduction

The Premier and Cabinet cluster works for the people of New South Wales by supporting the Premier and the Cabinet to deliver the Government's objectives. It brings the voice of Aboriginal people into policy making, develops arts and culture, protects and preserves the State's heritage, coordinates policy and services, and facilitates stewardship of the public service.



\$1.8 billion

Recurrent Expenses 2019-20



\$840 million

Capital Expenditure 2019-20

Contribution to the Government's Priorities

The Premier and Cabinet cluster contributes to delivering the following Government priorities:

- Well-connected communities with quality local environments
- Breaking the cycle of intergenerational disadvantage by fixing problems that have been in the too-hard basket for too long.

State Outcomes delivered by Premier and Cabinet cluster

State Outcome	Description
Effective and coordinated government	Coordinating government policy initiatives, overseeing infrastructure investment and facilitating the delivery of key urban renewal precincts.
Accountable and responsible government	Ensuring a robust democracy, upholding the integrity of Government, fighting corruption, enhancing public sector capability and improving service delivery.
Empowering Aboriginal communities	Transforming the relationship between Aboriginal people and the NSW Government through the delivery of Opportunity, Choice, Healing, Responsibility and Empowerment (OCHRE).
Excellence in arts, culture and heritage	Developing and supporting arts and culture, increasing attendance at cultural events, and sustaining cultural precincts and infrastructure. Protecting, preserving and enabling public access to our State's heritage.

5.2 2019-20 Budget Highlights

In 2019-20, the Premier and Cabinet cluster will spend \$2.7 billion (\$1.8 billion recurrent expenses and \$839.5 million capital expenditure). Key initiatives are highlighted below.

Effective and coordinated government

- \$101 million for the development of major urban renewal projects to transform and unlock economic potential in growth centres that drive housing, employment and public benefits including Parramatta North and Redfern Waterloo District
- \$99.2 million over four years (including \$49.6 million contribution from the Australian Government) towards developing local community initiatives under the Western Parkland City Liveability Program, a joint initiative with the Australian Government and various local councils. Key projects include:
 - development of three sport and recreation facilities in the Camden area
 - upgrade of the Fairfield showgrounds
 - rejuvenation of the town centres of Windsor, Richmond and South Windsor
 - transform the Regatta Park precinct in Penrith
 - delivery of the Campbelltown Billabong Parklands and a landmark and iconic swimming lagoon at Apex Park, Bradbury
- Continue working in 2019-20 to deliver a metropolis of three cities as outlined in the Greater Sydney Region Plan. This includes spending \$8 million to deliver Growth Infrastructure Compacts as part of the Western Sydney City Deal, ensuring alignment of growth and infrastructure in the Parkland City.

Excellence in arts, culture and heritage

- \$167.2 million (\$645 million total Government contribution) to relocate the Powerhouse Museum to Parramatta and expand storage at the Museum Discovery Centre
- \$113.5 million (\$187.8 million over two years) to rejuvenate the Walsh Bay Arts Precinct, providing a unique cultural and visitor experience
- \$103.4 million (\$244 million total Government contribution) for the Sydney Modern project, to transform the Art Gallery of New South Wales into one of the world's great art museums
- \$76.6 million (\$205.5 million over four years) for the Sydney Opera House renewal program and security upgrades
- \$61.3 million (\$247.4 million over four years) for Arts and Cultural Development Program grants to support arts and cultural organisations, artists and workers
- \$40.5 million (\$50.5 million total Government contribution) to the Australian Museum to deliver a new touring exhibition hall, education and visitor facilities, which will enable Sydney to be one of ten cities worldwide to host the King Tutankhamun exhibition before it permanently returns to Egypt
- \$28.9 million (\$60.5 million over two years) from the Regional Cultural Fund to support the development of arts and cultural activities in the State's regions
- \$15 million (\$55 million over four years) for the Made in NSW program to support screen production in New South Wales and generate employment in this sector
- \$9.7 million (\$39.4 million over four years) to enhance the Australian Museum's outcomes based service delivery

- \$2.3 million from the Regional Cultural Fund for a new mid-Western Regional Gallery and Cultural Centre in Mudgee
- \$500,000 per annum (\$2 million over four years) to the State Library for Vision Australia to enable the provision of expanded services and a greater selection of audio and braille books to the 126,000 people who are blind or have low vision in New South Wales.

5.3 Machinery of Government

Under the *Administrative Arrangements (Administrative Changes – Public Service Agencies) Order 2019* the following changes to the Premier and Cabinet cluster are effective 1 July 2019:

- the following functions, agencies and groups transfer from the former Planning and Environment cluster to the Premier and Cabinet cluster:
 - the Heritage Division and the Culture Policy Branch of the Office of Environment and Heritage
 - Historic Houses Trust of New South Wales
 - functions associated with the administration of legislation allocated to the Special Minister of State, Minister for Public Service and Employee Relations, Aboriginal Affairs and the Arts including the following agencies:
 - Art Gallery of New South Wales
 - Australian Museum
 - Museum of Applied Arts and Sciences
 - State Archives and Records Authority of New South Wales
 - State Library of New South Wales
- Aboriginal Affairs NSW transfers from the Education cluster
- functions in Treasury associated with the administration of legislation allocated to the Special Minister of State, Minister for Public Service and Employee Relations, Aboriginal Affairs and the Arts transfer from the Treasury cluster
- Law Enforcement Conduct Commission transfers from the former Justice cluster
- persons employed in the UrbanGrowth NSW Staff Agency and the Barangaroo Delivery Authority Staff Agency transfer to the Infrastructure NSW Staff Agency
- the following functions, agencies and groups transfer out of the Premier and Cabinet cluster:
 - to the Customer Service cluster:
 - Office of the Customer Service Commissioner
 - Behavioural Insights Unit
 - Government Communications Branch
 - functions undertaken by the Digital, Content and Sponsorship Branch to administer the nsw.gov.au website
 - Independent Pricing and Regulatory Tribunal

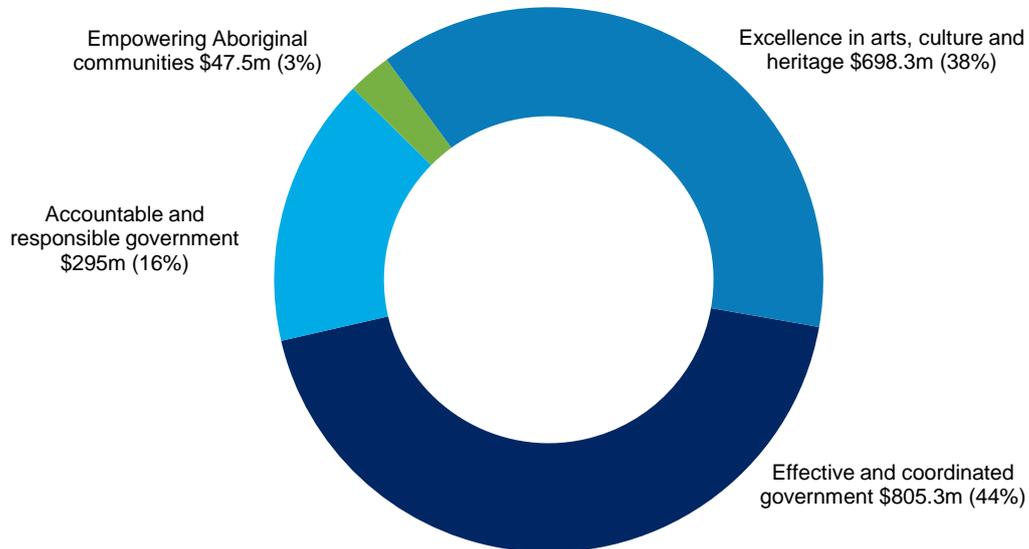
- to the Treasury cluster:
 - Western City and Aerotropolis Authority Staff Agency transfers to the Treasury cluster. Western City and Aerotropolis Authority was established as a Public Service executive agency related to the Department of Premier and Cabinet under the *Administrative Arrangements (Administrative Changes – Western City and Aerotropolis Authority) Order 2018*, effective 9 November 2018
- to the Planning, Industry and Environment cluster:
 - the functions within the Premier and Cabinet cluster associated with the administration of legislation allocated to the Deputy Premier, Minister for Regional New South Wales, Industry and Trade transfer to the Planning, Industry and Environment cluster
 - Natural Resources Commission.

The Greater Sydney Commission Staff Agency was established as a Public Service executive agency related to the Department of Premier and Cabinet under the *Administrative Arrangements (Administrative Changes - Greater Sydney Commission) Order 2018*, effective 1 July 2018. It forms part of the Premier and Cabinet cluster.

5.4 Overview of cluster expenses by State Outcome

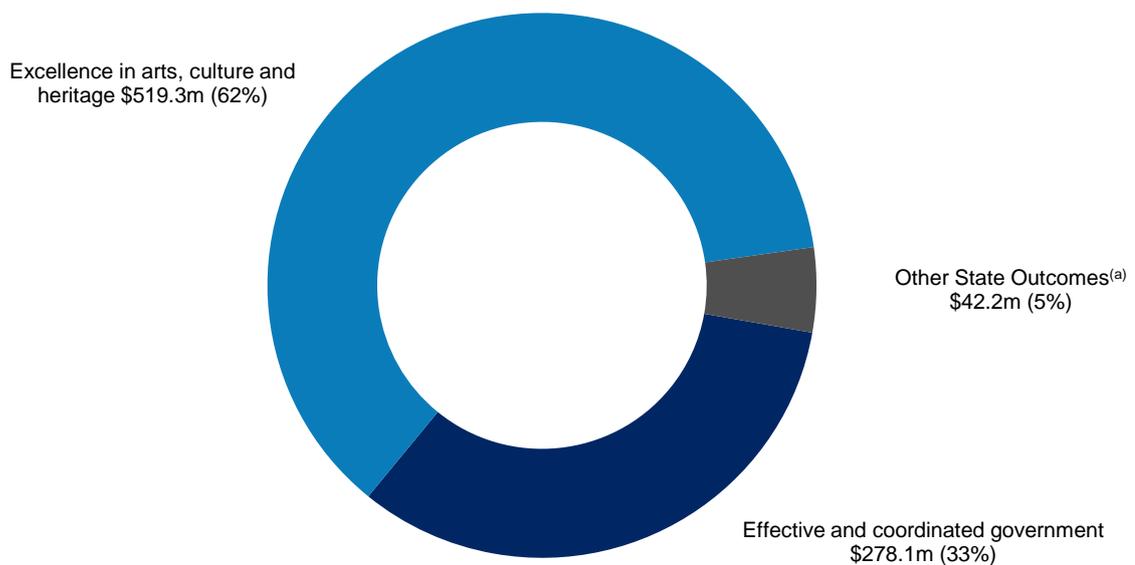
A summary of expenses by State Outcome is provided in the charts below.

Chart 5.1 Recurrent expenses by outcome 2019-20 (dollars and %)



Note: The sum of percentages does not equal one hundred due to rounding.

Chart 5.2 Capital expenditure by outcome 2019-20 (dollars and %)



(a) Grouped for presentation purposes, "Other State Outcomes" comprises:

- Accountable and Responsible Government
- Empowering Aboriginal Communities

5.5 Agency Expense Summary

The 2019-20 Budget for the Department of Premier and Cabinet (and other agencies within the cluster) is listed in the table below.

In 2019-20, the Department of Premier and Cabinet will spend \$1.7 billion (\$1.4 billion recurrent expenses and \$295.4 million capital expenditure).

Premier and Cabinet cluster	Expenses ^(a)			Capital Expenditure		
	2018-19	2019-20	Change	2018-19	2019-20	Change
	Revised	Budget		Revised	Budget	
	\$m	\$m	%	\$m	\$m	%
Department of Premier and Cabinet ^(b)	375.8	703.1	87.1	6.7	295.4	N/A
Cluster Grants	146.9	706.0	380.7	...	...	...
Total Principal Agency	522.6	1,409.1	169.6	6.7	295.4	4,325.5
Audit Office of New South Wales	59.5	62.1	4.5	4.8	17.6	264.5
Barangaroo Delivery Authority	81.1	83.5	3.0	4.1	27.8	576.9
Greater Sydney Commission	17.1	23.5	37.3	0.0	0.0	0.0
Independent Commission Against Corruption	28.7	25.8	(10.3) ^(c)	0.9	0.8	(15.3)
Infrastructure NSW	253.1	300.7	18.8	0.1	237.0	N/A
New South Wales Electoral Commission	137.8	106.1	(23.0) ^(d)	9.1	15.9	74.2
Ombudsman's Office	32.0	31.0	(2.9)	0.5	0.3	(34.0)
Parliamentary Counsel's Office	10.3	12.3	19.3	0.2	0.3	77.8
Public Service Commission	41.0	44.9	9.5	0.6	0.2	(70.1) ^(e)
UrbanGrowth NSW Development Corporation	53.2	100.5	89.1	0.2	4.3	N/A
Total Cluster Agencies	713.7	790.5	10.8	20.5	304.3	1,384.0
Agencies transferred from: Justice (GG) Cluster ^(f)						
Law Enforcement Conduct Commission	22.8	24.7	8.2	1.3	7.3	460.2
Agencies transferred from: Planning and Environment (GG) Cluster ^(g)						
Art Gallery of New South Wales	58.7	49.9	(15.0)	25.5	147.9	479.1
Australian Museum	51.8	42.5	(18.0)	8.3	52.8	538.7
Historic Houses Trust of New South Wales ...	26.8	29.0	8.2	9.3	5.1	(45.8)
Museum of Applied Arts and Sciences	55.5	69.1	24.4	3.8	2.0	(47.6)
State Archives and Records Authority of New South Wales	32.6	33.7	3.5	6.3	7.3	15.3
State Library of New South Wales	88.7	103.7	17.0	17.9	17.6	(1.7)
Total Transferred In Agencies	336.9	352.6	4.6	72.4	239.8	231.3

(a) This table shows expenses on an uneliminated cluster basis.

(b) For 2019-20, the Premier and Cabinet cluster transfers in several functions following machinery of government changes (see section 5.3), and thus comparisons between 2018-19 and 2019-20 Budget are not like for like comparisons.

(c) The decrease in recurrent expenditure is due to additional complexity on specific investigations resulting in higher legal and transcription costs in 2018-19.

(d) The decrease in recurrent expenditure reflects the cyclical budget with no major election to be held in 2019-20.

(e) Capital reduction is due to successful completion in 2018-19 of job sharing application project.

(f) The Law Enforcement Conduct Commission transfers from the former Justice cluster effective 1 July 2019.

(g) The Art Gallery of New South Wales, Australian Museum, Historic Houses Trust of New South Wales, Museum of Applied Arts and Sciences, State Archives and Records Authority of New South Wales and State Library of New South Wales transfer from the former Planning and Environment cluster effective 1 July 2019.

Note: Some sub-totals in this table may not be exactly equal to the sum of agency totals due to rounding.

5.6 Financial Statements

Department of Premier and Cabinet

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	150,546	150,338	211,376
Personnel Services Expenses	...	...	...
Other Operating Expenses	69,454	67,941	77,587
Grants and Subsidies	192,772	294,559	1,083,107
Appropriation Expense	...	...	...
Depreciation and Amortisation	9,329	9,488	33,609
Finance Costs	39	189	3,407
Other Expenses	...	100	...
TOTAL EXPENSES EXCLUDING LOSSES	422,140	522,615	1,409,085
Revenue			
Appropriation Revenue	391,892	476,060	1,520,538
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	2,973	3,243	3,618
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	10,225	3,343	44,791
Grants and Contributions	11,434	31,817	214,461
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	...	15,272
Total Revenue	416,524	514,463	1,798,681
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	96	...
Net Result	(5,616)	(8,056)	389,596

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	4,994	5,156	20,894
Taxes Receivable	...	...	...
Receivables	3,729	3,730	9,281
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	8,723	8,886	30,175
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	136,325	138,119	1,091,931
Plant and Equipment	43,579	39,933	36,932
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	4,794	4,251	8,639
Other Assets	...	...	...
Total Non Current Assets	184,698	182,303	1,137,502
Total Assets	193,421	191,189	1,167,677
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	21,774	18,732	23,179
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	14,731
Provisions	12,967	12,967	17,188
Other	4,173	4,174	4,174
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	38,914	35,873	59,272
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	100,630
Provisions	5,996	5,996	6,182
Other	23,394	23,394	20,262
Total Non Current Liabilities	29,389	29,390	127,074
Total Liabilities	68,304	65,263	186,346
Net Assets	125,117	125,926	981,330
Equity			
Accumulated Funds	91,069	90,028	945,432
Reserves	34,048	35,899	35,899
Capital Equity	...	...	...
Total Equity	125,117	125,926	981,330

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	148,037	149,185	205,276
Personnel Services	...	...	...
Grants and Subsidies	192,772	294,559	1,083,107
Finance Costs	...	...	3,372
Equivalent Income Tax	...	...	...
Other Payments	72,941	79,960	183,650
Total Payments	413,750	523,704	1,475,404
Receipts			
Appropriation	391,892	474,545	1,520,538
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	10,225	3,333	42,809
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	10,840	31,217	213,868
Other Receipts	6,201	11,745	21,097
Total Receipts	419,158	520,840	1,798,313
Net Cash Flows From Operating Activities	5,408	(2,865)	322,909
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(5,575)	(3,852)	(291,798)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(4,000)	(2,823)	(3,530)
Net Cash Flows From Investing Activities	(9,575)	(6,675)	(295,328)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(13,815)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(13,815)
Net Increase/(Decrease) in Cash	(4,167)	(9,540)	13,766
Opening Cash and Cash Equivalents	9,161	14,696	5,156
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	1,972
Closing Cash and Cash Equivalents	4,994	5,156	20,894

Greater Sydney Commission

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	7,341	13,694
Personnel Services Expenses	11,972	...	...
Other Operating Expenses	2,948	9,734	9,236
Grants and Subsidies	25,315	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	50	67	585
Finance Costs	...	...	20
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	40,285	17,142	23,535
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	40,235	16,608	23,470
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	100	...
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	384	...
Total Revenue	40,235	17,092	23,470
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(50)	(50)	(65)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	230	524	524
Taxes Receivable	...	...	...
Receivables	203	295	295
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	434	819	819
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	535
Plant and Equipment	(2)	67	52
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	119	79	44
Other Assets	...	...	...
Total Non Current Assets	117	146	631
Total Assets	551	965	1,450
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	2,416	2,663	2,663
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	550
Provisions	193	561	561
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	2,609	3,225	3,775
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Total Non Current Liabilities	...	...	...
Total Liabilities	2,608	3,224	3,774
Net Assets	(2,058)	(2,259)	(2,324)
Equity			
Accumulated Funds	(2,058)	(2,259)	(2,324)
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	(2,058)	(2,259)	(2,324)

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	6,780	13,694
Personnel Services	11,972	...	...
Grants and Subsidies	25,315	...	...
Finance Costs	...	...	20
Equivalent Income Tax	...	...	...
Other Payments	2,948	10,271	9,236
Total Payments	40,235	17,051	22,950
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	40,235	16,608	23,470
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	...	100	...
Other Receipts	...	343	...
Total Receipts	40,235	17,051	23,470
Net Cash Flows From Operating Activities	...	...	520
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	...	...	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	...	...	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(520)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(520)
Net Increase/(Decrease) in Cash	...	...	...
Opening Cash and Cash Equivalents	230	524	524
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	230	524	524

Infrastructure NSW

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	8,918	12,203	50,702
Personnel Services Expenses	...	...	...
Other Operating Expenses	340,381	240,723	248,886
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	37	177	1,060
Finance Costs	...	...	101
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	349,336	253,103	300,748
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	11,781	11,619	247,969
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	87	255	89
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	306,243	207,226	266,868
Grants and Contributions	24,673	27,939	11,827
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	4,235	4,235	...
Total Revenue	347,019	251,274	526,754
Gain/(loss) on Disposal of Non Current Assets	...	(4)	...
Other Gains/(Losses)	...	...	...
Net Result	(2,317)	(1,833)	226,005

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	55,320	26,483	23,320
Taxes Receivable	...	...	...
Receivables	4,187	4,187	687
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	59,507	30,670	24,007
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	6,712
Plant and Equipment	332	278	107
Infrastructure Systems	...	...	229,798
Investment Properties	...	...	...
Intangibles	...	15	8
Other Assets	...	...	...
Total Non Current Assets	333	293	236,625
Total Assets	59,840	30,962	260,632
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	31,902	11,294	8,193
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	876
Provisions	682	747	747
Other	22,257	9,348	9,348
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	54,841	21,388	19,163
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	5,889
Provisions	165	170	170
Other	...	...	...
Total Non Current Liabilities	165	170	6,059
Total Liabilities	55,005	21,558	25,222
Net Assets	4,834	9,404	235,409
Equity			
Accumulated Funds	4,834	9,404	235,409
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	4,834	9,404	235,409

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	8,831	12,200	50,613
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	101
Equivalent Income Tax	...	...	...
Other Payments	340,887	258,463	251,987
Total Payments	349,718	270,663	302,700
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	11,781	11,619	247,969
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	306,243	204,990	266,868
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	24,673	27,939	11,827
Other Receipts	4,735	11,221	3,500
Total Receipts	347,432	255,769	530,164
Net Cash Flows From Operating Activities	(2,286)	(14,894)	227,464
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	...	(104)	(229,798)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	...	(104)	(229,798)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(828)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(828)
Net Increase/(Decrease) in Cash	(2,286)	(14,998)	(3,162)
Opening Cash and Cash Equivalents	57,606	41,481	26,483
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	55,320	26,483	23,321

Parliamentary Counsel's Office

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	8,691	8,111	9,744
Personnel Services Expenses	...	...	...
Other Operating Expenses	1,727	1,705	1,036
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	478	478	1,233
Finance Costs	4	4	268
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	10,900	10,298	12,282
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	10,027	9,389	11,237
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	388	588	398
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	98	97	97
Grants and Contributions	...	...	...
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	...	...
Total Revenue	10,512	10,074	11,732
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(388)	(224)	(550)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	459	685	689
Taxes Receivable	...	...	...
Receivables	70	320	320
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	529	1,005	1,009
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	6,736
Plant and Equipment	1,478	1,532	1,131
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	464	359	602
Other Assets	...	...	...
Total Non Current Assets	1,942	1,891	8,469
Total Assets	2,471	2,896	9,478
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	356	356	527
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	574
Provisions	837	837	837
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	1,193	1,193	1,938
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	6,387
Provisions	317	317	317
Other	...	...	...
Total Non Current Liabilities	317	317	6,704
Total Liabilities	1,510	1,510	8,642
Net Assets	961	1,386	836
Equity			
Accumulated Funds	961	1,386	836
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	961	1,386	836

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	8,303	7,538	9,347
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	264
Equivalent Income Tax	...	...	...
Other Payments	1,754	1,674	1,069
Total Payments	10,057	9,213	10,680
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	10,027	9,389	11,237
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	98	97	97
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	...	...	...
Other Receipts	189	(164)	200
Total Receipts	10,313	9,322	11,534
Net Cash Flows From Operating Activities	256	110	854
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(30)	(50)	(30)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(220)	(130)	(290)
Net Cash Flows From Investing Activities	(250)	(180)	(320)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(530)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(530)
Net Increase/(Decrease) in Cash	6	(70)	4
Opening Cash and Cash Equivalents	453	756	685
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	459	685	689

Art Gallery of New South Wales

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	23,248	23,248	24,809
Personnel Services Expenses	...	...	...
Other Operating Expenses	23,087	31,279	21,965
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	3,000	4,200	3,129
Finance Costs	...	...	2
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	49,335	58,727	49,905
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	29,791	29,100	32,378
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	723	723	728
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	16,097	16,267	16,040
Grants and Contributions	62,748	48,548	129,684
Investment Revenue	2,493	2,494	2,487
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	16	450	15
Total Revenue	111,868	97,582	181,332
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	62,533	38,855	131,427

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	24,752	44,151	27,128
Taxes Receivable	...	...	...
Receivables	2,446	2,743	2,872
Inventories	1,223	1,223	1,223
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	28,421	48,117	31,223
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	36,027	36,013	37,613
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	326,589	280,869	423,545
Plant and Equipment	1,386,615	1,390,767	1,394,683
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	551	2,358	2,358
Other Assets	...	...	...
Total Non Current Assets	1,749,782	1,710,007	1,858,199
Total Assets	1,778,203	1,758,124	1,889,422
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	8,417	8,417	8,417
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	1,924	1,924	1,924
Other	2,181	2,181	2,181
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	12,522	12,522	12,522
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	(129)
Provisions	...	...	...
Other	...	...	...
Total Non Current Liabilities	...	...	(129)
Total Liabilities	12,522	12,522	12,393
Net Assets	1,765,681	1,745,602	1,877,029
Equity			
Accumulated Funds	976,538	956,459	1,087,886
Reserves	789,143	789,143	789,143
Capital Equity	...	...	...
Total Equity	1,765,681	1,745,602	1,877,029

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	22,525	23,602	24,081
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	2
Equivalent Income Tax	...	...	...
Other Payments	25,087	24,158	23,965
Total Payments	47,612	47,760	48,048
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	29,791	29,100	32,378
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	16,097	15,557	15,911
Retained Taxes, Fees and Fines	...	...	...
Interest Received	893	897	87
Grants and Contributions	58,748	43,548	125,684
Other Receipts	4,816	635	4,815
Total Receipts	110,345	89,737	178,875
Net Cash Flows From Operating Activities	62,733	41,977	130,827
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(61,863)	(24,961)	(147,850)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	(800)	1,000	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	(568)	...
Net Cash Flows From Investing Activities	(62,663)	(24,529)	(147,850)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	70	17,448	(17,023)
Opening Cash and Cash Equivalents	24,682	26,703	44,151
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	24,752	44,151	27,128

Australian Museum

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	25,683	23,999	27,044
Personnel Services Expenses	...	...	...
Other Operating Expenses	13,565	17,145	9,318
Grants and Subsidies	229	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	5,800	10,666	6,136
Finance Costs	...	3	7
Other Expenses	5	5	5
TOTAL EXPENSES EXCLUDING LOSSES	45,282	51,818	42,510
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	31,726	35,686	79,267
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	1,053	543	1,090
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	8,045	11,135	3,001
Grants and Contributions	6,574	6,262	6,800
Investment Revenue	253	20	257
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	83	101	...
Total Revenue	47,735	53,747	90,415
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	82	...
Net Result	2,453	2,011	47,905

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	2,774	10,092	8,497
Taxes Receivable	...	...	...
Receivables	1,299	2,003	2,003
Inventories	261	190	185
Financial Assets at Fair Value	...	...	...
Other Financial Assets	(1,023)	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	3,311	12,285	10,685
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	194,030	218,785	269,345
Plant and Equipment	525,760	811,213	812,871
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	509	3,130	2,180
Other Assets	...	...	...
Total Non Current Assets	720,299	1,033,128	1,084,396
Total Assets	723,610	1,045,413	1,095,081
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	6,955	3,154	3,154
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	39	39
Provisions	2,428	2,639	2,639
Other	...	5,062	5,676
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	9,383	10,894	11,508
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	122	4,179
Provisions	...	60	60
Other	50	...	...
Total Non Current Liabilities	50	182	4,239
Total Liabilities	9,433	11,076	15,747
Net Assets	714,177	1,034,337	1,079,334
Equity			
Accumulated Funds	546,637	594,065	639,062
Reserves	167,540	440,272	440,272
Capital Equity	...	...	...
Total Equity	714,177	1,034,337	1,079,334

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	24,630	23,456	25,954
Personnel Services	...	...	...
Grants and Subsidies	229	...	...
Finance Costs	...	3	7
Equivalent Income Tax	...	...	...
Other Payments	17,624	17,453	13,318
Total Payments	42,483	40,912	39,279
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	31,726	35,686	79,267
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	8,045	7,197	698
Retained Taxes, Fees and Fines	...	...	...
Interest Received	253	20	257
Grants and Contributions	6,574	6,182	6,809
Other Receipts	4,083	407	4,000
Total Receipts	50,682	49,492	91,031
Net Cash Flows From Operating Activities	8,199	8,580	51,752
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(9,147)	(7,289)	(52,801)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	1,023	...	...
Advances made	...	...	...
Other Investing	...	(978)	...
Net Cash Flows From Investing Activities	(8,124)	(8,267)	(52,801)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	(38)	(546)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	(38)	(546)
Net Increase/(Decrease) in Cash	75	275	(1,595)
Opening Cash and Cash Equivalents	2,699	9,817	10,092
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	2,774	10,092	8,497

Barangaroo Delivery Authority

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	13,991	12,618	...
Personnel Services Expenses	...	...	14,075
Other Operating Expenses	37,244	44,580	28,540
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	8,866	8,762	10,271
Finance Costs	25,594	15,158	30,640
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	85,695	81,118	83,527
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	10,332	10,931	7,658
Investment Revenue	17,525	18,295	18,500
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	4,437	3,933	4,858
Total Revenue	32,294	33,159	31,016
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(53,401)	(47,959)	(52,511)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	1,768	1,000	1,126
Taxes Receivable	...	...	...
Receivables	22,076	8,008	489,600
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	234,889	71,100	206,713
Total Current Assets	258,733	80,108	697,439
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	420,866	438,526	6,335
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	136,586	295,176	168,029
Plant and Equipment	2,400	2,855	2,583
Infrastructure Systems	333,845	316,131	306,657
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	893,697	1,052,689	483,604
Total Assets	1,152,429	1,132,796	1,181,043
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	23,950	51,537	51,537
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	42,000	21,543	1,573
Provisions	50,296	79,189	72,289
Other	429,837	79,568	79,568
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	546,083	231,837	204,967
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	466,064	522,478	650,106
Provisions	31,673	7,931	7,931
Other	10,761	263,727	263,727
Total Non Current Liabilities	508,498	794,136	921,764
Total Liabilities	1,054,580	1,025,973	1,126,731
Net Assets	97,849	106,823	54,313
Equity			
Accumulated Funds	69,065	77,887	25,376
Reserves	28,784	28,936	28,936
Capital Equity	...	...	...
Total Equity	97,849	106,823	54,313

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	13,779	12,371	...
Personnel Services	...	...	14,075
Grants and Subsidies	...	...	...
Finance Costs	23,630	13,957	30,398
Equivalent Income Tax	...	...	...
Other Payments	201,912	207,201	45,682
Total Payments	239,321	233,529	90,155
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	(100,000)	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	50	820	50
Grants and Contributions	10,332	10,931	7,658
Other Receipts	14,437	13,933	14,858
Total Receipts	24,819	(74,316)	22,566
Net Cash Flows From Operating Activities	(214,502)	(307,845)	(67,589)
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	24,601
Purchases of Property, Plant and Equipment	(26,652)	(4,113)	(27,839)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	(3,029)	95,893	(30,951)
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	(29,681)	91,780	(34,189)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	134,183	171,696	187,037
Repayment of Borrowings and Advances	...	...	(85,132)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	134,183	171,696	101,905
Net Increase/(Decrease) in Cash	(110,000)	(44,368)	126
Opening Cash and Cash Equivalents	111,768	45,368	1,000
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	1,768	1,000	1,126

Historic Houses Trust of New South Wales

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	20,002	18,736	20,545
Other Operating Expenses	6,864	6,947	6,877
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	1,027	1,106	1,496
Finance Costs	...	(18)	54
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	27,893	26,772	28,972
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	22,452	22,504	24,359
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	6,410	5,989	7,422
Grants and Contributions	3,425	1,097	3,479
Investment Revenue	157	157	159
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	16	19,862	17
Total Revenue	32,460	49,608	35,436
Gain/(loss) on Disposal of Non Current Assets	...	7	...
Other Gains/(Losses)	...	(73)	...
Net Result	4,567	22,770	6,464

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	5,745	10,678	14,138
Taxes Receivable	...	...	...
Receivables	830	1,005	1,005
Inventories	135	130	130
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	11,200	10,200
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	6,710	23,013	25,473
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	581	581	581
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	264,584	257,936	261,269
Plant and Equipment	34,912	35,106	35,689
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	1,463	1,253	1,122
Other Assets	...	...	...
Total Non Current Assets	301,540	294,876	298,661
Total Assets	308,250	317,889	324,134
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	3,390	3,077	2,666
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	1,759	1,759	1,800
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	5,149	4,836	4,466
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	150
Provisions	620	620	621
Other	...	...	...
Total Non Current Liabilities	620	620	771
Total Liabilities	5,769	5,456	5,237
Net Assets	302,481	312,433	318,897
Equity			
Accumulated Funds	133,099	151,549	158,013
Reserves	169,382	160,884	160,884
Capital Equity	...	...	...
Total Equity	302,481	312,433	318,897

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	20,002	18,736	20,545
Grants and Subsidies	...	...	...
Finance Costs	...	...	54
Equivalent Income Tax	...	...	...
Other Payments	8,671	8,085	10,737
Total Payments	28,673	26,821	31,336
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	22,452	22,504	24,359
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	6,586	5,986	7,601
Retained Taxes, Fees and Fines	...	...	...
Interest Received	157	87	159
Grants and Contributions	3,400	1,017	3,454
Other Receipts	1,694	1,370	1,695
Total Receipts	34,289	30,964	37,267
Net Cash Flows From Operating Activities	5,616	4,143	5,932
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	9	...
Purchases of Property, Plant and Equipment	(6,362)	(9,089)	(3,180)
Proceeds from Sale of Investments	...	2,216	...
Purchases of Investments	...	(11,200)	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(200)	19,461	(200)
Net Cash Flows From Investing Activities	(6,562)	1,397	(3,380)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(92)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(92)
Net Increase/(Decrease) in Cash	(946)	5,540	2,460
Opening Cash and Cash Equivalents	6,691	5,138	10,678
Reclassification of Cash Equivalents	...	...	1,000
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	5,745	10,678	14,138

Museum of Applied Arts and Sciences

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	26,675	27,069	27,714
Personnel Services Expenses	...	...	...
Other Operating Expenses	16,317	20,745	8,020
Grants and Subsidies	...	...	24,878
Appropriation Expense	...	...	...
Depreciation and Amortisation	6,047	7,728	8,460
Finance Costs	...	...	2
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	49,039	55,542	69,074
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	31,509	31,232	36,829
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	879	879	890
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	9,245	9,791	5,514
Grants and Contributions	4,000	4,200	28,056
Investment Revenue	165	180	164
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	248	2,389	309
Total Revenue	46,045	48,671	71,763
Gain/(loss) on Disposal of Non Current Assets	...	74	...
Other Gains/(Losses)	...	...	...
Net Result	(2,993)	(6,797)	2,689

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	1,074	(2,147)	6,208
Taxes Receivable	...	...	...
Receivables	2,213	2,213	2,213
Inventories	200	200	200
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	3,487	266	8,621
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	3,756	3,756	3,781
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	155,774	385,464	380,693
Plant and Equipment	327,857	326,822	326,107
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	487,387	716,042	710,581
Total Assets	490,874	716,308	719,202
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	4,260	4,260	4,335
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	24
Provisions	2,550	2,550	2,550
Other	20	20	20
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	6,830	6,830	6,929
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	106
Provisions	...	...	...
Other	...	...	...
Total Non Current Liabilities	...	...	106
Total Liabilities	6,830	6,830	7,035
Net Assets	484,044	709,478	712,167
Equity			
Accumulated Funds	317,244	312,760	315,449
Reserves	166,800	396,718	396,718
Capital Equity	...	...	...
Total Equity	484,044	709,478	712,167

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	25,646	26,950	26,749
Personnel Services	...	...	...
Grants and Subsidies	...	...	24,878
Finance Costs	...	...	2
Equivalent Income Tax	...	...	...
Other Payments	17,117	18,642	8,820
Total Payments	42,763	45,592	60,449
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	31,509	31,232	36,829
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	9,245	9,786	5,514
Retained Taxes, Fees and Fines	...	...	...
Interest Received	40	15	39
Grants and Contributions	1,500	1,300	25,556
Other Receipts	2,648	2,165	2,709
Total Receipts	44,941	44,498	70,648
Net Cash Flows From Operating Activities	2,179	(1,094)	10,199
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	74	...
Purchases of Property, Plant and Equipment	(1,968)	(3,769)	(1,968)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	(40)	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	(1,968)	(3,735)	(1,968)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	24
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	24
Net Increase/(Decrease) in Cash	211	(4,829)	8,255
Opening Cash and Cash Equivalents	763	2,682	(2,147)
Reclassification of Cash Equivalents	100	...	100
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	1,074	(2,147)	6,208

State Archives and Records Authority of New South Wales

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	150	...
Personnel Services Expenses	16,128	14,376	17,032
Other Operating Expenses	10,724	14,041	9,124
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	4,239	3,994	7,381
Finance Costs	...	...	164
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	31,091	32,561	33,701
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	9,282	8,871	13,628
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	150	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	22,009	23,999	22,559
Grants and Contributions	...	...	...
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	5,989	36,381	6,139
Total Revenue	37,280	69,401	42,326
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	6,189	36,840	8,624

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	651	4,759	5,754
Taxes Receivable	...	...	...
Receivables	3,361	3,361	3,361
Inventories	16	16	15
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	4,028	8,136	9,130
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	54,630	54,642	58,083
Plant and Equipment	959,645	1,004,406	1,012,370
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	3,301	3,300	3,285
Other Assets	...	...	...
Total Non Current Assets	1,017,576	1,062,348	1,073,738
Total Assets	1,021,604	1,070,484	1,082,868
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	4,732	8,291	8,291
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	366
Provisions	...	...	...
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	4,732	8,291	8,657
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	3,394
Provisions	...	...	...
Other	96	96	96
Total Non Current Liabilities	96	96	3,490
Total Liabilities	4,828	8,387	12,147
Net Assets	1,016,775	1,062,097	1,070,721
Equity			
Accumulated Funds	249,987	296,194	304,818
Reserves	766,788	765,903	765,903
Capital Equity	...	...	...
Total Equity	1,016,775	1,062,097	1,070,721

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	16,128	14,376	17,032
Grants and Subsidies	...	...	...
Finance Costs	...	...	164
Equivalent Income Tax	...	...	...
Other Payments	11,106	18,605	8,740
Total Payments	27,234	32,981	25,936
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	9,282	8,871	13,628
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	21,490	24,506	22,559
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	...	...	...
Other Receipts	383	3,281	(383)
Total Receipts	31,155	36,658	35,804
Net Cash Flows From Operating Activities	3,921	3,677	9,867
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(5,726)	(5,526)	(6,542)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(840)	(815)	(417)
Net Cash Flows From Investing Activities	(6,566)	(6,341)	(6,959)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(1,913)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(1,913)
Net Increase/(Decrease) in Cash	(2,645)	(2,664)	995
Opening Cash and Cash Equivalents	3,296	7,423	4,759
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	651	4,759	5,754

State Library of New South Wales

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	33,165	31,114	34,083
Personnel Services Expenses	...	...	...
Other Operating Expenses	17,392	19,404	17,701
Grants and Subsidies	23,528	24,528	36,478
Appropriation Expense	...	...	...
Depreciation and Amortisation	16,677	13,638	15,477
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	90,762	88,684	103,739
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	82,268	81,854	96,049
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	2,428	1,889	2,339
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	1,976	1,705	1,969
Grants and Contributions	3,835	8,292	3,831
Investment Revenue	1,298	2,116	1,296
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	10	336	10
Total Revenue	91,816	96,192	105,493
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	(22)	...	(21)
Net Result	1,032	7,508	1,733

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	2,150	1,556	2,707
Taxes Receivable	...	...	...
Receivables	1,349	1,304	1,301
Inventories	262	262	262
Financial Assets at Fair Value	20	5,000	4,959
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	3,781	8,122	9,229
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	24,088	25,000	23,403
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	270,873	282,345	274,429
Plant and Equipment	2,062,874	1,935,976	1,940,716
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	58,779	61,191	66,459
Other Assets	...	...	...
Total Non Current Assets	2,416,614	2,304,512	2,305,007
Total Assets	2,420,395	2,312,634	2,314,236
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	9,165	8,125	7,994
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	4,006	4,006	4,006
Other	586	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	13,757	12,131	12,000
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	101	101	101
Other	...	...	...
Total Non Current Liabilities	101	101	101
Total Liabilities	13,858	12,232	12,101
Net Assets	2,406,537	2,300,402	2,302,135
Equity			
Accumulated Funds	1,658,419	1,672,200	1,673,933
Reserves	748,118	628,202	628,202
Capital Equity	...	...	...
Total Equity	2,406,537	2,300,402	2,302,135

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	30,737	28,542	31,744
Personnel Services	...	...	...
Grants and Subsidies	23,528	24,528	36,478
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	22,832	22,598	12,373
Total Payments	77,097	75,668	80,595
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	82,268	81,854	96,049
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	1,976	1,426	1,969
Retained Taxes, Fees and Fines	(22)	...	(21)
Interest Received	298	416	296
Grants and Contributions	3,835	7,092	3,831
Other Receipts	6,166	1,943	(4,746)
Total Receipts	94,522	92,731	97,377
Net Cash Flows From Operating Activities	17,425	17,063	16,782
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(17,027)	(11,897)	(10,858)
Proceeds from Sale of Investments	720	...	...
Purchases of Investments	(1,692)	(917)	1,939
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(300)	(5,969)	(6,711)
Net Cash Flows From Investing Activities	(18,299)	(18,783)	(15,631)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	(874)	(1,720)	1,151
Opening Cash and Cash Equivalents	2,929	3,276	1,556
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	95	...	...
Closing Cash and Cash Equivalents	2,150	1,556	2,707

UrbanGrowth NSW Development Corporation

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	25,711	16,181	...
Personnel Services Expenses	...	...	27,517
Other Operating Expenses	64,171	34,985	66,187
Grants and Subsidies	27,078	950	4,209
Appropriation Expense	...	...	...
Depreciation and Amortisation	1,040	1,039	2,355
Finance Costs	...	...	244
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	118,000	53,154	100,512
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	137,683	100,510	138,441
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	104	...
Grants and Contributions	2,370	3,516	2,863
Investment Revenue	2,261	3,279	2,042
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	...	...
Total Revenue	142,314	107,410	143,346
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	(270)	...
Net Result	24,314	53,986	42,834

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	189,850	211,859	193,160
Taxes Receivable	...	...	...
Receivables	991	2,067	2,067
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	190,841	213,926	195,227
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	10,136	10,136
Financial Assets at Fair Value	50,000	50,000	100,000
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	3,666	14,145
Plant and Equipment	12,027	1,231	6,675
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	137
Other Assets	...	...	...
Total Non Current Assets	62,027	65,033	131,093
Total Assets	252,868	278,958	326,319
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	3,663	3,366	3,366
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	11	701
Provisions	7,232	3,317	1,558
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	10,895	6,694	5,625
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	74	5,670
Provisions	...	1,158	1,158
Other	...	...	...
Total Non Current Liabilities	...	1,233	6,829
Total Liabilities	10,895	7,927	12,454
Net Assets	241,973	271,032	313,866
Equity			
Accumulated Funds	241,217	270,243	313,077
Reserves	756	789	789
Capital Equity	...	...	...
Total Equity	241,973	271,032	313,866

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	25,711	14,120	...
Personnel Services	...	...	27,517
Grants and Subsidies	27,078	950	4,209
Finance Costs	...	...	244
Equivalent Income Tax	...	...	...
Other Payments	52,994	34,827	67,385
Total Payments	105,783	49,897	99,355
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	137,683	100,510	138,441
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	104	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	2,261	3,660	2,042
Grants and Contributions	2,370	3,516	2,863
Other Receipts	1,198	1,355	1,198
Total Receipts	143,512	109,145	144,544
Net Cash Flows From Operating Activities	37,729	59,248	45,189
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	141	(164)	(12,565)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	(47,956)	(50,000)	(50,000)
Other Investing	(141)	...	(141)
Net Cash Flows From Investing Activities	(47,956)	(50,164)	(62,706)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(1,182)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(1,182)
Net Increase/(Decrease) in Cash	(10,227)	9,084	(18,699)
Opening Cash and Cash Equivalents	200,077	202,774	211,859
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	189,850	211,859	193,160

Audit Office of New South Wales

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	38,749	38,390	40,088
Personnel Services Expenses	...	...	...
Other Operating Expenses	20,667	20,071	18,829
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	1,308	999	2,858
Finance Costs	19	...	352
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	60,743	59,460	62,127
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	60,030	58,434	60,168
Grants and Contributions	...	...	...
Investment Revenue	150	174	149
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	212	657	211
Total Revenue	60,392	59,265	60,527
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(351)	(195)	(1,600)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	5,423	9,816	8,022
Taxes Receivable	...	...	...
Receivables	4,756	5,699	5,699
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	7,570	9,500	10,500
Assets Held For Sale	...	...	...
Total Current Assets	17,749	25,015	24,221
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	5,000	3,200	16,661
Plant and Equipment	1,903	1,712	2,280
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	2,422	1,585	2,322
Other Assets	571	620	620
Total Non Current Assets	9,897	7,116	21,882
Total Assets	27,646	32,132	46,104
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	1,778	2,877	3,503
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	1,137
Provisions	9,446	11,190	12,190
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	11,224	14,067	16,830
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	12,799
Provisions	45,458	43,036	43,046
Other	...	...	...
Total Non Current Liabilities	45,458	43,036	55,845
Total Liabilities	56,683	57,103	72,675
Net Assets	(29,037)	(24,971)	(26,571)
Equity			
Accumulated Funds	(29,037)	(24,971)	(26,571)
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	(29,037)	(24,971)	(26,571)

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	38,749	35,746	40,088
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	333
Equivalent Income Tax	...	...	...
Other Payments	20,686	20,529	18,212
Total Payments	59,435	56,276	58,633
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	60,030	58,418	60,168
Retained Taxes, Fees and Fines	...	...	...
Interest Received	150	174	149
Grants and Contributions	...	...	...
Other Receipts	212	1,321	211
Total Receipts	60,392	59,913	60,527
Net Cash Flows From Operating Activities	957	3,637	1,894
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(6,470)	(4,735)	(1,470)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(1,000)	(100)	(1,280)
Net Cash Flows From Investing Activities	(7,470)	(4,835)	(2,750)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(938)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(938)
Net Increase/(Decrease) in Cash	(6,513)	(1,198)	(1,794)
Opening Cash and Cash Equivalents	11,936	11,014	9,816
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	5,423	9,816	8,022

Independent Commission Against Corruption

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	19,042	19,331	19,558
Personnel Services Expenses	...	...	...
Other Operating Expenses	5,658	7,205	2,343
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	2,310	2,180	3,522
Finance Costs	...	...	342
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	27,010	28,716	25,765
Revenue			
Appropriation Revenue	25,617	25,407	24,899
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	294	521	302
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	47	...
Grants and Contributions	...	2,466	...
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	26	29	26
Total Revenue	25,937	28,470	25,228
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(1,073)	(246)	(537)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	510	8	8
Taxes Receivable	...	...	...
Receivables	273	1,073	990
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	783	1,081	998
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	1,904	1,939	14,033
Plant and Equipment	554	535	804
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	657	1,251	1,269
Other Assets	...	...	...
Total Non Current Assets	3,116	3,724	16,105
Total Assets	3,899	4,805	17,103
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	638	522	522
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	2,004
Provisions	3,496	1,770	1,687
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	4,133	2,291	4,212
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	11,191
Provisions	819	1,871	1,594
Other	...	...	...
Total Non Current Liabilities	819	1,871	12,785
Total Liabilities	4,952	4,162	16,997
Net Assets	(1,054)	643	106
Equity			
Accumulated Funds	(1,054)	643	106
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	(1,054)	643	106

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	17,994	18,752	19,256
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	342
Equivalent Income Tax	...	...	...
Other Payments	6,864	8,160	2,817
Total Payments	24,858	26,912	22,415
Receipts			
Appropriation	25,617	25,407	24,899
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	47	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	...	2,383	...
Other Receipts	682	51	222
Total Receipts	26,299	27,887	25,122
Net Cash Flows From Operating Activities	1,441	975	2,707
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(719)	(552)	(575)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(225)	(500)	(225)
Net Cash Flows From Investing Activities	(944)	(1,052)	(800)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(1,907)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(1,907)
Net Increase/(Decrease) in Cash	497	(76)	...
Opening Cash and Cash Equivalents	13	84	8
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	510	8	8

Law Enforcement Conduct Commission

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	18,842	16,974	18,507
Personnel Services Expenses	...	...	...
Other Operating Expenses	5,346	4,723	2,896
Grants and Subsidies	...	92	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	1,146	1,057	3,176
Finance Costs	...	...	127
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	25,334	22,846	24,706
Revenue			
Appropriation Revenue	23,554	21,568	24,199
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	911	570	634
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	...	...
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	100	144	99
Total Revenue	24,565	22,282	24,932
Gain/(loss) on Disposal of Non Current Assets	15	48	15
Other Gains/(Losses)	...	...	...
Net Result	(754)	(516)	241

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	581	498	484
Taxes Receivable	...	...	...
Receivables	611	770	1,127
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	1,192	1,268	1,611
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	664	978	4,933
Plant and Equipment	1,479	2,039	2,190
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	1,390	732	732
Other Assets	(75)	...	...
Total Non Current Assets	3,457	3,750	7,856
Total Assets	4,649	5,018	9,467
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	194	169	169
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	1,655
Provisions	941	1,249	1,249
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	1,134	1,418	3,073
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	2,553
Provisions	532	532	532
Other	...	...	...
Total Non Current Liabilities	532	532	3,085
Total Liabilities	1,666	1,950	6,158
Net Assets	2,983	3,068	3,309
Equity			
Accumulated Funds	2,983	3,068	3,309
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	2,983	3,068	3,309

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	17,931	16,506	17,873
Personnel Services	...	...	...
Grants and Subsidies	...	92	...
Finance Costs	...	...	127
Equivalent Income Tax	...	...	...
Other Payments	5,271	5,001	3,253
Total Payments	23,202	21,598	21,253
Receipts			
Appropriation	23,554	21,568	24,199
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	...	...	...
Other Receipts	100	751	99
Total Receipts	23,654	22,319	24,298
Net Cash Flows From Operating Activities	452	720	3,045
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	15	48	15
Purchases of Property, Plant and Equipment	(500)	(800)	(1,100)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(700)	(500)	(100)
Net Cash Flows From Investing Activities	(1,185)	(1,252)	(1,185)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(1,874)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(1,874)
Net Increase/(Decrease) in Cash	(733)	(532)	(14)
Opening Cash and Cash Equivalents	1,314	1,030	498
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	581	498	484

New South Wales Electoral Commission

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	67,607	64,697	30,862
Personnel Services Expenses	...	...	...
Other Operating Expenses	10,332	9,113	10,185
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	3,757	3,065	8,100
Finance Costs	...	...	291
Other Expenses	61,017	60,967	56,637
TOTAL EXPENSES EXCLUDING LOSSES	142,713	137,842	106,075
Revenue			
Appropriation Revenue	158,699	142,882	114,356
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	500	502	513
Transfers to the Crown Entity	...	...	(8,600)
Sales of Goods and Services	1,311	1,306	1,340
Grants and Contributions	...	...	...
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	5	8,579
Total Revenue	160,510	144,695	116,188
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	17,797	6,853	10,113

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	2,965	2,965	2,807
Taxes Receivable	...	...	...
Receivables	5,105	604	9,204
Inventories	100	100	100
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	27	27	27
Assets Held For Sale	...	...	...
Total Current Assets	8,197	3,696	12,138
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	680	850	10,978
Plant and Equipment	1,705	296	300
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	28,338	19,136	29,917
Other Assets	...	...	...
Total Non Current Assets	30,723	20,282	41,195
Total Assets	38,920	23,978	53,333
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	1,919	2,169	2,169
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	2,645
Provisions	1,441	1,727	1,727
Other	1	1	8,601
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	3,361	3,897	15,142
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	7,997
Provisions	...	...	...
Other	546	546	546
Total Non Current Liabilities	546	546	8,543
Total Liabilities	3,907	4,443	23,685
Net Assets	35,013	19,535	29,648
Equity			
Accumulated Funds	35,013	19,535	29,648
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	35,013	19,535	29,648

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	67,106	64,381	30,350
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	291
Equivalent Income Tax	...	...	...
Other Payments	76,349	69,522	63,222
Total Payments	143,456	133,903	93,862
Receipts			
Appropriation	158,699	142,882	114,356
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	(8,600)
Sale of Goods and Services	1,311	1,178	(7,260)
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	...	...	...
Other Receipts	5,000	5	13,579
Total Receipts	165,010	144,065	112,075
Net Cash Flows From Operating Activities	21,554	10,162	18,213
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(2,519)	(1,619)	(1,000)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(18,247)	(7,510)	(14,905)
Net Cash Flows From Investing Activities	(20,766)	(9,130)	(15,905)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(2,466)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(2,466)
Net Increase/(Decrease) in Cash	788	1,033	(158)
Opening Cash and Cash Equivalents	2,177	1,933	2,965
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	2,965	2,965	2,807

Ombudsman's Office

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	25,711	24,857	24,384
Personnel Services Expenses	...	...	...
Other Operating Expenses	4,220	5,049	2,706
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	2,187	2,071	3,625
Finance Costs	13	13	332
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	32,131	31,990	31,048
Revenue			
Appropriation Revenue	27,113	27,099	29,045
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	908	908	913
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	1,018	797	599
Grants and Contributions	...	505	...
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	73	...
Total Revenue	29,039	29,382	30,557
Gain/(loss) on Disposal of Non Current Assets	...	(1)	...
Other Gains/(Losses)	...	...	...
Net Result	(3,092)	(2,609)	(491)

Balance Sheet

	2018-19		2019-20
	Budget \$000	Revised \$000	Budget \$000
Assets			
Current Assets			
Cash Assets	906	1,088	1,353
Taxes Receivable	...	...	...
Receivables	971	971	971
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	1,877	2,059	2,324
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	11,356
Plant and Equipment	1,363	974	719
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	861	1,018	910
Other Assets	...	...	...
Total Non Current Assets	2,224	1,992	12,985
Total Assets	4,101	4,051	15,309
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	316	316	506
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	2,653
Provisions	2,705	2,705	2,705
Other	737	341	99
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	3,758	3,362	5,963
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	8,838
Provisions	739	739	1,049
Other	...	...	...
Total Non Current Liabilities	739	739	9,887
Total Liabilities	4,497	4,101	15,850
Net Assets	(396)	(50)	(541)
Equity			
Accumulated Funds	(396)	(50)	(541)
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	(396)	(50)	(541)

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	24,817	23,890	23,281
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	309
Equivalent Income Tax	...	...	...
Other Payments	5,846	8,009	3,505
Total Payments	30,663	31,899	27,095
Receipts			
Appropriation	27,113	27,099	29,045
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	1,018	845	599
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	...	505	...
Other Receipts	910	1,883	544
Total Receipts	29,041	30,332	30,187
Net Cash Flows From Operating Activities	(1,622)	(1,567)	3,092
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(576)	(51)	(210)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(230)	(403)	(90)
Net Cash Flows From Investing Activities	(806)	(454)	(300)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(2,527)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(2,527)
Net Increase/(Decrease) in Cash	(2,428)	(2,021)	265
Opening Cash and Cash Equivalents	3,334	3,109	1,088
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	906	1,088	1,353

Public Service Commission

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	18,991	18,064	20,171
Personnel Services Expenses	...	...	...
Other Operating Expenses	21,427	21,619	22,050
Grants and Subsidies	...	126	122
Appropriation Expense	...	...	...
Depreciation and Amortisation	1,122	1,141	2,403
Finance Costs	...	...	108
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	41,540	40,950	44,854
Revenue			
Appropriation Revenue	29,050	26,737	28,287
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	432	532	443
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	9,056	9,591	9,355
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	3,012	4,291	5,695
Total Revenue	41,550	41,151	43,780
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	10	201	(1,074)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	800	2,168	2,113
Taxes Receivable	...	...	...
Receivables	240	240	240
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	1,040	2,408	2,353
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	3,713
Plant and Equipment	3,193	3,399	2,562
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	666	270	114
Other Assets	...	...	...
Total Non Current Assets	3,859	3,668	6,389
Total Assets	4,899	6,077	8,743
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	1,592	1,224	1,224
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	1,195
Provisions	1,974	1,785	1,785
Other	...	92	92
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	3,565	3,101	4,296
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	2,637
Provisions	31	333	333
Other	...	276	184
Total Non Current Liabilities	31	609	3,154
Total Liabilities	3,596	3,710	7,450
Net Assets	1,303	2,367	1,293
Equity			
Accumulated Funds	1,303	2,367	1,293
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	1,303	2,367	1,293

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	18,595	17,414	19,728
Personnel Services	...	...	...
Grants and Subsidies	...	126	122
Finance Costs	...	...	108
Equivalent Income Tax	...	...	...
Other Payments	22,996	26,550	20,421
Total Payments	41,591	44,091	40,379
Receipts			
Appropriation	29,050	26,737	28,287
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	9,056	9,591	9,355
Other Receipts	4,641	5,652	3,975
Total Receipts	42,747	41,979	41,617
Net Cash Flows From Operating Activities	1,156	(2,111)	1,237
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(287)	(492)	(174)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(300)	(90)	...
Net Cash Flows From Investing Activities	(587)	(582)	(174)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(1,118)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(1,118)
Net Increase/(Decrease) in Cash	569	(2,693)	(55)
Opening Cash and Cash Equivalents	231	4,862	2,168
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	800	2,168	2,114

6. STRONGER COMMUNITIES CLUSTER

6.1 Introduction

The Stronger Communities cluster delivers community services that support a safe and just New South Wales. It supports safer, stronger communities through: the protection of children and families; building resilience to natural disasters and emergencies; promoting public safety; breaking the cycle of reoffending; and promoting physical activity and participation in organised sport, active recreation and sporting events.



\$16.4 billion

Recurrent Expenses 2019-20



\$1.3 billion

Capital Expenditure 2019-20

The police, courts, correctives, child protection and emergency services help keep citizens safe. Rule of law, affordable housing, assistance for people with disability and initiatives to reduce domestic and family violence, all help to build strong and supportive communities across New South Wales.

Contribution to the Government's Priorities

The Stronger Communities cluster contributes to delivering the following Government priorities:

- Well-connected communities with quality local environments
- Breaking the cycle of intergenerational disadvantage by fixing problems that have been in the too-hard basket for too long.

State Outcomes to be delivered by the Stronger Communities cluster

State Outcome	Description
Safer communities	Delivering law enforcement activities to prevent, detect and investigate crime, maintain social order, promote road safety and support emergency management.
Enable people with disability to live independently	Supporting the transition of clients to the National Disability Insurance Scheme and more inclusive communities.
Resilient to disasters and emergencies	Delivering emergency management to enhance response and recovery efforts and build community resilience.
Effective and efficient resolution of legal disputes	Supporting the administration of courts and tribunals and the delivery of legal services in New South Wales.
Maintain rights and records	Providing client services, including support for victims and vulnerable people.
Build inclusive communities	Delivering community support to increase community participation and promote social harmony and cohesion.
Foster a vibrant, valued and active sport and recreation sector	Improving participation in sport and recreation, supporting athletes, and delivering quality venues and facilities.
Breaking the cycle of reoffending	Supporting and managing adult and juvenile offenders in correctional centres, and in the community.
Protect children and families	Supporting the safety and wellbeing of vulnerable children, young people and families.
Provide a safe and affordable place to live	Providing assistance for people unable to access or maintain appropriate housing, including homelessness services.

6.2 2019-20 Budget Highlights

In 2019-20, the Stronger Communities cluster will spend \$17.7 billion (\$16.4 billion recurrent expenses and \$1.3 billion capital expenditure). Key initiatives are highlighted below.

Safer communities

- \$583.6 million over four years to deliver on the Government's commitment to invest in 1,500 new police to increase the State's crime fighting capability and keep the community safe
- \$4 million in 2019-20 (\$16.6 million over four years) to continue the preventative health and wellbeing initiatives for police officers as part of the Workforce Improvement Program
- \$1.6 million in 2019-20 for 800 additional MobiPol devices to expand on-the-field access to police systems and databases and to support the state-wide rollout of the Digital Driver Licence program.

Enable people with disability to live independently

- \$2.9 billion in 2019-20 for the NSW Government cash contribution to the National Disability Insurance Scheme (NDIS). In total, New South Wales will provide \$3.3 billion in 2019-20 to support people with disability in the NDIS, including an estimated \$453 million in-kind contribution through services provided by NSW Government agencies
- \$11.6 million in 2019-20 to continue the Ability Links NSW program which assists people with disability, their families and carers to connect with their community or with mainstream supports, while programs are rolled out under the NDIS.

Resilient to disasters and emergencies

- \$9.4 million in 2019-20 (\$37.6 million over four years) to support Marine Rescue NSW to expand its radio network and provide 38 new rescue vessels to improve safety on the State's waterways
- \$4.7 million in 2019-20 (\$18.8 million over four years) to support the Volunteer Rescue Association with 30 new rescue vehicles to provide lifesaving services
- \$4 million in 2019-20 (\$15 million over four years) to enable Surf Life Saving NSW to purchase new rescue vehicles, improve community engagement and install 10 new Emergency Response Beacons
- \$3.4 million in 2019-20 (\$6.6 million over four years) to ensure the ongoing operation of the Emergency Alert system, a warning system used by emergency services to send voice messages to landlines and text messages to mobile phones
- \$1 million over four years to expand the Surfers Rescue 24-7 course.

Effective and efficient resolution of legal disputes

- \$30.6 million in 2019-20 for more efficient resolution of legal matters through the District Court Backlog Program, which includes funding for five additional District Court judges, and support staff as well as additional funding to the Office of the Director of Public Prosecutions and Legal Aid NSW. This builds on last year's announcement of an additional seven District Court judges, with total funding of \$147.8 million over four years
- \$9 million in 2019-20 (\$18 million over two years) to refurbish and upgrade the Queanbeyan Courthouse
- \$5.7 million in 2019-20 to continue funding 40 Sheriff Officers, plus other intelligence and tactical training officers
- \$2.7 million in 2019-20 to establish the new Public Sector Prosecution Unit, comprising a team of senior lawyers to prosecute public officials for corruption. The Unit will sit within the Office of the Director of Public Prosecutions.

Maintain rights and records

- \$5 million from 2019-20 to provide community grants for small businesses and community organisations in Western and South-Western Sydney to install CCTV security
- \$3.3 million in 2019-20 to support the construction of Grace's Place, a world-first residential recovery centre, to help children and young people through the trauma of losing a loved one due to homicide
- \$2 million in 2019-20 to improve security at more than 30 Jewish places of worship, aged care facilities and schools.

Build inclusive communities

- \$8.4 million in 2019-20 (\$32.5 million over four years) to multicultural community organisations to support the construction and refurbishment of aged care facilities and senior support centres
- \$4.1 million in 2019-20 (\$13.9 million over four years) to establish the Ageing and Disability Commissioner to better protect the elderly and people with a disability from the risk of neglect and exploitation
- \$4.1 million for Women NSW to advance gender equity and improve economic opportunities for women and girls through women's policy
- \$3.5 million in 2019-20 (\$12.5 million over four years) to multicultural community organisations and associations to support multicultural festivals, events and community projects in New South Wales
- Introduce the new Senior Savers Card to all NSW residents over the age of 60, providing more people with access to discounts on products and services provided through the Seniors Card program.

Foster a vibrant, valued and active sport and recreation sector

- \$45.7 million in 2019-20 (\$98 million over the next three years) for the Greater Sydney Sport Facility Fund to increase the number and quality of sporting facilities in densely populated areas
- \$40.3 million in 2019-20 (\$291.1 million over the next four years) to expand the Active Kids program from one to two \$100 vouchers per child each year to encourage children's participation in organised sport and physical activity outside school hours

- \$37.4 million in 2019-20 (\$130.7 million over four years) to increase the number and quality of sporting facilities, including improving the use of existing facilities and meeting the needs of female participants. The facilities are situated in both regional and metropolitan areas
- \$25.4 million in 2019-20 (\$48.4 million over the next two years) to complete the National Rugby League Centres of Excellence program to support investment in the community and high-performance training facilities
- \$23.8 million in 2019-20 (\$55.5 million over the next two years) to complete the NSW Centres of Excellence program to enhance community engagement, meet facility needs of female participants and support talent development pathways.

Breaking the cycle of reoffending

- \$21.8 million in 2019-20 to strengthen community safety through enhanced electronic monitoring of sex offenders.

Protect children and families

- \$30 million in 2019-20 to help support the health and wellbeing of vulnerable children with complex needs in out-of-home care
- \$16.8 million in 2019-20 to support the delivery of child protection services through the continuation of funding for 45 Child Protection Helpline workers and for 66 case support workers
- \$5.6 million in 2019-20 to reduce domestic and family violence reoffending and support victim safety through the continuation of the Men's Behaviour Change programs in New South Wales.

Provide a safe and affordable place to live

- \$1.0 billion in 2019-20 in continued funding towards a range of homelessness and social and affordable housing programs.

6.3 Machinery of Government

The Department of Family and Community Services and Justice is established under the *Administrative Arrangements (Administrative Change – Public Service Agencies) Order 2019*, effective 1 July 2019. The Department of Family and Community Services and Justice is the principal agency of the newly established Stronger Communities cluster. The Stronger Communities cluster combines most of the functions and agencies of the former Family and Community Services cluster with the former Justice cluster with some exceptions.

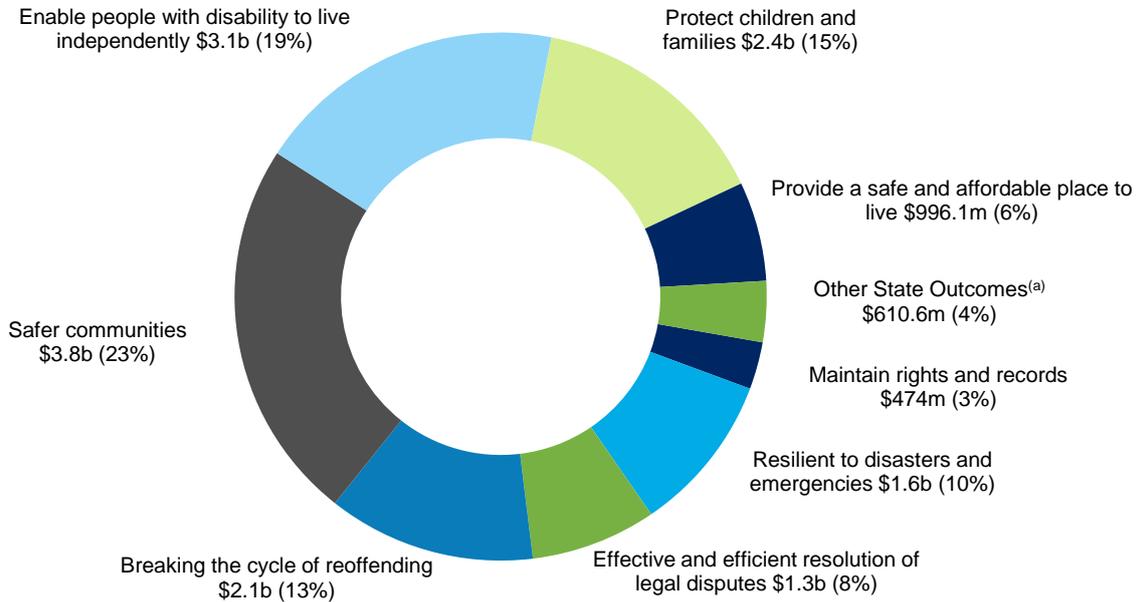
Under the *Administrative Arrangements (Administrative Change – Public Service Agencies) Order 2019*, the following changes are effective 1 July 2019:

- most of the functions from the former Justice cluster transfer into the Stronger Communities cluster, including:
 - Crown Solicitor’s Office
 - Fire and Rescue NSW
 - Judicial Commission of New South Wales
 - Legal Aid Commission of New South Wales
 - New South Wales Crime Commission
 - NSW Police Force
 - NSW Trustee and Guardian
 - Office of the Director of Public Prosecutions
 - Office of the NSW Rural Fire Service
 - Office of the NSW State Emergency Service
- most of the functions from the former Family and Community Services cluster transfer into the Stronger Communities cluster, including:
 - Home Purchase Assistance Fund
 - Multicultural NSW
 - Office of the Children's Guardian
- Office of Sport transfers from the former Industry cluster.

6.4 Overview of cluster expenses by State Outcome

A summary of expenses by State Outcome is provided in the charts below.

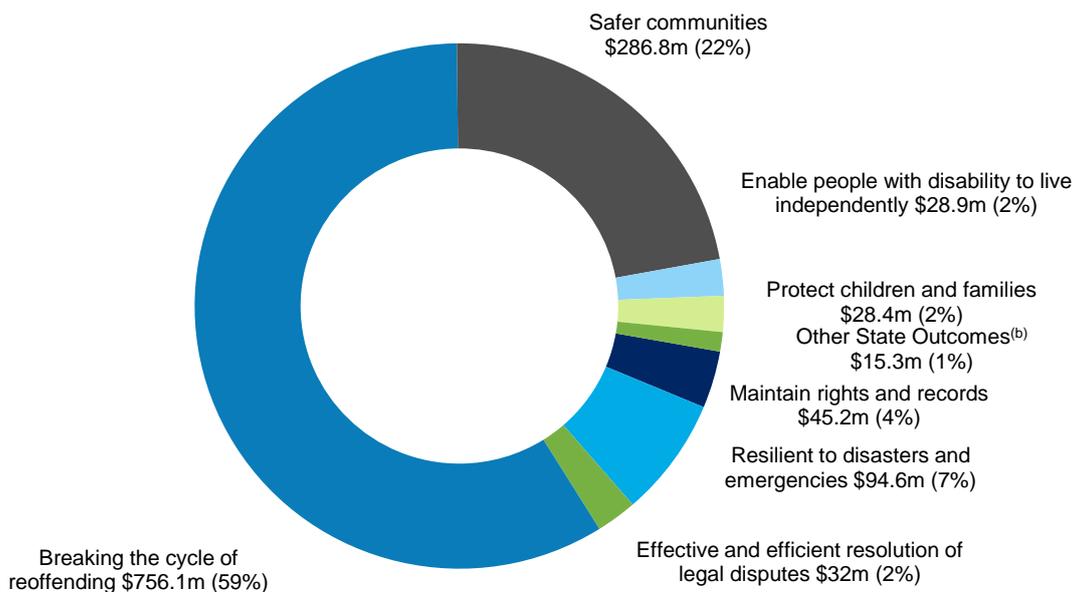
Chart 6.1: Recurrent expenses by outcome 2019-20 (dollars and %)



- (a) Grouped for presentation purposes, "Other State Outcomes" comprises:
- Build inclusive communities
 - Foster a vibrant, valued and active sport and recreation sector

Note: The sum of percentages does not equal one hundred due to rounding.

Chart 6.2: Capital expenditure by outcome 2019-20 (dollars and %)



- (b) Grouped for presentation purposes, "Other State Outcomes" comprises:
- Build Inclusive Communities
 - Provide a Safe and Affordable Place to Live
 - Foster a Vibrant, Valued and Active Sport and Recreation Sector.

Note: The sum of percentages does not equal one hundred due to rounding.

6.5 Agency Expense Summary

The 2019-20 Budget for the Department of Family and Community Services and Justice (and other agencies within the cluster) is listed in the table below.

In 2019-20, the Department of Family and Community Services and Justice will spend \$16.3 billion (\$15.5 billion recurrent expenses and \$870.1 million capital expenditure).

Stronger Communities cluster	Expenses ^(a)			Capital Expenditure		
	2018-19 Revised	2019-20 Budget	Change	2018-19 Revised	2019-20 Budget	Change
	\$m	\$m	%	\$m	\$m	%
Department of Family and Community Services and Justice^(b)	N/A ^(b)	9,839.6	N/A ^(b)	N/A ^(b)	870.1	N/A ^(b)
Cluster Grants	N/A ^(b)	5,635.2	N/A ^(b)	...	...	...
Total Principal Agency	N/A^(b)	15,474.8	N/A^(b)	N/A^(b)	870.1	N/A^(b)
Agencies transferred from: Justice (GG) Cluster^(c)						
Crown Solicitor's Office	66.5	60.3	(9.2)	18.6	0.7	(96.4)
Fire and Rescue NSW	787.2	774.3	(1.6)	80.4	51.9	(35.4)
Judicial Commission of New South Wales	8.2	6.7	(18.0) ^(d)	0.1	0.2	N/A
Legal Aid Commission of New South Wales ..	365.7	356.0	(2.6)	13.6	6.1	(55.4)
New South Wales Crime Commission	26.2	27.7	5.7	0.7	0.9	38.9
NSW Police Force	3,666.2	3,807.2	3.8	219.3	285.9	30.4
NSW Trustee and Guardian	88.4	89.0	0.7	9.7	14.0	44.4
Office of the Director of Public Prosecutions ..	163.5	173.7	6.3	2.9	3.3	13.6
Office of the NSW Rural Fire Service	551.0	524.3	(4.8)	66.3	16.4	(75.2)
Office of the NSW State Emergency Service .	104.8	122.3	16.7	10.3	26.0	151.7
Agencies transferred from: Family and Community Services (GG) Cluster^(e)						
Home Purchase Assistance Fund	19.3	19.2	(0.9)	0.0	0.0	0.0
Multicultural NSW	24.7	32.6	32.1	0.6	0.3	N/A
Office of the Children's Guardian	39.2	52.8	34.7	1.0	5.4	N/A
Agencies transferred from: Industry (GG) Cluster^(f)						
Office of Sport	321.7	479.3	49.0	6.8	6.5	(3.9)
Total Transferred In Agencies	6,232.5	6,525.5	4.7	430.2	417.4	(3.0)
Principal Agency abolished and absorbed from: Family and Community Services (GG) Cluster						
Department of Family and Community Services	6,591.7	N/A	N/A	82.6	N/A	N/A
Cluster Grants	16.6	N/A	N/A	N/A	N/A	N/A
Principal Agency abolished and absorbed from: Justice (GG) Cluster						
Department of Justice	3,215.4	N/A	N/A	894.3	N/A	N/A
Cluster Grants	4,861.3	N/A	N/A	...	...	...
Total Abolished Principal Departments	14,685.1	N/A	N/A	976.9	N/A	N/A

- (a) This table shows expenses on an uneliminated cluster basis.
- (b) The Department of Family and Community Services and Justice is a newly established entity effective 1 July 2019, following machinery of government changes (see section 6.3). As such, 2018-19 financial data are not available, and comparisons between 2018-19 and 2019-20 are not possible.
- (c) The Crown Solicitor's Office, Fire and Rescue NSW, Judicial Commission of New South Wales, Legal Aid Commission of New South Wales, New South Wales Crime Commission, NSW Police Force, NSW Trustee and Guardian, Office of the Director of Public Prosecutions, Office of the NSW Rural Fire Service and Office of the NSW State Emergency Service transfer from the former Justice cluster effective 1 July 2019.
- (d) Recurrent reduction due to completion of concurrent Conduct Division Inquiries in 2018-19.
- (e) The Home Purchase Assistance Fund, Multicultural NSW and Office of the Children's Guardian transfer from the former Family and Community Services cluster effective 1 July 2019.
- (f) Office of Sport transfers from the former Industry cluster effective 1 July 2019.

Note: Some sub-totals in this table may not be exactly equal to the sum of agency totals due to rounding.

6.6 Financial Statements

Department of Family and Community Services and Justice

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	2,806,135
Personnel Services Expenses
Other Operating Expenses	1,042,210
Grants and Subsidies	11,079,567
Appropriation Expense
Depreciation and Amortisation	480,155
Finance Costs	32,367
Other Expenses	34,374
TOTAL EXPENSES EXCLUDING LOSSES	15,474,808
Revenue			
Appropriation Revenue	15,420,782
Cluster Grant Revenue
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	141,261
Transfers to the Crown Entity
Sales of Goods and Services	271,006
Grants and Contributions	121,609
Investment Revenue	29,222
Retained Taxes, Fees and Fines	11,900
Other Revenue	38,072
Total Revenue	16,033,852
Gain/(loss) on Disposal of Non Current Assets	(223)
Other Gains/(Losses)	(1,389)
Net Result	557,432

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	147,769
Taxes Receivable
Receivables	192,419
Inventories	18,821
Financial Assets at Fair Value
Other Financial Assets
Other	18,006
Assets Held For Sale
Total Current Assets	377,015
Non Current Assets			
Taxes Receivable
Receivables	23,026
Inventories
Financial Assets at Fair Value	50
Equity Investments
Property, Plant and Equipment -
Land and Building	7,869,543
Plant and Equipment	322,340
Infrastructure Systems
Investment Properties
Intangibles	280,646
Other Assets	1,566
Total Non Current Assets	8,497,171
Total Assets	8,874,186
Liabilities			
Current Liabilities			
Taxes Payable
Payables	318,337
Other Financial Liabilities at Fair Value
Borrowings	102,488
Provisions	400,434
Other	11,595
Liabilities Associated with Assets Held for Sale
Total Current Liabilities	832,854
Non Current Liabilities			
Taxes Payable
Payables
Other Financial Liabilities at Fair Value
Borrowings	684,748
Provisions	121,555
Other	637
Total Non Current Liabilities	806,940
Total Liabilities	1,639,794
Net Assets	7,234,392
Equity			
Accumulated Funds	7,234,392
Reserves
Capital Equity
Total Equity	7,234,392

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	2,694,713
Personnel Services
Grants and Subsidies	11,131,813
Finance Costs	32,348
Equivalent Income Tax
Other Payments	1,406,822
Total Payments	15,265,696
Receipts			
Appropriation	15,420,782
Cluster Grant Revenue
Cash reimbursements from the Crown Entity
Sale Proceeds Transfers to the Crown Entity
Cash transfers to the Crown Entity
Sale of Goods and Services	270,481
Retained Taxes, Fees and Fines
Interest Received	26,423
Grants and Contributions	121,609
Other Receipts	422,121
Total Receipts	16,261,416
Net Cash Flows From Operating Activities	995,719
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	2
Purchases of Property, Plant and Equipment	(810,403)
Proceeds from Sale of Investments
Purchases of Investments
Advances Repayments Received
Advances made
Other Investing	(13,935)
Net Cash Flows From Investing Activities	(824,336)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances
Repayment of Borrowings and Advances	(96,949)
Dividends Paid
Other Financing
Capital Appropriation - Equity Appropriation
Cash Equity Injection to For-Profit Entities
Net Cash Flows From Financing Activities	(96,949)
Net Increase/(Decrease) in Cash	74,435
Opening Cash and Cash Equivalents	10,411
Reclassification of Cash Equivalents
Cash transferred in (out) as a Result of Administrative Restructuring	62,923
Closing Cash and Cash Equivalents	147,769

Crown Solicitor's Office

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	42,578	47,608	45,642
Personnel Services Expenses	...	...	...
Other Operating Expenses	13,190	16,672	6,750
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	2,103	2,025	7,006
Finance Costs	49	160	931
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	57,920	66,465	60,329
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	715	385	733
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	58,200	72,056	60,532
Grants and Contributions	...	...	...
Investment Revenue	376	400	382
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	58	148	59
Total Revenue	59,349	72,989	61,707
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	1,429	6,524	1,378

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	20,962	14,104	12,987
Taxes Receivable	...	...	...
Receivables	21,334	24,976	25,842
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	6,139	7,360	7,523
Assets Held For Sale	...	...	...
Total Current Assets	48,435	46,440	46,352
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	35,518
Plant and Equipment	14,551	17,661	16,252
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	3,972	6,521	6,150
Other Assets	520	640	640
Total Non Current Assets	19,043	24,821	58,559
Total Assets	67,478	71,261	104,912
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	6,648	8,148	8,148
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	3,842
Provisions	18,297	18,308	15,072
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	24,945	26,456	27,061
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	32,621
Provisions	627	744	744
Other	...	...	...
Total Non Current Liabilities	627	744	33,365
Total Liabilities	25,572	27,200	60,426
Net Assets	41,906	44,062	44,486
Equity			
Accumulated Funds	41,906	44,062	44,486
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	41,906	44,062	44,486

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	41,722	47,823	44,789
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	931
Equivalent Income Tax	...	...	...
Other Payments	14,368	16,443	6,236
Total Payments	56,090	64,267	51,956
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	(964)	(5,826)	(4,553)
Sale of Goods and Services	57,367	67,800	59,666
Retained Taxes, Fees and Fines	...	...	...
Interest Received	376	402	382
Grants and Contributions	...	...	...
Other Receipts	493	(33)	(376)
Total Receipts	57,272	62,343	55,120
Net Cash Flows From Operating Activities	1,182	(1,923)	3,164
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(9,526)	(13,261)	(365)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(2,021)	(4,513)	(300)
Net Cash Flows From Investing Activities	(11,547)	(17,774)	(665)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(3,615)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(3,615)
Net Increase/(Decrease) in Cash	(10,365)	(19,697)	(1,116)
Opening Cash and Cash Equivalents	31,326	33,801	14,104
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	20,962	14,104	12,987

Fire and Rescue NSW

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	579,596	628,876	615,708
Personnel Services Expenses	...	...	...
Other Operating Expenses	93,422	102,615	92,366
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	56,029	55,704	64,420
Finance Costs	...	...	1,762
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	729,047	787,195	774,256
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	683,669	723,029	699,612
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	13,116	16,126	13,344
Grants and Contributions	...	286	...
Investment Revenue	3,068	4,775	3,122
Retained Taxes, Fees and Fines	34,764	36,301	35,366
Other Revenue	2,213	22,739	2,236
Total Revenue	736,830	803,256	753,679
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	7,783	16,061	(20,577)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	217,126	212,899	211,670
Taxes Receivable	...	...	...
Receivables	18,377	15,010	17,430
Inventories	2,066	2,020	2,020
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	31	...	...
Assets Held For Sale	...	263	263
Total Current Assets	237,600	230,192	231,383
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	607,063	679,848	722,858
Plant and Equipment	230,512	243,228	241,489
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	30,185	29,999	28,572
Other Assets	...	...	...
Total Non Current Assets	867,760	953,075	992,919
Total Assets	1,105,360	1,183,268	1,224,303
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	31,956	31,093	31,098
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	3,163
Provisions	95,334	151,241	151,216
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	127,290	182,334	185,477
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	46,294
Provisions	218,130	166,909	169,329
Other	125	...	...
Total Non Current Liabilities	218,255	166,909	215,623
Total Liabilities	345,545	349,243	401,100
Net Assets	759,815	834,025	823,203
Equity			
Accumulated Funds	251,219	254,217	243,395
Reserves	508,596	579,808	579,808
Capital Equity	...	...	...
Total Equity	759,815	834,025	823,203

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	575,171	621,881	605,973
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	1,762
Equivalent Income Tax	...	...	...
Other Payments	93,102	96,295	92,046
Total Payments	668,273	718,176	699,781
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	683,669	723,029	699,612
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	12,796	15,863	13,024
Retained Taxes, Fees and Fines	...	...	...
Interest Received	3,068	4,815	3,122
Grants and Contributions	...	286	...
Other Receipts	36,978	62,348	37,601
Total Receipts	736,510	806,341	753,359
Net Cash Flows From Operating Activities	68,237	88,165	53,578
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(71,225)	(83,370)	(46,522)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(3,666)	(4,949)	(5,347)
Net Cash Flows From Investing Activities	(74,891)	(88,319)	(51,869)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	358	...	358
Repayment of Borrowings and Advances	(358)	...	(3,296)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(2,938)
Net Increase/(Decrease) in Cash	(6,654)	(155)	(1,229)
Opening Cash and Cash Equivalents	223,780	213,054	212,899
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	217,126	212,899	211,670

Legal Aid Commission of New South Wales

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	131,614	137,593	138,573
Personnel Services Expenses	...	...	...
Other Operating Expenses	140,020	147,025	144,804
Grants and Subsidies	79,562	75,669	55,882
Appropriation Expense	...	...	...
Depreciation and Amortisation	6,000	4,410	15,024
Finance Costs	...	67	835
Other Expenses	901	901	917
TOTAL EXPENSES EXCLUDING LOSSES	358,096	365,665	356,035
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	255,015	265,682	274,311
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	3,482	4,248	3,539
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	4,500	7,489	5,586
Grants and Contributions	66,728	70,642	70,110
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	344	618	405
Total Revenue	330,069	348,679	353,951
Gain/(loss) on Disposal of Non Current Assets	35	15	35
Other Gains/(Losses)	(200)	(250)	(200)
Net Result	(28,192)	(17,221)	(2,249)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	36,519	32,472	32,048
Taxes Receivable	...	...	...
Receivables	4,684	11,211	11,211
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	41,203	43,683	43,259
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	3,238	3,834	3,834
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	29,211
Plant and Equipment	7,308	17,936	17,358
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	6,156	4,678	4,942
Other Assets	...	...	...
Total Non Current Assets	16,702	26,448	55,345
Total Assets	57,905	70,131	98,604
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	14,364	15,926	16,252
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	8,769
Provisions	13,421	13,474	13,474
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	27,785	29,400	38,495
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	21,627
Provisions	5,796	4,652	4,652
Other	356	1,495	1,495
Total Non Current Liabilities	6,152	6,148	27,775
Total Liabilities	33,937	35,547	66,269
Net Assets	23,968	34,584	32,335
Equity			
Accumulated Funds	23,968	34,584	32,335
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	23,968	34,584	32,335

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	127,809	133,345	134,708
Personnel Services	...	...	...
Grants and Subsidies	79,562	75,669	55,882
Finance Costs	...	...	835
Equivalent Income Tax	...	...	...
Other Payments	155,496	165,440	131,145
Total Payments	362,867	374,455	322,570
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	255,015	265,682	274,311
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	4,300	7,239	5,386
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	66,728	70,642	70,110
Other Receipts	14,920	18,234	(14,171)
Total Receipts	340,963	361,798	335,636
Net Cash Flows From Operating Activities	(21,904)	(12,657)	13,066
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	35	35	35
Purchases of Property, Plant and Equipment	(3,774)	(11,675)	(3,895)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(1,870)	(1,925)	(1,300)
Net Cash Flows From Investing Activities	(5,609)	(13,565)	(5,160)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(8,330)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(8,330)
Net Increase/(Decrease) in Cash	(27,513)	(26,222)	(424)
Opening Cash and Cash Equivalents	64,032	58,694	32,472
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	36,519	32,472	32,048

New South Wales Crime Commission

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	17,924	17,374	17,612
Personnel Services Expenses	...	...	...
Other Operating Expenses	8,041	7,575	5,867
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	1,280	1,280	3,997
Finance Costs	...	...	239
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	27,245	26,229	27,716
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	25,796	23,003	26,455
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	690	690	708
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	...	...
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	55	23	56
Total Revenue	26,541	23,716	27,219
Gain/(loss) on Disposal of Non Current Assets	...	(128)	...
Other Gains/(Losses)	...	...	...
Net Result	(704)	(2,641)	(497)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	543	516	518
Taxes Receivable	...	...	...
Receivables	605	605	605
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	111	111	111
Total Current Assets	1,258	1,232	1,234
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	10	10	10
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	8,151
Plant and Equipment	1,508	1,347	1,298
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	1,881	1,781	1,482
Other Assets	...	...	...
Total Non Current Assets	3,399	3,138	10,941
Total Assets	4,657	4,370	12,175
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	461	461	461
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	2,705
Provisions	1,716	1,716	1,716
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	2,177	2,177	4,882
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	5,597
Provisions	65	65	65
Other	...	...	...
Total Non Current Liabilities	65	65	5,662
Total Liabilities	2,242	2,242	10,544
Net Assets	2,415	2,128	1,631
Equity			
Accumulated Funds	2,415	2,128	1,631
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	2,415	2,128	1,631

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	17,174	16,566	16,782
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	239
Equivalent Income Tax	...	...	...
Other Payments	8,701	8,396	6,590
Total Payments	25,875	24,962	23,611
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	25,796	23,003	26,455
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	...	...	...
Other Receipts	655	912	656
Total Receipts	26,451	23,915	27,111
Net Cash Flows From Operating Activities	576	(1,047)	3,500
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(591)	(617)	(591)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(341)	(54)	(341)
Net Cash Flows From Investing Activities	(932)	(671)	(932)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(2,566)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(2,566)
Net Increase/(Decrease) in Cash	(356)	(1,718)	2
Opening Cash and Cash Equivalents	899	2,234	516
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	542	516	518

NSW Police Force

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	2,940,322	2,940,322	3,127,239
Personnel Services Expenses	...	...	...
Other Operating Expenses	524,782	524,782	431,663
Grants and Subsidies	6,141	26,780	25,766
Appropriation Expense	...	...	...
Depreciation and Amortisation	161,025	161,025	202,044
Finance Costs	10,701	10,701	16,345
Other Expenses	2,594	2,594	4,128
TOTAL EXPENSES EXCLUDING LOSSES	3,645,564	3,666,203	3,807,184
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	3,390,057	3,258,164	3,626,963
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	174,429	174,429	180,738
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	35,988	48,878	38,975
Grants and Contributions	62,675	53,065	40,496
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	29,743	83,524	37,645
Total Revenue	3,692,892	3,618,059	3,924,817
Gain/(loss) on Disposal of Non Current Assets	(918)	(514)	(918)
Other Gains/(Losses)	(10)	(314)	(10)
Net Result	46,400	(48,972)	116,705

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	68,806	92,081	138,876
Taxes Receivable	...	...	...
Receivables	87,816	90,864	97,164
Inventories	...	...	...
Financial Assets at Fair Value	100	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	156,722	182,945	236,040
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	3,900	4,200	6,100
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	1,345,402	1,386,224	1,619,122
Plant and Equipment	272,803	310,091	355,898
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	231,340	195,221	204,583
Other Assets	...	...	...
Total Non Current Assets	1,853,445	1,895,736	2,185,703
Total Assets	2,010,167	2,078,681	2,421,743
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	107,971	95,321	114,220
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	16,282	16,281	54,385
Provisions	477,832	480,032	494,358
Other	470	470	5,270
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	602,555	592,105	668,234
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	79,856	84,857	238,295
Provisions	58,040	59,540	57,630
Other	2,382	2,382	2,382
Total Non Current Liabilities	140,278	146,779	298,307
Total Liabilities	742,833	738,883	966,540
Net Assets	1,267,334	1,339,798	1,455,203
Equity			
Accumulated Funds	661,494	756,761	869,166
Reserves	605,839	583,036	586,036
Capital Equity	...	...	...
Total Equity	1,267,334	1,339,798	1,455,203

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	2,760,383	2,806,629	2,940,322
Personnel Services	...	...	...
Grants and Subsidies	6,141	26,780	25,766
Finance Costs	10,701	10,701	16,345
Equivalent Income Tax	...	...	...
Other Payments	568,778	579,151	466,846
Total Payments	3,346,002	3,423,261	3,449,279
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	3,390,057	3,258,164	3,626,963
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	31,988	52,089	32,675
Retained Taxes, Fees and Fines	(10)	...	(10)
Interest Received	...	...	...
Grants and Contributions	62,675	53,040	40,996
Other Receipts	87,835	129,911	91,938
Total Receipts	3,572,545	3,493,203	3,792,562
Net Cash Flows From Operating Activities	226,543	69,942	343,283
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	1,734	1,634	1,734
Purchases of Property, Plant and Equipment	(176,793)	(124,427)	(215,743)
Proceeds from Sale of Investments	...	100	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(83,659)	(95,604)	(30,339)
Net Cash Flows From Investing Activities	(258,718)	(218,297)	(244,348)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	(14,847)	(9,842)	(52,140)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	(14,847)	(9,842)	(52,140)
Net Increase/(Decrease) in Cash	(47,022)	(158,197)	46,795
Opening Cash and Cash Equivalents	115,828	250,277	92,081
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	68,806	92,081	138,876

Office of Sport

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	84,531	89,159	69,295
Personnel Services Expenses	...	...	...
Other Operating Expenses	69,758	64,776	53,156
Grants and Subsidies	236,847	158,987	345,432
Appropriation Expense	...	...	...
Depreciation and Amortisation	8,743	8,787	11,199
Finance Costs	...	...	192
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	399,879	321,709	479,274
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	311,890	223,033	406,957
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	3,293	3,593	2,539
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	69,835	78,270	50,122
Grants and Contributions	27,358	13,834	12,741
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	5	...
Other Revenue	391	1,598	1,526
Total Revenue	412,768	320,333	473,885
Gain/(loss) on Disposal of Non Current Assets	...	(9)	...
Other Gains/(Losses)	64	(179)	64
Net Result	12,953	(1,564)	(5,325)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	12,437	13,251	10,715
Taxes Receivable	...	...	...
Receivables	8,149	16,632	17,425
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	170	170	50
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	20,756	30,052	28,189
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	110	...	...
Inventories	...	...	...
Financial Assets at Fair Value	323	323	400
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	191,427	175,343	178,957
Plant and Equipment	13,286	14,029	14,579
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	574	486
Other Assets	...	...	...
Total Non Current Assets	205,146	190,269	194,422
Total Assets	225,902	220,321	222,611
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	6,914	6,914	7,664
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	2,230
Provisions	7,295	7,295	7,295
Other	2,534	2,534	2,534
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	16,743	16,743	19,723
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	4,635
Provisions	1,030	1,030	1,030
Other	...	...	...
Total Non Current Liabilities	1,030	1,030	5,665
Total Liabilities	17,773	17,773	25,388
Net Assets	208,129	202,548	197,223
Equity			
Accumulated Funds	158,707	156,895	151,570
Reserves	49,422	45,653	45,653
Capital Equity	...	...	...
Total Equity	208,129	202,548	197,223

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	81,238	87,354	66,756
Personnel Services	...	...	...
Grants and Subsidies	236,847	158,987	345,432
Finance Costs	...	...	192
Equivalent Income Tax	...	...	...
Other Payments	74,940	134,804	58,576
Total Payments	393,025	381,145	470,956
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	311,890	223,033	406,957
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	69,835	78,858	49,139
Retained Taxes, Fees and Fines	64	(179)	64
Interest Received	...	...	...
Grants and Contributions	20,315	6,791	5,698
Other Receipts	12,674	71,859	14,929
Total Receipts	414,779	380,362	476,787
Net Cash Flows From Operating Activities	21,754	(783)	5,831
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	27	...
Purchases of Property, Plant and Equipment	(17,572)	(6,184)	(6,218)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	(393)	43
Other Investing	...	(600)	...
Net Cash Flows From Investing Activities	(17,572)	(7,150)	(6,175)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(2,192)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(2,192)
Net Increase/(Decrease) in Cash	4,182	(7,933)	(2,536)
Opening Cash and Cash Equivalents	8,255	21,184	13,251
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	12,437	13,251	10,715

Office of the NSW Rural Fire Service

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	118,755	120,511	127,713
Personnel Services Expenses	...	...	...
Other Operating Expenses	113,364	123,397	105,987
Grants and Subsidies	180,152	260,128	243,192
Appropriation Expense	...	...	...
Depreciation and Amortisation	11,355	11,355	21,013
Finance Costs	...	...	3,552
Other Expenses	20,866	35,612	22,849
TOTAL EXPENSES EXCLUDING LOSSES	444,492	551,002	524,306
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	381,072	458,462	453,665
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	741	741	759
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	640	3,232	652
Grants and Contributions	4,562	33,918	4,562
Investment Revenue	755	2,600	755
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	8,411	13,552	14,878
Total Revenue	396,181	512,505	475,272
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	(5)	...
Net Result	(48,311)	(38,502)	(49,034)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	78,978	97,071	48,911
Taxes Receivable	...	...	...
Receivables	20,923	27,460	27,460
Inventories	...	13,913	13,913
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	99,901	138,444	90,284
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	20,624	21,196	115,184
Plant and Equipment	36,551	62,832	63,876
Infrastructure Systems	5,460	8,361	10,275
Investment Properties	...	...	...
Intangibles	5,958	5,009	2,914
Other Assets	...	...	...
Total Non Current Assets	68,593	97,399	192,250
Total Assets	168,494	235,843	282,533
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	19,100	29,303	26,987
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	2,839
Provisions	41,900	42,315	43,093
Other	(80)	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	60,920	71,618	72,919
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	95,975
Provisions	1,475	2,685	1,240
Other	(258)	107	...
Total Non Current Liabilities	1,217	2,791	97,215
Total Liabilities	62,137	74,410	170,134
Net Assets	106,357	161,434	112,400
Equity			
Accumulated Funds	106,357	161,434	112,400
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	106,357	161,434	112,400

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	114,515	116,313	124,491
Personnel Services	...	...	...
Grants and Subsidies	180,152	260,128	243,192
Finance Costs	...	...	3,552
Equivalent Income Tax	...	...	...
Other Payments	153,729	185,879	140,832
Total Payments	448,396	562,320	512,066
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	381,072	458,462	453,665
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	640	38,412	652
Retained Taxes, Fees and Fines	...	...	...
Interest Received	755	2,600	755
Grants and Contributions	4,562	33,918	4,562
Other Receipts	27,391	29,278	21,322
Total Receipts	414,420	562,670	480,956
Net Cash Flows From Operating Activities	(33,976)	351	(31,111)
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	2,000	2,000	2,000
Purchases of Property, Plant and Equipment	(31,257)	(64,861)	(16,419)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(3,033)	(3,613)	...
Net Cash Flows From Investing Activities	(32,290)	(66,474)	(14,419)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(2,631)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(2,631)
Net Increase/(Decrease) in Cash	(66,266)	(66,123)	(48,161)
Opening Cash and Cash Equivalents	145,244	163,194	97,071
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	78,977	97,071	48,911

Office of the NSW State Emergency Service

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	41,315	39,708	43,662
Personnel Services Expenses	...	...	...
Other Operating Expenses	49,731	43,264	47,805
Grants and Subsidies	16,563	10,137	13,930
Appropriation Expense	...	...	...
Depreciation and Amortisation	8,445	11,682	15,034
Finance Costs	...	...	1,886
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	116,053	104,791	122,317
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	124,786	124,786	117,751
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	149	167	153
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	41	41	41
Grants and Contributions	340	2,438	...
Investment Revenue	445	620	453
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	335	1,410	341
Total Revenue	126,096	129,462	118,739
Gain/(loss) on Disposal of Non Current Assets	(149)	(79)	(149)
Other Gains/(Losses)	...	...	...
Net Result	9,894	24,591	(3,727)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	18,642	55,024	38,135
Taxes Receivable	...	...	...
Receivables	2,605	2,605	2,605
Inventories	5,649	5,649	5,649
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	5	5	5
Assets Held For Sale	...	...	...
Total Current Assets	26,901	63,283	46,394
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	11,784	10,101	58,827
Plant and Equipment	81,233	67,503	84,008
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	93,017	77,604	142,835
Total Assets	119,917	140,887	189,229
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	7,456	7,456	7,456
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	2,125
Provisions	4,019	4,019	4,019
Other	29	29	29
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	11,504	11,504	13,629
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	49,944
Provisions	69	351	351
Other	3,637	3,637	3,637
Total Non Current Liabilities	3,706	3,988	53,932
Total Liabilities	15,210	15,492	67,561
Net Assets	104,707	125,395	121,668
Equity			
Accumulated Funds	104,707	125,395	121,668
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	104,707	125,395	121,668

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	41,165	39,868	43,509
Personnel Services	...	...	...
Grants and Subsidies	16,563	10,137	13,930
Finance Costs	...	...	1,886
Equivalent Income Tax	...	...	...
Other Payments	51,031	49,784	49,105
Total Payments	108,759	99,789	108,430
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	124,786	124,786	117,751
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	41	409	41
Retained Taxes, Fees and Fines	...	...	...
Interest Received	445	341	453
Grants and Contributions	340	570	...
Other Receipts	1,635	4,408	1,641
Total Receipts	127,247	130,514	119,886
Net Cash Flows From Operating Activities	18,488	30,725	11,456
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	71	(79)	71
Purchases of Property, Plant and Equipment	(24,885)	(10,329)	(25,997)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	(24,814)	(10,408)	(25,926)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(2,419)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(2,419)
Net Increase/(Decrease) in Cash	(6,326)	20,317	(16,889)
Opening Cash and Cash Equivalents	24,968	34,706	55,024
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	18,642	55,024	38,135

Home Purchase Assistance Fund

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	724	724	1,052
Grants and Subsidies	7,500	7,500	7,500
Appropriation Expense	...	...	...
Depreciation and Amortisation	...	...	...
Finance Costs	10,985	10,985	10,415
Other Expenses	14	140	200
TOTAL EXPENSES EXCLUDING LOSSES	19,223	19,349	19,167
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	...	...
Investment Revenue	8,765	5,238	4,185
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	9	9	9
Total Revenue	8,774	5,247	4,194
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(10,449)	(14,102)	(14,974)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	158,067	207,329	186,274
Taxes Receivable	...	...	...
Receivables	2,018	3	3
Inventories	...	...	...
Financial Assets at Fair Value	1,848	1,848	1,848
Other Financial Assets	50,905	5	5
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	212,838	209,185	188,130
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	4,174	4,174	2,919
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	...
Plant and Equipment	...	...	...
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	4,174	4,174	2,919
Total Assets	217,012	213,359	191,049
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	37	37	37
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	7,282	7,282	7,275
Provisions	49	49	49
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	7,368	7,368	7,361
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	92,070	92,070	84,741
Provisions	...	...	...
Other	...	...	...
Total Non Current Liabilities	92,070	92,070	84,741
Total Liabilities	99,438	99,438	92,102
Net Assets	117,574	113,921	98,947
Equity			
Accumulated Funds	117,574	113,921	98,947
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	117,574	113,921	98,947

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	...	...	...
Grants and Subsidies	8,025	8,025	7,839
Finance Costs	6,793	6,793	6,269
Equivalent Income Tax	...	...	...
Other Payments	211	392	913
Total Payments	15,029	15,210	15,021
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	8,865	7,143	4,185
Grants and Contributions	...	...	...
Other Receipts	9	412	9
Total Receipts	8,874	7,555	4,194
Net Cash Flows From Operating Activities	(6,155)	(7,654)	(10,828)
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	...	...	...
Proceeds from Sale of Investments	250,000	500,000	250,000
Purchases of Investments	(248,750)	(468,344)	(248,750)
Advances Repayments Received	5	5	5
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	1,255	31,661	1,255
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	(22,964)
Repayment of Borrowings and Advances	(11,482)	(11,482)	11,482
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	(11,482)	(11,482)	(11,482)
Net Increase/(Decrease) in Cash	(16,382)	12,524	(21,055)
Opening Cash and Cash Equivalents	174,449	194,805	207,329
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	158,067	207,329	186,274

Multicultural NSW

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	15,980	15,158	15,357
Personnel Services Expenses	...	...	...
Other Operating Expenses	2,952	3,792	2,305
Grants and Subsidies	2,977	4,929	13,893
Appropriation Expense	...	...	...
Depreciation and Amortisation	524	834	1,033
Finance Costs	...	...	61
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	22,433	24,713	32,649
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	15,840	16,643	29,504
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	711	236	729
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	5,632	5,130	5,833
Grants and Contributions	200	2,052	199
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	26	70	26
Total Revenue	22,409	24,131	36,291
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(24)	(582)	3,642

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	376	376	777
Taxes Receivable	...	...	...
Receivables	1,091	1,091	1,241
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	1,467	1,467	2,018
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	1,439	922	3,127
Plant and Equipment	436	161	165
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	1,069	1,451	1,225
Other Assets	...	...	...
Total Non Current Assets	2,944	2,534	4,517
Total Assets	4,411	4,001	6,535
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	2,585	3,636	252
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	471
Provisions	1,171	1,171	1,187
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	3,756	4,807	1,910
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	1,805
Provisions	178	178	162
Other	...	...	...
Total Non Current Liabilities	178	178	1,967
Total Liabilities	3,934	4,985	3,877
Net Assets	477	(984)	2,658
Equity			
Accumulated Funds	477	(984)	2,658
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	477	(984)	2,658

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	15,269	15,267	14,628
Personnel Services	...	...	...
Grants and Subsidies	2,977	4,929	13,893
Finance Costs	...	...	61
Equivalent Income Tax	...	...	...
Other Payments	3,402	3,974	6,289
Total Payments	21,648	24,170	34,871
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	15,840	16,643	29,504
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	5,632	4,841	5,833
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	200	2,052	199
Other Receipts	476	504	476
Total Receipts	22,148	24,040	36,012
Net Cash Flows From Operating Activities	500	(130)	1,141
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(315)	(56)	(50)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(385)	(545)	(250)
Net Cash Flows From Investing Activities	(700)	(601)	(300)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(440)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(440)
Net Increase/(Decrease) in Cash	(200)	(731)	401
Opening Cash and Cash Equivalents	576	1,107	376
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	376	376	777

NSW Trustee and Guardian

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	65,828	56,694	65,869
Other Operating Expenses	19,579	27,217	17,473
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	4,924	4,455	5,517
Finance Costs	...	...	134
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	90,331	88,366	88,993
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	67,843	63,839	66,952
Grants and Contributions	19,456	21,291	15,803
Investment Revenue	2,826	6,436	5,181
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	349	477	391
Total Revenue	90,474	92,043	88,328
Gain/(loss) on Disposal of Non Current Assets	...	1,269	...
Other Gains/(Losses)	...	(520)	(2)
Net Result	143	4,426	(667)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	8,804	4,078	5,971
Taxes Receivable	...	...	...
Receivables	24,277	23,396	23,396
Inventories	...	...	...
Financial Assets at Fair Value	...	26,220	10,000
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	33,081	53,694	39,367
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	65,868	68,782	73,390
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	29,942	25,793	28,870
Plant and Equipment	19,002	11,367	18,778
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	17,460	12,117	14,794
Other Assets	...	...	...
Total Non Current Assets	132,272	118,059	135,832
Total Assets	165,353	171,753	175,200
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	23,152	21,730	21,730
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	646
Provisions	6,859	8,111	8,111
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	30,011	29,841	30,487
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	3,468
Provisions	388	861	861
Other	...	...	...
Total Non Current Liabilities	388	861	4,329
Total Liabilities	30,399	30,702	34,816
Net Assets	134,954	141,051	140,384
Equity			
Accumulated Funds	120,563	127,997	127,330
Reserves	14,391	13,054	13,054
Capital Equity	...	...	...
Total Equity	134,954	141,051	140,384

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	65,828	56,694	65,869
Grants and Subsidies	...	...	...
Finance Costs	...	...	134
Equivalent Income Tax	...	...	...
Other Payments	25,020	30,248	22,914
Total Payments	90,848	86,942	88,917
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	67,843	64,823	66,952
Retained Taxes, Fees and Fines	...	...	...
Interest Received	474	575	573
Grants and Contributions	19,456	21,291	15,803
Other Receipts	7,368	8,960	7,408
Total Receipts	95,141	95,649	90,737
Net Cash Flows From Operating Activities	4,293	8,707	1,820
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	5,816	...
Purchases of Property, Plant and Equipment	(15,649)	(8,939)	(9,100)
Proceeds from Sale of Investments	...	...	16,220
Purchases of Investments	(1,578)	(27,798)	(1,578)
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(1,900)	(752)	(4,861)
Net Cash Flows From Investing Activities	(19,127)	(31,673)	681
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(608)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(608)
Net Increase/(Decrease) in Cash	(14,834)	(22,966)	1,893
Opening Cash and Cash Equivalents	23,639	27,044	4,078
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	8,805	4,078	5,971

Department of Family and Community Services (Discontinued)

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	1,031,046	1,052,728	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	326,053	356,349	...
Grants and Subsidies	5,068,975	5,116,700	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	95,808	77,539	...
Finance Costs	...	...	...
Other Expenses	...	5,031	...
TOTAL EXPENSES EXCLUDING LOSSES	6,521,882	6,608,349	...
Revenue			
Appropriation Revenue	6,147,395	6,190,635	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	36,391	37,160	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	233,432	228,915	...
Grants and Contributions	72,735	89,438	...
Investment Revenue	25,708	44,470	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	25,430	27,722	...
Total Revenue	6,541,092	6,618,339	...
Gain/(loss) on Disposal of Non Current Assets	(225)	131	...
Other Gains/(Losses)	(862)	(5,697)	...
Net Result	18,122	4,425	...

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	83,418	63,523	...
Taxes Receivable	...	...	...
Receivables	81,175	118,641	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	164,593	182,164	...
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	50	50	...
Equity Investments	...	...	...
Property, Plant and Equipment -			...
Land and Building	1,355,365	1,323,029	...
Plant and Equipment	69,579	74,353	...
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	148,802	171,520	...
Other Assets	...	...	...
Total Non Current Assets	1,573,796	1,568,952	...
Total Assets	1,738,389	1,751,116	...
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	84,294	71,294	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	84,092	131,842	...
Other	228	228	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	168,614	203,364	...
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other financial liabilities at fair value	...	...	...
Borrowings	...	...	...
Provisions	44,248	44,248	...
Other	160	160	...
Total Non Current Liabilities	44,408	44,408	...
Total Liabilities	213,022	247,772	...
Net Assets	1,525,367	1,503,344	...
Equity			
Accumulated Funds	1,276,376	1,300,145	...
Reserves	248,991	203,199	...
Capital Equity	...	...	...
Total Equity	1,525,367	1,503,344	...

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	1,007,684	1,078,552	...
Personnel Services	...	...	...
Grants and Subsidies	5,068,975	5,116,700	...
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	633,525	920,700	...
Total Payments	6,710,184	7,115,953	...
Receipts			
Appropriation	6,147,395	6,190,635	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	234,160	228,677	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	25,708	44,470	...
Grants and Contributions	72,735	89,438	...
Other Receipts	313,496	251,610	...
Total Receipts	6,793,495	6,804,831	...
Net Cash Flows From Operating Activities	83,310	(311,122)	...
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	35	50,789	...
Purchases of Property, Plant and Equipment	(39,660)	28,535	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	(50)	...
Advances Repayments Received	...	...	...
Advances Made	...	...	...
Other Investing	7,167	(41,119)	...
Net Cash Flows From Investing Activities	(32,458)	38,155	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	50,852	(272,967)	...
Opening Cash and Cash Equivalents	32,566	336,490	63,523
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	(63,523)
Closing Cash and Cash Equivalents	83,418	63,523	...

Department of Justice (Discontinued)

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	1,894,633	1,827,942	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	680,048	772,960	...
Grants and Subsidies	5,149,185	5,190,907	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	252,727	240,230	...
Finance Costs	9,665	7,341	...
Other Expenses	43,762	37,328	...
TOTAL EXPENSES EXCLUDING LOSSES	8,030,020	8,076,708	...
Revenue			
Appropriation Revenue	8,030,175	7,988,093	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	102,643	98,598	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	291,240	320,764	...
Grants and Contributions	139,351	138,319	...
Investment Revenue	4,737	3,302	...
Retained Taxes, Fees and Fines	11,900	25,745	...
Other Revenue	22,215	20,472	...
Total Revenue	8,602,262	8,595,293	...
Gain/(loss) on Disposal of Non Current Assets	14	(3,592)	...
Other Gains/(Losses)	(527)	(13,162)	...
Net Result	571,728	501,831	...

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	76,230	10,411	...
Taxes Receivable	...	...	...
Receivables	114,856	95,039	...
Inventories	17,158	18,821	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	23,089	20,672	...
Assets Held For Sale	...	...	...
Total Current Assets	231,333	144,943	...
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	19,816	23,026	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	5,287,291	5,332,583	...
Plant and Equipment	204,393	252,556	...
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	187,753	168,290	...
Other Assets	466	1,798	...
Total Non Current Assets	5,699,719	5,778,253	...
Total Assets	5,931,052	5,923,196	...
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	223,471	249,658	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	3,649	5,492	...
Provisions	239,498	320,607	...
Other	8,633	11,367	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	475,251	587,124	...
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other financial liabilities at fair value	...	...	...
Borrowings	60,114	56,299	...
Provisions	141,781	87,937	...
Other	(3,290)	548	...
Total Non Current Liabilities	198,605	144,784	...
Total Liabilities	673,856	731,908	...
Net Assets	5,257,196	5,191,288	...
Equity			
Accumulated Funds	4,296,318	4,115,258	...
Reserves	960,878	1,076,030	...
Capital Equity	...	...	...
Total Equity	5,257,196	5,191,288	...

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	1,791,990	1,724,013	...
Personnel Services	...	...	...
Grants and Subsidies	5,201,268	5,242,424	...
Finance Costs	9,646	7,263	...
Equivalent Income Tax	...	...	...
Other Payments	758,310	1,115,629	...
Total Payments	7,761,215	8,089,329	...
Receipts			
Appropriation	8,030,175	7,988,093	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	(4,000)	...
Sale of Goods and Services	290,713	349,350	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	42	140	...
Grants and Contributions	139,351	138,319	...
Other Receipts	118,479	277,986	...
Total Receipts	8,578,760	8,749,888	...
Net Cash Flows From Operating Activities	817,545	660,559	...
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	14	562	...
Purchases of Property, Plant and Equipment	(929,768)	(860,106)	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances Made	...	...	...
Other Investing	(9,937)	(11,874)	...
Net Cash Flows From Investing Activities	(939,691)	(871,418)	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	(5,019)	(6,278)	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	(5,019)	(6,278)	...
Net Increase/(Decrease) in Cash	(127,165)	(217,137)	...
Opening Cash and Cash Equivalents	203,395	227,548	10,411
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	(10,411)
Closing Cash and Cash Equivalents	76,230	10,411	...

Judicial Commission of New South Wales

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	4,800	4,531	4,883
Personnel Services Expenses	...	...	...
Other Operating Expenses	1,718	3,392	897
Grants and Subsidies	6	...	6
Appropriation Expense	...	...	...
Depreciation and Amortisation	265	235	850
Finance Costs	...	...	98
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	6,789	8,158	6,734
Revenue			
Appropriation Revenue	5,503	7,026	5,385
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	155	24	159
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	877	931	892
Grants and Contributions	...	...	...
Investment Revenue	1	...	1
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	59	75	60
Total Revenue	6,596	8,056	6,498
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(193)	(102)	(236)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	161	163	162
Taxes Receivable	...	...	...
Receivables	75	75	75
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	236	238	237
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	3,754
Plant and Equipment	1,639	1,570	1,455
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	3	...	...
Other Assets	...	...	...
Total Non Current Assets	1,642	1,570	5,209
Total Assets	1,878	1,808	5,446
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	559	396	463
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	569
Provisions	530	520	530
Other	60	60	60
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	1,149	976	1,622
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	3,228
Provisions	188	188	188
Other	...	...	...
Total Non Current Liabilities	188	188	3,416
Total Liabilities	1,337	1,164	5,038
Net Assets	541	644	408
Equity			
Accumulated Funds	541	644	408
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	541	644	408

Cash Flow Statement

	2018-19 Budget \$000	2018-19 Revised \$000	2019-20 Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	4,635	4,614	4,714
Personnel Services	...	...	...
Grants and Subsidies	6	...	6
Finance Costs	...	...	98
Equivalent Income Tax	...	...	...
Other Payments	1,831	3,242	1,009
Total Payments	6,471	7,856	5,827
Receipts			
Appropriation	5,503	7,026	5,385
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	877	963	892
Retained Taxes, Fees and Fines	...	...	...
Interest Received	1	...	1
Grants and Contributions	...	...	...
Other Receipts	238	75	239
Total Receipts	6,619	8,064	6,518
Net Cash Flows From Operating Activities	148	208	691
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(150)	(50)	(150)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	(150)	(50)	(150)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(542)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(542)
Net Increase/(Decrease) in Cash	(2)	158	(1)
Opening Cash and Cash Equivalents	163	5	163
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	161	163	162

Office of the Children's Guardian

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	19,470	18,567	23,766
Personnel Services Expenses	...	...	...
Other Operating Expenses	20,583	19,132	23,445
Grants and Subsidies	550	753	2,786
Appropriation Expense	...	...	...
Depreciation and Amortisation	455	713	2,701
Finance Costs	...	...	68
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	41,058	39,165	52,766
Revenue			
Appropriation Revenue	19,710	16,881	28,407
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	767	886	805
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	17,300	21,300	19,253
Grants and Contributions	291	6,791	237
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	32	...
Total Revenue	38,068	45,890	48,702
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(2,990)	6,725	(4,064)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	764	10,960	4,609
Taxes Receivable	...	...	...
Receivables	2,093	1,093	1,093
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	2,857	12,053	5,702
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	2,270
Plant and Equipment	2,515	1,744	2,196
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	412	911	4,126
Other Assets	...	...	-
Total Non Current Assets	2,927	2,655	8,592
Total Assets	5,784	14,708	14,294
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	2,578	3,077	3,091
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	1,025
Provisions	1,625	1,625	1,625
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	4,203	4,702	5,741
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	1,273
Provisions	97	117	117
Other	...	...	...
Total Non Current Liabilities	97	117	1,390
Total Liabilities	4,300	4,819	7,131
Net Assets	1,484	9,889	7,163
Equity			
Accumulated Funds	1,484	9,889	7,163
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	1,484	9,889	7,163

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	18,702	17,678	22,961
Personnel Services	...	...	...
Grants and Subsidies	550	753	2,786
Finance Costs	...	...	68
Equivalent Income Tax	...	...	...
Other Payments	21,477	19,410	24,381
Total Payments	40,730	37,841	50,196
Receipts			
Appropriation	19,710	16,881	28,407
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	17,300	21,300	19,253
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	291	6,791	237
Other Receipts	950	1,301	950
Total Receipts	38,250	46,273	48,847
Net Cash Flows From Operating Activities	(2,479)	8,432	(1,349)
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(189)	(490)	(689)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	610	(525)	(3,337)
Net Cash Flows From Investing Activities	421	(1,015)	(4,026)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(976)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(976)
Net Increase/(Decrease) in Cash	(2,058)	7,417	(6,351)
Opening Cash and Cash Equivalents	2,822	3,543	10,960
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	764	10,960	4,609

Office of the Director of Public Prosecutions

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	128,358	128,682	138,121
Personnel Services Expenses	...	...	...
Other Operating Expenses	25,049	26,623	17,328
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	4,568	3,988	12,967
Finance Costs	...	...	1,241
Other Expenses	3,535	4,170	4,084
TOTAL EXPENSES EXCLUDING LOSSES	161,510	163,463	173,740
Revenue			
Appropriation Revenue	125,546	129,095	147,337
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	6,508	6,142	7,035
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	85	...	87
Grants and Contributions	31,217	29,274	19,740
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	36	178	37
Total Revenue	163,392	164,688	174,236
Gain/(loss) on Disposal of Non Current Assets	5	(5)	5
Other Gains/(Losses)	...	...	...
Net Result	1,887	1,221	501

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	3,047	1,272	3,095
Taxes Receivable	...	...	...
Receivables	3,070	4,927	4,927
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	6,117	6,199	8,022
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	34,310
Plant and Equipment	6,938	8,268	7,464
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	4,876	2,622	3,082
Other Assets	...	...	...
Total Non Current Assets	11,814	10,891	44,857
Total Assets	17,930	17,089	52,878
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	1,929	1,832	1,869
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	8,716
Provisions	12,692	12,896	12,496
Other	155	177	177
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	14,776	14,905	23,257
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	26,935
Provisions	2,768	2,978	2,978
Other	520	294	294
Total Non Current Liabilities	3,288	3,272	30,207
Total Liabilities	18,064	18,177	53,464
Net Assets	(134)	(1,087)	(586)
Equity			
Accumulated Funds	(134)	(1,087)	(586)
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	(134)	(1,087)	(586)

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	121,897	122,711	131,449
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	1,241
Equivalent Income Tax	...	...	...
Other Payments	30,463	35,027	23,742
Total Payments	152,360	157,738	156,431
Receipts			
Appropriation	125,546	129,095	147,337
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	85	(138)	87
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	31,217	27,964	19,740
Other Receipts	2,366	3,780	2,367
Total Receipts	159,214	160,702	169,531
Net Cash Flows From Operating Activities	6,854	2,963	13,100
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	5	...	5
Purchases of Property, Plant and Equipment	(1,898)	(2,066)	(2,075)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(3,380)	(882)	(983)
Net Cash Flows From Investing Activities	(5,273)	(2,948)	(3,053)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(8,224)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(8,224)
Net Increase/(Decrease) in Cash	1,581	15	1,823
Opening Cash and Cash Equivalents	1,466	1,256	1,272
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	3,047	1,272	3,095

7. TRANSPORT CLUSTER

7.1 Introduction

The Transport cluster plans and delivers infrastructure and integrated services across all modes of transport, including road, rail, bus, ferry, light rail, cycling and walking.

The cluster contributes to economic growth in New South Wales by delivering integrated services, managing assets, and improving the transport system to enable the safe, efficient and reliable movement of people and goods.



Contribution to the Government’s Priorities

The Transport cluster contributes to delivering the following Government priorities:

- Well-connected communities with quality local environments
- Making Government work better for you by putting the customer at the centre of everything we do.

State Outcomes to be delivered by the Transport cluster

State Outcome	Description
Accessible transport	Enabling and enhancing the equity and accessibility of the transport system for all customer groups.
Safe and reliable travel	Delivering ongoing operation, maintenance and overall performance of transport networks, to ensure journey reliability and customer satisfaction.
Successful places	Enhancing liveability and connectivity by delivering city-shaping infrastructure projects, activating precincts and expanding network capacity.

7.2 2019-20 Budget Highlights

In 2019-20, the Transport cluster will spend \$29.5 billion (\$14.4 billion recurrent expenses and \$15.1 billion capital expenditure). Key initiatives are highlighted below.

Accessible Transport

- \$334 million (\$885 million over four years) to upgrade a further 68 train stations and additional ferry wharves under the Transport Access Program to make them more accessible including new lifts, ramps and footbridges
- \$87 million for Community Transport and Home and Community Care services to assist people who have difficulties accessing transport who are not otherwise eligible for the Commonwealth-funded National Disability Insurance Scheme
- \$42 million (\$173 million over four years) for transport disability subsidies to extend the Taxi Transport Subsidy Scheme and the Wheelchair Accessible Taxi Driver Incentive Scheme
- \$25 million (\$357 million over four years) in NSW and Australian Government funding to provide additional car spaces through the Commuter Car Parking Program.

Safe and Reliable Travel

- \$1.6 billion for bus services throughout New South Wales, including regional and metropolitan bus services, school services and funding of new and replacement buses
- \$643 million (\$3.2 billion over four years) to continue to deliver the More Trains, More Services Program designed to provide increased rail services, more resilient infrastructure and more frequent and additional services on the Illawarra, Airport and South Coast lines
- \$385 million over three years to 2021-22 to expand the Toll Relief program from 1 July 2019 to assist with the cost of living. In addition to the existing free registration when drivers spend \$25 a week or more on tolls, eligibility will be extended so that drivers spending above \$15 a week or more will receive 50 per cent off their motor vehicle registration for one vehicle
- \$373 million to improve road safety including a significant increase in investment through the Road Safety Plan 2021 targeting high risk areas with a regional focus
- \$57 million (\$256 million over four years, taking the total commitment to over \$600 million) towards new walking and cycling infrastructure projects across the state to make walking and cycling a more convenient, safer and enjoyable option that benefits everyone
- \$32 million (\$337 million over four years) for regional road safety and capacity enhancements, including works on the Monaro Highway, Mitchell Highway, Kings Highway, Waterfall Way and flood mitigation works on the Newell Highway
- \$29 million (\$131 million over four years) for over 14,000 extra weekly bus services from 2019-20 throughout Sydney, Illawarra and the Lower Hunter as well as an additional \$68 million over four years to improve bus services across 15 regional towns
- \$25 million (as part of a \$500 million total commitment) to kick off the Fixing Local Roads program to assist councils with repairing, maintaining and sealing local roads

- \$17.7 million (\$69.6 million over four years) to reduce the Opal Weekly Travel cap by approximately 20 per cent to \$50 per week for adults and \$25 per week for child/youth and concession travel from 1 July 2019 for all train, bus, ferry and light rail customers. This will benefit approximately 55,000 commuters with savings up to \$686 a year. All other Opal benefits already in place will remain
- \$3.4 million (\$85 million over four years) to deliver an additional eight train express services on the T1 Western Line across the morning and evening peak periods on weekdays, adding over 35,000 extra seats each week
- \$2 million (\$18.5 million over four years) to provide an additional 300 School Crossing Supervisors across NSW primary schools to help children get to and from school safely each day.

Successful Places

- \$1.6 billion (\$4.1 billion over four years) towards the WestConnex Motorway including delivery of the final stage of the project, the M4-M5 link tunnels and Rozelle Interchange
- \$1.2 billion in 2019-20 to continue delivery of the Sydney Metro City and Southwest linking Chatswood and Bankstown
- \$852 million (\$1.5 billion over four years) to continue the NSW and Australian Government funded Pacific Highway upgrade program, including continuing construction between Woolgoolga and Ballina and planning and preconstruction activities for the bypass of Coffs Harbour
- \$812 million (\$1.8 billion over four years) to continue delivery of the New Intercity Fleet to provide long-distance, intercity trains operating between Sydney, the Central Coast, Newcastle, the Blue Mountains and the Illawarra
- \$631 million (\$1.7 billion over four years) for NSW and Australian Government funded road upgrades to support the new Western Sydney Airport at Badgerys Creek including The Northern Road between Narellan and Penrith and the M12 Motorway
- \$561 million (\$1.8 billion over four years) to continue construction of Parramatta Light Rail (Stage 1) to support growth in Western Sydney by connecting new communities and places
- \$452 million (\$1.2 billion over four years) for projects already underway on the Princes Highway including the Albion Park Rail Bypass, the Berry to Bomaderry Upgrade, the new Nowra Bridge and the Batemans Bay Replacement Bridge
- \$322 million over four years as part of an initial \$960 million commitment to upgrade the Princes Highway between Nowra and the Victorian border to improve safety, journey times and freight efficiency
- \$268 million over four years as part of a \$2.5 billion commitment to start the duplication of the full 31 kilometres of the Great Western Highway between Katoomba and Lithgow for a four-lane highway to create a safer, faster route over the mountains
- \$207 million (over \$2 billion over four years) for the planning and preconstruction for the NSW and Australian Government funded North South Metro Rail Link connecting to Western Sydney Airport, with construction expected to start in 2021 and be completed in 2026 in time for the opening of the airport

- \$93 million (\$295 million over four years) initial investment in the fast rail network, including improved alignment north of Mittagong, duplication between Berry and Gerringong, planning of a new alignment between Sydney and Woy Woy, and planning work to improve the route to the Central West
- \$56 million (part of a \$6.4 billion commitment over four years) for planning and the acceleration of construction of Sydney Metro West, to provide a faster, easier and more reliable journey between Greater Parramatta and the Sydney CBD in around 20 minutes
- \$38 million in 2019-20 (as part of a \$2.8 billion commitment) towards the design, build and maintenance of the new regional rail fleet, along with the new purpose built maintenance facility in Dubbo, to create better, safer, more comfortable and reliable services for customers travelling long distances
- \$37 million (\$267 million over four years) for the Nelson Bay Road upgrade between Williamtown and Bobs Farm to improve safety and travel times
- \$32.2 million from the Housing Acceleration Fund for planning and design of eight road projects across Sydney and Regional New South Wales
- \$27.3 million in 2019-20 (\$284 million over four years) as part of a \$300 million commitment to commence upgrading the Prospect Highway and Memorial Avenue to reduce congestion and to help meet future demands on this corridor
- \$25.5 million (as part of a \$500 million total commitment) for the Fixing Country Bridges program, to repair and replace poor quality timber bridges in rural and regional communities
- \$22 million (\$90 million over three years) for the Regional Seniors Transport Card providing \$250 per year in 2020 and 2021 towards fuel, taxi travel or NSW TrainLink tickets for aged pensioners living in regional New South Wales
- \$18 million (\$162 million over four years out of a total additional commitment of \$450 million) to reduce traffic congestion at 12 key pinch points across Greater Sydney
- \$12 million (\$99 million over four years, as part of an additional \$695 million commitment) to further ease congestion through smart technology, including intelligent traffic light installations, planning for a smart motorway upgrade on the M1 Pacific Motorway between Gosford and Sydney, digital parking and clearway signage, virtual in-car and GPS messaging and new drones
- \$4 million (\$11 million over four years) to continue planning for the New England Highway Bypass of Muswellbrook.

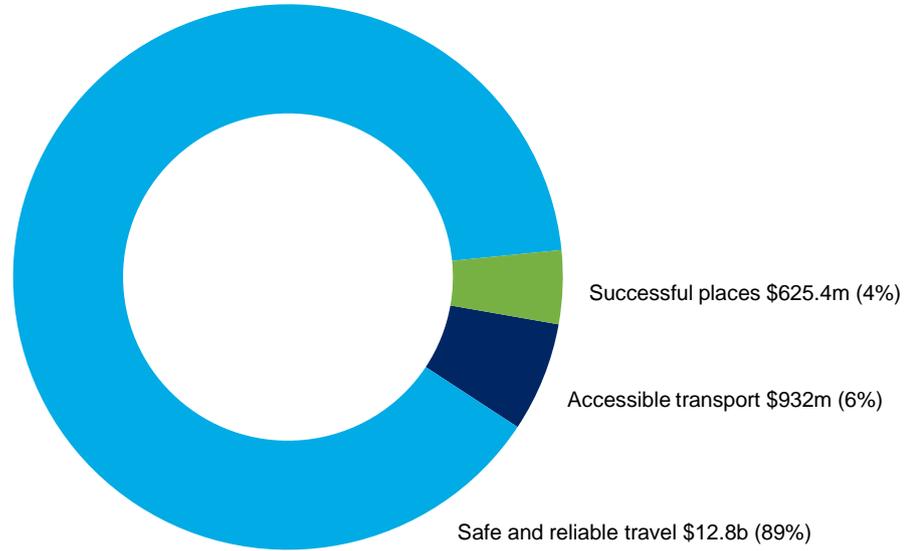
7.3 Machinery of Government

Transport for NSW, as the lead agency for the cluster, will take on the functions of Roads and Maritime Services effective 1 July 2019.

7.4 Overview of cluster expenses by State Outcome

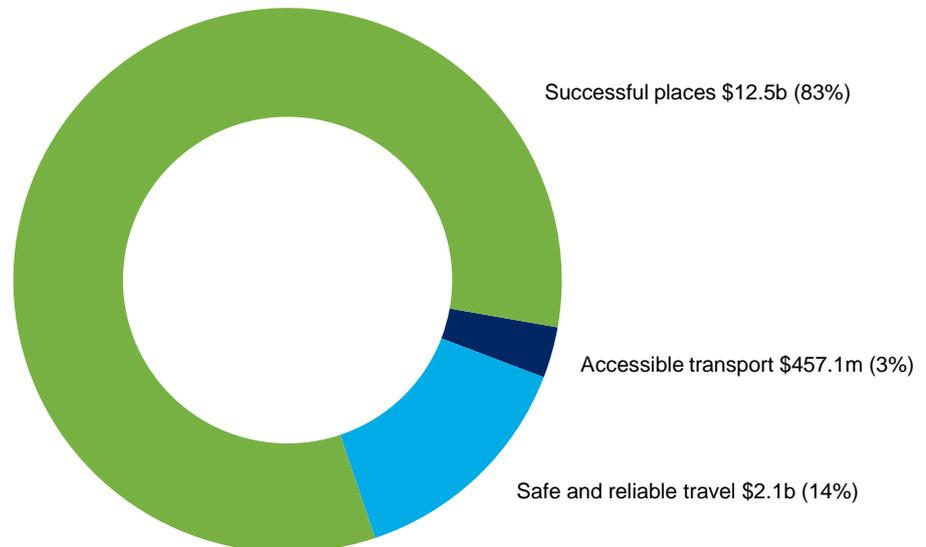
A summary of expenses by State Outcome is provided in the charts below.

Chart 7.1: Recurrent expenses by outcome 2019-20 (dollars and %)



Note: The sum of percentages does not equal one hundred due to rounding.

Chart 7.2: Capital expenditure by outcome 2019-20 (dollars and %)



7.5 Agency Expense Summary

The 2019-20 Budget for Transport for NSW (and other agencies within the cluster) is listed in the table below.

In 2019-20, Transport for NSW will spend \$25.2 billion (\$14.6 billion recurrent expenses and \$10.6 billion capital expenditure).

When including the expenses for Public Non-Financial Corporations in the cluster (but eliminating certain cluster grants, personnel services and Transport Asset Holding Entity (TAHE) recurrent expenses), total cluster expenses in 2019-20 are adjusted to \$14.4 billion and \$15.1 billion for recurrent expenses and capital expenditure respectively.

Transport cluster	Expenses			Capital Expenditure		
	2018-19 Revised	2019-20 Budget	Change	2018-19 Revised	2019-20 Budget	Change
	\$m	\$m	%	\$m	\$m	%
Transport for NSW ^(a)	3,445.2	7,639.8	N/A ^(a)	1,326.5	10,599.6	N/A ^(a)
Cluster Grants, personnel services, TAHE expenses and other grants ^(b)	16,096.6	7,001.8	N/A ^(a)	...	...	...
Total Principal Agency	19,541.9	14,641.6	N/A^(a)	1,326.5	10,599.6	N/A^(a)
General Government (GG) Agencies						
Office of Transport Safety Investigations	3.1	3.1	2.3	0.0	0.1	N/A
Roads and Maritime Services ^(a)	4,434.4	N/A ^(a)	N/A ^(a)	5,592.7	N/A	N/A
Sydney Metro	364.3	869.7	138.7	4,357.5	1,504.9	(65.5) ^(c)
Total General Government Cluster Agencies	4,801.8	872.9	N/A^(a)	9,950.2	1,505.0	N/A^(a)
Public Non-Financial Corporations (PNFCs)						
Rail Corporation NSW	1,339.6	1,829.7	36.6	2,084.3	2,951.4	41.6
Sydney Trains	2,710.0	2,755.0	1.7	40.9	9.9	(75.7) ^(d)
NSW Trains	829.9	867.1	4.5	5.9	12.2	106.8
State Transit Authority	394.6	407.1	3.2	6.0	0.4	(93.1) ^(e)
Sydney Ferries	16.6	22.5	35.6	4.4	18.6	324.2
Total PNFCs	5,290.6	5,881.3	11.2	2,141.5	2,992.5	39.7
Total Transport Cluster (GG + PNFC) ^(f)	13,537.6	14,394.0	6.3	13,418.2	15,097.1	12.5

(a) Due to the consolidation of Roads and Maritime Services' functions into Transport for NSW, figures for these two entities are not comparable between 2018-19 and 2019-20. The change percentage figure for these agencies is therefore not applicable.

(b) This line shows expenses on an uneliminated cluster basis, including cluster grants. It also includes all grants paid to Public Non-Financial Corporations (PNFCs) within the Transport cluster, including Transport Asset Holding Entity (TAHE) recurrent expenses and Restart and Rebuilding NSW grants to RMS and Sydney Metro.

(c) This figure does not include the \$3 billion Restart NSW reservation for Sydney Metro West. The forecast reduction in capital expenditure in 2019-20 is due to the completion of the Sydney Metro Northwest project in May 2019.

(d) Capital reduction in Sydney Trains due to reduced works on the Waratah Rollingstock Enabling and Ancillary works.

(e) Capital reduction in State Transit Authority due to funding of \$5.6 million included in the 2018-19 Budget for Enterprise Resource Planning (ERP) system.

(f) Total Transport cluster (GG+PNFC) eliminates all intra-cluster expenditure including cluster grants, personnel services, TAHE expenditure, redundancy and Restart and Rebuilding NSW grants between Transport for NSW to RMS and Sydney Metro.

Note: Some sub-totals in this table may not be exactly equal to the sum of agency totals due to rounding.

7.6 Financial Statements

Transport for NSW (including RMS)

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	1,674,287
Personnel Services Expenses	1,129
Other Operating Expenses	3,924,299
Grants and Subsidies	4,423,357
Appropriation Expense
Depreciation and Amortisation	2,608,707
Finance Costs	169,575
Other Expenses	1,840,266
TOTAL EXPENSES EXCLUDING LOSSES	14,641,621
Revenue			
Appropriation Revenue	14,143,868
Cluster Grant Revenue
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	51,772
Transfers to the Crown Entity
Sales of Goods and Services	3,631,470
Grants and Contributions	3,200,129
Investment Revenue	28,034
Retained Taxes, Fees and Fines	75,699
Other Revenue	638,147
Total Revenue	21,769,118
Gain/(loss) on Disposal of Non Current Assets	(62)
Other Gains/(Losses)	(98,567)
Net Result	7,028,868

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	1,388,691
Taxes Receivable
Receivables	1,239,609
Inventories	6,341
Financial Assets at Fair Value	118,197
Other Financial Assets	30,000
Other
Assets Held For Sale	25,000
Total Current Assets	2,807,837
Non Current Assets			
Taxes Receivable	4,897,514
Receivables
Inventories
Financial Assets at Fair Value	251,179
Equity Investments
Property, Plant and Equipment -			
Land and Building	4,598,637
Plant and Equipment	1,242,791
Infrastructure Systems	106,701,237
Investment Properties
Intangibles	856,325
Other Assets	3,033,365
Total Non Current Assets	121,581,048
Total Assets	124,388,885
Liabilities			
Current Liabilities			
Taxes Payable
Payables	2,505,198
Other Financial Liabilities at Fair Value	215
Borrowings	273,397
Provisions	338,353
Other	377,045
Liabilities Associated with Assets Held for Sale
Total Current Liabilities	3,494,209
Non Current Liabilities			
Taxes Payable
Payables
Other Financial Liabilities at Fair Value
Borrowings	2,837,760
Provisions	199,910
Other	687,888
Total Non Current Liabilities	3,725,558
Total Liabilities	7,219,767
Net Assets	117,169,118
Equity			
Accumulated Funds	116,316,497
Reserves	852,621
Capital Equity
Total Equity	117,169,118

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	1,634,786
Personnel Services	1,129
Grants and Subsidies	4,614,597
Finance Costs	169,575
Equivalent Income Tax
Other Payments	7,028,343
Total Payments	13,448,430
Receipts			
Appropriation	14,143,868
Cluster Grant Revenue
Cash reimbursements from the Crown Entity
Sale Proceeds Transfers to the Crown Entity
Cash transfers to the Crown Entity
Sale of Goods and Services	3,633,906
Retained Taxes, Fees and Fines
Interest Received	17,066
Grants and Contributions	3,200,129
Other Receipts	1,691,750
Total Receipts	22,686,719
Net Cash Flows From Operating Activities	9,238,289
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	115,341
Purchases of Property, Plant and Equipment	(8,967,955)
Proceeds from Sale of Investments
Purchases of Investments
Advances Repayments Received
Advances made
Other Investing	(208,588)
Net Cash Flows From Investing Activities	(9,061,202)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	(103)
Repayment of Borrowings and Advances	(223,989)
Dividends Paid
Other Financing
Capital Appropriation - Equity Appropriation
Cash Equity Injection to For-Profit Entities
Net Cash Flows From Financing Activities	(224,092)
Net Increase/(Decrease) in Cash	(47,005)
Opening Cash and Cash Equivalents	1,440,276
Reclassification of Cash Equivalents	(4,580)
Cash transferred in (out) as a Result of Administrative Restructuring
Closing Cash and Cash Equivalents	1,388,691

Transport for NSW (excluding RMS)

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	1,844,192	1,791,739	...
Personnel Services Expenses	1,001	...	...
Other Operating Expenses	2,958,045	2,272,584	...
Grants and Subsidies	11,643,222	12,981,894	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	595,565	666,673	...
Finance Costs	92,710	98,915	...
Other Expenses	1,638,175	1,730,063	...
TOTAL EXPENSES EXCLUDING LOSSES	18,772,910	19,541,869	...
Revenue			
Appropriation Revenue	11,317,874	11,928,179	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	51,456	59,834	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	4,070,742	3,435,450	...
Grants and Contributions	3,490,778	4,189,735	...
Investment Revenue	6,248	8,155	...
Retained Taxes, Fees and Fines	3,560	3,560	...
Other Revenue	8,964	34,564	...
Total Revenue	18,949,622	19,659,477	...
Gain/(loss) on Disposal of Non Current Assets	...	(2,794)	...
Other Gains/(Losses)	...	(3,230)	...
Net Result	176,712	111,583	...

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	656,468	814,852	...
Taxes Receivable	...	...	...
Receivables	1,210,228	750,045	...
Inventories	...	...	...
Financial Assets at Fair Value	20	1,813	...
Other Financial Assets	...	30,000	...
Other	...	...	...
Assets Held For Sale	23,497	...	...
Total Current Assets	1,890,213	1,596,710	...
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	126,582	192,144	...
Inventories	...	...	...
Financial Assets at Fair Value	950	1,079	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	578,128	591,143	...
Plant and Equipment	1,986,666	1,880,398	...
Infrastructure Systems	9,300,032	8,321,779	...
Investment Properties	...	...	...
Intangibles	929,538	629,687	...
Other Assets	931	658,560	...
Total Non Current Assets	12,922,827	12,274,791	...
Total Assets	14,813,040	13,871,501	...
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	1,891,516	1,410,117	...
Other Financial Liabilities at Fair Value	1,333	215	...
Borrowings	464,166	137,642	...
Provisions	289,739	325,956	...
Other	147,740	173,298	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	2,794,494	2,047,229	...
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	204	...	...
Borrowings	1,318,938	696,600	...
Provisions	170,309	206,119	...
Other	220,001	115,301	...
Total Non Current Liabilities	1,709,452	1,018,020	...
Total Liabilities	4,503,946	3,065,249	...
Net Assets	10,309,094	10,806,252	...
Equity			
Accumulated Funds	9,540,161	9,953,631	...
Reserves	768,933	852,621	...
Capital Equity	...	...	...
Total Equity	10,309,094	10,806,252	...

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	1,806,648	1,724,990	...
Personnel Services	1,001	...	...
Grants and Subsidies	11,631,266	13,029,786	...
Finance Costs	92,710	98,915	...
Equivalent Income Tax	...	...	...
Other Payments	5,623,878	4,364,378	...
Total Payments	19,155,504	19,218,069	...
Receipts			
Appropriation	11,317,874	11,928,179	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	4,083,944	3,302,635	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	6,248	8,155	...
Grants and Contributions	3,490,778	4,189,735	...
Other Receipts	1,000,555	1,078,571	...
Total Receipts	19,899,399	20,507,275	...
Net Cash Flows From Operating Activities	743,895	1,289,206	...
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	1,166	...
Purchases of Property, Plant and Equipment	(938,056)	(1,244,719)	...
Proceeds from Sale of Investments	...	(72)	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(81,210)	(61,777)	...
Net Cash Flows From Investing Activities	(1,019,266)	(1,305,402)	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	(102)	...	...
Repayment of Borrowings and Advances	(86,599)	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	(86,701)	...	...
Net Increase/(Decrease) in Cash	(362,072)	(16,196)	...
Opening Cash and Cash Equivalents	1,018,540	795,393	814,852
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	35,655	(814,852)
Closing Cash and Cash Equivalents	656,468	814,852	...

Roads and Maritime Services (Consolidated)

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	(292,508) ^(a)	2,281	...
Personnel Services Expenses	828,663	488,964	...
Other Operating Expenses	1,494,975	1,484,551	...
Grants and Subsidies	557,996	548,866	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	1,818,706	1,888,476	...
Finance Costs	21,236	21,236	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	4,429,068	4,434,374	...
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	5,749,816	5,965,508	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	17,368	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	563,505	625,573	...
Grants and Contributions	1,295,890	1,992,761	...
Investment Revenue	23,345	23,145	...
Retained Taxes, Fees and Fines	57,990	72,184	...
Other Revenue	371,851	368,941	...
Total Revenue	8,079,764	9,048,112	...
Gain/(loss) on Disposal of Non Current Assets	3,149	28,649	...
Other Gains/(Losses)	(219,521)	(466,021)	...
Net Result	3,434,324	4,176,366	...

(a) The 2018-19 Budget for employee related expense is negative due to the capitalisation of personnel services expenses being recognised in employee related expenses. This has been merged with Personnel services expenses in 2018-19 revised.

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	581,601	625,424	...
Taxes Receivable	...	...	...
Receivables	354,742	534,743	...
Inventories	6,341	6,341	...
Financial Assets at Fair Value	114,504	111,804	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	25,000	25,000	...
Total Current Assets	1,082,188	1,303,311	...
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	1,560,816	1,962,298	...
Inventories	...	...	...
Financial Assets at Fair Value	240,161	239,132	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	3,797,124	3,615,085	...
Plant and Equipment	109,993	109,992	...
Infrastructure Systems	93,918,343	95,796,370	...
Investment Properties	...	...	...
Intangibles	161,440	161,044	...
Other Assets	2,354,404	2,321,773	...
Total Non Current Assets	102,142,282	104,205,694	...
Total Assets	103,224,470	105,509,005	...
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	827,709	986,854	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	68,059	68,059	...
Provisions	7,338	7,338	...
Other	209,744	212,312	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	1,112,850	1,274,563	...
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	176,516	176,516	...
Provisions	18,226	18,226	...
Other	617,229	617,229	...
Total Non Current Liabilities	811,971	811,971	...
Total Liabilities	1,924,821	2,086,534	...
Net Assets	101,299,649	103,422,471	...
Equity			
Accumulated Funds	78,835,464	79,669,899	...
Reserves	22,464,185	23,752,572	...
Capital Equity	...	...	...
Total Equity	101,299,649	103,422,471	...

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	(309,876) ^(a)	2,012	...
Personnel Services	828,663	488,964	...
Grants and Subsidies	443,396	504,321	...
Finance Costs	21,236	21,236	...
Equivalent Income Tax	...	...	...
Other Payments	2,328,374	2,886,439	...
Total Payments	3,311,793	3,902,973	...
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	5,749,816	5,965,508	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	544,672	588,665	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	13,171	13,139	...
Grants and Contributions	1,168,493	1,899,380	...
Other Receipts	627,852	678,615	...
Total Receipts	8,104,004	9,145,307	...
Net Cash Flows From Operating Activities	4,792,211	5,242,334	...
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	110,341	133,683	...
Purchases of Property, Plant and Equipment	(4,971,767)	(5,693,219)	...
Proceeds from Sale of Investments	155,466	147,027	...
Purchases of Investments	...	(5,922)	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(20,000)	(21,444)	...
Net Cash Flows From Investing Activities	(4,725,960)	(5,439,875)	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	(63,875)	(63,875)	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	(63,875)	(63,875)	...
Net Increase/(Decrease) in Cash	2,376	(261,416)	...
Opening Cash and Cash Equivalents	591,290	886,840	625,424
Reclassification of Cash Equivalents	(12,065)	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	(625,424)
Closing Cash and Cash Equivalents	581,601	625,424	...

(a) The 2018-19 Budget for employee related expense is negative due to the capitalisation of personnel services expenses being recognised in employee related expenses. This has been merged with Personnel services expenses in 2018-19 revised.

Sydney Metro

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	2,675	...
Personnel Services Expenses	3,750	6,036	3,849
Other Operating Expenses	1,420	319,194	447,891
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	6,119	25,857	161,323
Finance Costs	10,544	10,544	126,587
Other Expenses	30,739	...	130,075
TOTAL EXPENSES EXCLUDING LOSSES	52,572	364,307	869,725
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	180,150	713,110	532,358
Acceptance by Crown Entity of Employee Benefits and Other	...	...	...
Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	13,200	251,742	507,947
Grants and Contributions	1,863,014	1,977,469	1,161,439
Investment Revenue	...	2,000	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	50,000	50,000	49,877
Total Revenue	2,106,364	2,994,321	2,251,622
Gain/(loss) on Disposal of Non Current Assets	...	21,000	20,488
Other Gains/(Losses)	...	(2,426)	...
Net Result	2,053,792	2,648,588	1,402,385

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	39,091	85,000	73,569
Taxes Receivable	...	...	...
Receivables	...	145,265	145,265
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	39,091	230,265	218,834
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	22,748
Plant and Equipment	...	...	...
Infrastructure Systems	9,861,414	15,517,049	16,860,644
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	9,861,414	15,517,049	16,883,392
Total Assets	9,900,505	15,747,314	17,102,226
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	...	337,099	337,099
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	9,073
Provisions	...	...	...
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	...	337,099	346,172
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	4,426	4,426
Borrowings	1,785,420	1,745,300	1,688,754
Provisions	...	...	...
Other	...	74,690	74,690
Total Non Current Liabilities	1,785,420	1,824,416	1,767,870
Total Liabilities	1,785,420	2,161,516	2,114,043
Net Assets	8,115,085	13,585,798	14,988,183
Equity			
Accumulated Funds	8,115,085	13,585,798	14,988,183
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	8,115,085	13,585,798	14,988,183

Cash Flow Statement

	2018-19		2019-20
	Budget \$000	Revised \$000	Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	2,675	...
Personnel Services	3,750	6,036	3,849
Grants and Subsidies	...	...	...
Finance Costs	10,544	10,544	126,587
Equivalent Income Tax	...	...	...
Other Payments	32,159	420,320	577,966
Total Payments	46,453	439,575	708,402
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	180,150	713,110	532,358
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	13,200	234,977	507,947
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	1,500	...
Grants and Contributions	1,863,014	1,977,469	1,161,439
Other Receipts	50,000	31,000	49,877
Total Receipts	2,106,364	2,958,056	2,251,622
Net Cash Flows From Operating Activities	2,059,911	2,518,481	1,543,220
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	21,000	20,488
Purchases of Property, Plant and Equipment	(1,986,275)	(2,454,481)	(1,495,915)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	(1,986,275)	(2,433,481)	(1,475,427)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	(34,545)	...	(79,224)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	(34,545)	...	(79,224)
Net Increase/(Decrease) in Cash	39,091	85,000	(11,431)
Opening Cash and Cash Equivalents	...	...	85,000
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	39,091	85,000	73,569

Office of Transport Safety Investigations

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	2,454	2,331	2,517
Personnel Services Expenses	...	...	...
Other Operating Expenses	626	728	256
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	25	18	357
Finance Costs	...	...	18
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	3,104	3,077	3,148
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	2,853	2,830	2,695
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	182	137	193
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	66	...	135
Grants and Contributions	...	...	...
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	...	...
Total Revenue	3,100	2,967	3,023
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(4)	(110)	(125)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	193	180	178
Taxes Receivable	...	...	...
Receivables	68	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	261	180	178
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	642
Plant and Equipment	55	32	23
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	55	32	665
Total Assets	316	212	843
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	48	50	150
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	333
Provisions	359	...	...
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	407	50	483
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	323
Provisions	...	361	361
Other	...	...	...
Total Non Current Liabilities	...	361	684
Total Liabilities	407	411	1,167
Net Assets	(91)	(199)	(324)
Equity			
Accumulated Funds	(91)	(199)	(324)
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	(91)	(199)	(324)

Cash Flow Statement

	2018-19 Budget \$000	2018-19 Revised \$000	2019-20 Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	2,272	2,526	2,324
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	18
Equivalent Income Tax	...	...	...
Other Payments	686	513	217
Total Payments	2,958	3,039	2,559
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	2,853	2,830	2,695
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	66	...	135
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	...	...	...
Other Receipts	60	77	61
Total Receipts	2,979	2,907	2,891
Net Cash Flows From Operating Activities	21	(132)	332
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(21)	...	(21)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	(21)	...	(21)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(313)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(313)
Net Increase/(Decrease) in Cash	...	(132)	(2)
Opening Cash and Cash Equivalents	193	312	180
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	193	180	178

8. TREASURY CLUSTER

8.1 Introduction

The Treasury cluster, as the Government's principal financial and economic adviser, enables the Government to deliver its promise to the people of New South Wales that the State will always be a great place to live and work. The cluster comprises several entities, including the Crown Finance Entity that reports large expenditures in relation to whole-of-State assets and liabilities. The Treasury, by comparison, represents a smaller proportion of total cluster expenditure.



Contribution to the Government's Priorities

The Treasury cluster contributes to delivering the following Government priorities:

- A strong economy, quality jobs and job security for workers of today and tomorrow
- Making Government work better for you by putting the customer at the centre of everything we do.

State Outcomes to be delivered by the Treasury cluster

State Outcome	Description
Driving the economic growth of NSW	Driving whole-of-state economic policy and strategy, with a focus on enhancing the wellbeing of NSW citizens, creating a competitive business and investment environment, supporting and attracting new and expanding businesses to create jobs for the people of NSW and growing the visitor economy.
Effective capital and balance sheet optimisation	Managing whole-of-State financial asset and liability activities, as measured by investment and debt performance. Maintaining strong financial management through accurate data and advice. Working towards the State's objective of fully funding Defined Benefit Superannuation by 2030.
Sustainable fiscal position to enable the delivery of outcomes	Providing informed fiscal, economic, commercial and financial analysis and advice. Maintaining the State's triple-A rating through implementing comprehensive financial management strategies, and meeting revenue and expenditure growth targets.

8.2 2019-20 Budget Highlights

In 2019-20, the Treasury cluster will spend \$12.7 billion (\$12.7 billion recurrent expenses and \$8.2 million capital expenditure). Key initiatives are highlighted below.

Driving the economic growth of New South Wales

- Create 250,000 new jobs over the next four years from 2019
- \$300 million in workers compensation insurance premium discounts over three years for 280,000 employers via Insurance and Care NSW, delivering an average discount of 8 per cent, and maximum of 12.5 per cent, for employers with the safest workplaces
- \$141 million in 2019-20 to promote New South Wales tourism through Destination NSW, including attracting major events to support local economies
- \$127 million in 2019-20 on increasing jobs and investment in New South Wales, including \$4.3 million for the start-up hubs in Western Sydney
- The NSW Small Business Commission will receive \$6 million in 2019-20 to continue important advocacy work on behalf of small businesses, like its recent efforts to help drought-affected businesses secure deferrals on Business Activity Statements with the Australian Taxation Office
- Establish the Sydney Innovation and Technology Precinct at Central-Eveleigh
- Establish an agribusiness precinct in the Western Sydney Aerotropolis which will contribute directly to 2,500 jobs and support up to 12,000 more.

The Government will continue to invest in supporting safe workplaces and boosting job creation including through:

- the Jobs Action Plan payroll tax rebate and Small Business Employment Incentive Scheme to support job creation and make it easier to start a business
- the Business Connect program, ensuring businesses across the State will continue to get access to professional advice from a network of trusted business advisory services
- the NSW Government Aboriginal Procurement Policy, aimed at awarding three per cent of government goods and services contracts to Aboriginal owned businesses
- the Boosting Business Innovation Program, giving small businesses access to research organisations to build strong local business communities and stimulate economic growth in metropolitan and regional New South Wales.

Effective capital and balance sheet optimisation

This includes activities to optimise the State's balance sheet, which is underpinned by the cluster's whole-of-State financial asset and liability activities, including those administered by the Crown Finance Entity and Electricity Retained Interest Corporations. Key initiatives and activities include:

- management of the Treasury Banking System post the completion of the banking tender and maximising returns on the State's centrally managed cash holdings
- managing the State's core debt portfolio to minimise the market value and cost of the debt within specified risk parameters, and managing any significant finance risks for the State
- administering the Restart NSW and Social and Affordable Housing Fund, to maximise returns for investment in productive infrastructure and boost delivery of social and affordable homes across New South Wales

- overseeing the State's investments, including retained interest in Ausgrid and Endeavour Energy, as well as administering the residual assets and liabilities of major State asset sales and long-term lease transactions
- managing the NSW public sector Defined Benefit Superannuation Scheme, in line with the Government's long-term funding plan.

8.1 Machinery of Government

Under the Administrative Arrangements (Administrative Changes – Public Service Agencies) Order 2019, the following changes to the Treasury cluster are effective 1 July 2019:

- Procurement NSW transfers from the former Finance, Services and Innovation cluster into the Treasury cluster
- the following functions, agencies and groups from the former Industry cluster transfer into the Treasury cluster:
 - those functions associated with the administration of legislation allocated to the Minister for Jobs, Investment, Tourism and Western Sydney
 - Office of the Small Business Commissioner
 - NSW Trade and Investment.
- Western City and Aerotropolis Authority Staff Agency transfers from the Premier and Cabinet cluster into the Treasury cluster.
- transfers out of the Treasury cluster:
 - the Data Analytics Centre to the Customer Service cluster
 - the functions associated with the administration of legislation allocated to the Special Minister of State, Minister for Public Service and Employee Relations, Aboriginal Affairs and the Arts transfer to the Premier and Cabinet.

8.2 Overview of cluster expenses by State Outcome

A summary of expenses by State Outcome is provided in the charts below.

Chart 8.1: Recurrent expenses by outcome 2019-20 (dollars and %)

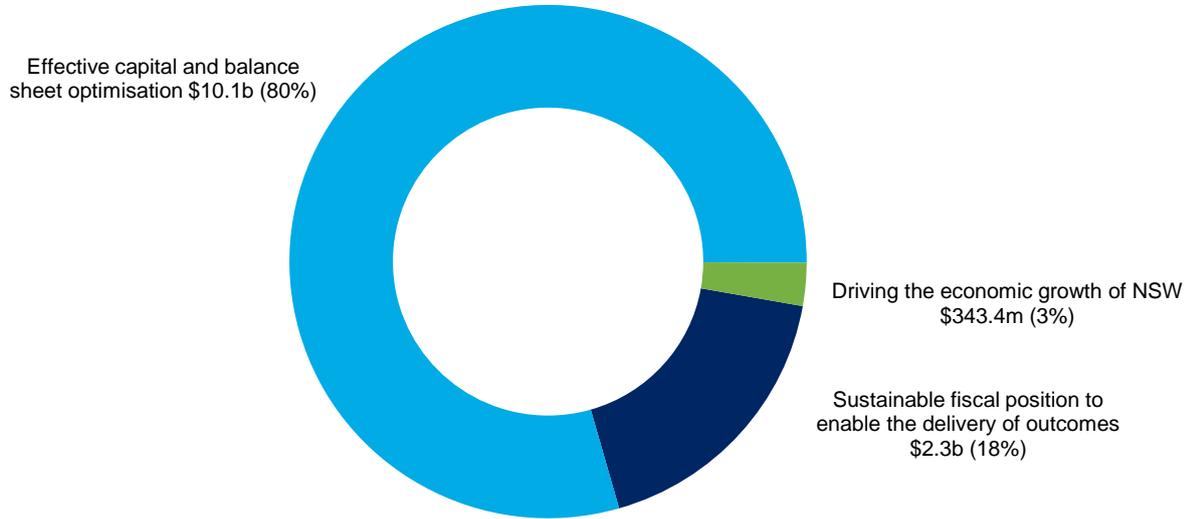
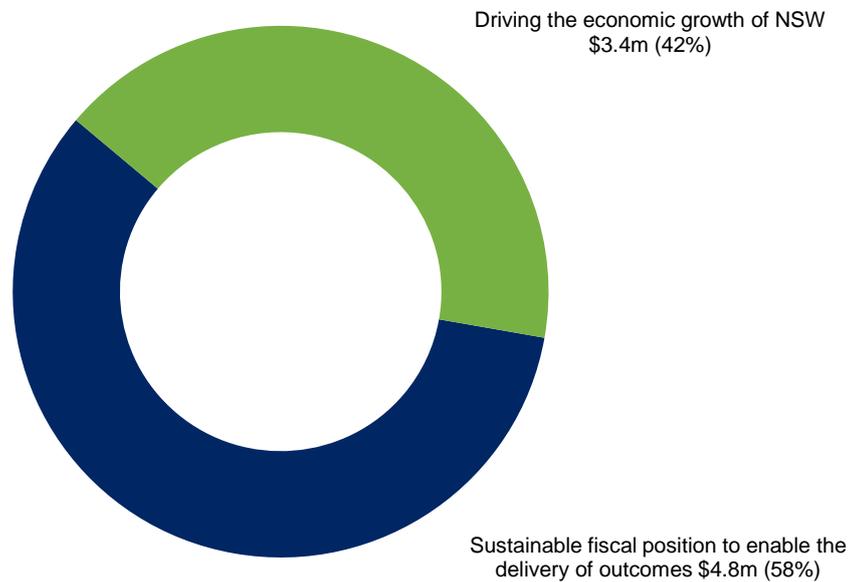


Chart 8.2: Capital expenditure by outcome 2019-20 (dollars and %)



8.3 Agency Expense Summary

The 2019-20 Budget for the Treasury (and other agencies within the cluster) is listed in the table below.

In 2019-20, the Treasury will spend \$424.3 million (\$416.5 million recurrent expenses and \$7.8 million capital expenditure).

Treasury cluster	Expenses ^(a)			Capital Expenditure		
	2018-19	2019-20	Change	2018-19	2019-20	Change
	Revised	Budget		Revised	Budget	
	\$m	\$m	%	\$m	\$m	%
The Treasury	131.8	283.1	114.8	7.3	7.8	6.6
Cluster Grants	0.0	133.3	N/A ^(b)	...	...	...
Total Principal Agency	131.8	416.5	216.0	7.3	7.8	6.6
Alpha Distribution Ministerial Holding Corporation	10.4	10.4	(0.5)	0.0	0.0	0.0
Building Insurers' Guarantee Corporation	(3.7)	0.2	(104.4) ^(e)	0.0	0.0	0.0
Crown Finance Entity	12,178.4	9,819.5	(19.4)	0.0	0.0	0.0
Electricity Assets Ministerial Holding Corporation	5.9	6.2	5.6	0.0	0.0	0.0
Electricity Retained Interest Corporation - Ausgrid	146.5	1.0	(99.3) ^(f)	0.0	0.0	0.0
Electricity Retained Interest Corporation - Endeavour Energy	39.0	127.2	226.2	0.0	0.0	0.0
Electricity Transmission Ministerial Holding Corporation	6.5	6.3	(2.6)	0.0	0.0	0.0
Epsilon Distribution Ministerial Holding Corporation	3.0	3.1	2.1	0.0	0.0	0.0
Liability Management Ministerial Corporation	0.0	0.0	2.0	0.0	0.0	0.0
NSW Self Insurance Corporation	2,429.2	2,131.9	(12.2)	0.2	0.2	0.0
Ports Assets Ministerial Holding Corporation .	37.8	40.6	7.4	0.0	0.0	0.0
Roads Retained Interest Pty Ltd	1.1	86.7	7,458.1	0.0	0.0	0.0
Workers' Compensation (Dust Diseases) Authority	44.8	48.0	7.3	3.1	0.0	(98.7)
Total Cluster Agencies	14,898.9	12,281.1	(17.6)	3.2	0.2	(93.5)
Agencies transferred from: Industry (GG) Cluster^(c)						
Destination NSW	176.7	141.2	(20.1) ^(g)	0.2	0.2	0.0
Agencies transferred from: Premier and Cabinet (GG) Cluster^(d)						
Western City and Aerotropolis Authority	2.8	0.0	N/A ^(h)	0.0	0.0	0.0
Total Transferred In Agencies	179.5	141.2	(21.4)	0.2	0.2	0.0

(a) This table shows expenses on an uneliminated cluster basis.

(b) For 2019-20, the Treasury cluster includes several new functions following machinery of government changes (see section 8.3), and thus comparisons between 2018-19 and 2019-20 Budget are not like for like comparisons.

(c) Destination NSW transfers from the former Industry cluster effective 1 July 2019.

(d) The Western City and Aerotropolis Authority transfers from the Premier and Cabinet cluster effective 1 July 2019.

(e) Recurrent reduction due to movements in actuarial valuation of outstanding claims.

(f) Recurrent reduction relates to revised expense profile incurred by the State following the long-term lease of Ausgrid.

(g) Recurrent reduction due to completion of four-year funded projects from 2015-16.

(h) The 2019-20 budget for the Western City and Aerotropolis Authority is yet to be determined pending the finalisation of machinery of government changes.

Note: Some sub-totals in this table may not be exactly equal to the sum of agency totals due to rounding.

8.4 Financial Statements

The Treasury

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	85,818	81,572	134,057
Personnel Services Expenses	...	...	...
Other Operating Expenses	38,090	43,152	63,778
Grants and Subsidies	4,859	359	196,038
Appropriation Expense	...	...	...
Depreciation and Amortisation	6,552	6,628	16,807
Finance Costs	68	68	5,787
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	135,386	131,778	416,466
Revenue			
Appropriation Revenue	128,839	115,839	368,168
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	1,722	1,741	2,726
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	16,024	16,024	22,523
Grants and Contributions	...	1,900	1,061
Investment Revenue	...	...	12,797
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	1,015	...
Total Revenue	146,586	136,520	407,275
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	11,199	4,741	(9,192)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	14,290	10,389	4,678
Taxes Receivable	...	...	...
Receivables	11,288	5,466	6,471
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	14
Assets Held For Sale	...	...	...
Total Current Assets	25,578	15,855	11,163
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	(25)	...	(35)
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	149,527
Plant and Equipment	13,303	13,023	11,558
Infrastructure Systems	...	...	(276)
Investment Properties	...	...	...
Intangibles	58,420	51,087	52,315
Other Assets	...	...	...
Total Non Current Assets	71,698	64,110	213,089
Total Assets	97,276	79,965	224,251
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	19,443	7,668	8,049
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	1	...	3,507
Provisions	8,650	8,998	10,367
Other	1,748	1,382	11
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	29,842	18,048	21,934
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	152,257
Provisions	3,045	3,203	3,625
Other	11,866	11,866	...
Total Non Current Liabilities	14,911	15,069	155,882
Total Liabilities	44,753	33,117	177,816
Net Assets	52,523	46,848	46,435
Equity			
Accumulated Funds	52,523	46,848	46,435
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	52,523	46,848	46,435

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	84,790	79,550	130,404
Personnel Services	...	...	...
Grants and Subsidies	4,859	359	196,038
Finance Costs	...	...	5,719
Equivalent Income Tax	...	...	...
Other Payments	46,914	53,556	70,641
Total Payments	136,563	133,465	402,802
Receipts			
Appropriation	128,839	115,839	368,168
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	16,127	16,070	21,929
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	12,797
Grants and Contributions	...	1,900	1,061
Other Receipts	4,033	3,768	4,033
Total Receipts	148,999	137,577	407,988
Net Cash Flows From Operating Activities	12,436	4,112	5,186
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(852)	(932)	(1,100)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(10,194)	(6,387)	(6,700)
Net Cash Flows From Investing Activities	(11,046)	(7,319)	(7,800)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	1	...	...
Repayment of Borrowings and Advances	...	...	(3,097)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	1	...	(3,097)
Net Increase/(Decrease) in Cash	1,391	(3,207)	(5,711)
Opening Cash and Cash Equivalents	12,897	13,596	10,389
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	14,289	10,389	4,678

Crown Finance Entity

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	2,829,623	3,734,774	2,824,503
Personnel Services Expenses	...	...	...
Other Operating Expenses	130,022	77,914	141,718
Grants and Subsidies	5,262,971	6,583,739	5,101,522
Appropriation Expense	...	...	...
Depreciation and Amortisation	...	...	...
Finance Costs	1,404,228	1,502,474	1,535,892
Other Expenses	225,976	279,470	215,860
TOTAL EXPENSES EXCLUDING LOSSES	9,852,820	12,178,372	9,819,496
Revenue			
Appropriation Revenue	19,108,352	19,502,349	14,498,083
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other	...	...	...
Liabilities			
Transfers to the Crown Entity	(10,140,123)	(15,652,924)	(14,466,272)
Sales of Goods and Services	4,500	4,400	4,400
Grants and Contributions	241,000	207,326	222,572
Investment Revenue	1,199,193	1,973,046	1,611,609
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	60,260	158,264	57,761
Total Revenue	10,473,182	6,192,461	1,928,153
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	1,300	(146,855)	1,000
Net Result	621,662	(6,132,766)	(7,890,342)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	1,969,667	1,987,849	1,498,206
Taxes Receivable	...	...	...
Receivables	22,853	10,585	11,111
Inventories	...	...	...
Financial Assets at Fair Value	29	29	30
Other Financial Assets	82,752	977,355	183,610
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	2,075,301	2,975,818	1,692,957
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	23,598,494	30,491,637	28,402,066
Equity Investments	...	...	...
Property, Plant and Equipment -	...	...	...
Land and Building	...	...	...
Plant and Equipment	...	...	...
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	23,598,494	30,491,637	28,402,066
Total Assets	25,673,795	33,467,455	30,095,023
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	431,455	395,850	481,571
Other Financial Liabilities at Fair Value	...	6,018	9,159
Borrowings	677,309	331,932	401,968
Provisions	9,466,039	10,812,893	11,115,054
Other	98,752	2,000	1,614
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	10,673,555	11,548,694	12,009,365
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	142,137	132,978
Borrowings	28,274,420	32,193,120	39,795,499
Provisions	45,565,386	61,474,826	58,996,317
Other	9,192	6,376	4,844
Total Non Current Liabilities	73,848,998	93,816,460	98,929,638
Total Liabilities	84,522,553	105,365,153	110,939,003
Net Assets	(58,848,758)	(71,897,698)	(80,843,980)
Equity			
Accumulated Funds	(58,848,758)	(71,897,698)	(80,843,980)
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	(58,848,758)	(71,897,698)	(80,843,980)

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	2,528,876	2,465,645	2,890,002
Personnel Services	...	...	...
Grants and Subsidies	5,262,971	6,583,739	5,101,522
Finance Costs	1,241,259	1,250,496	1,348,382
Equivalent Income Tax	...	...	...
Other Payments	595,591	435,079	587,170
Total Payments	9,628,697	10,734,960	9,927,076
Receipts			
Appropriation	19,108,352	19,416,212	14,498,083
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	(10,140,123)	(15,652,924)	(14,466,272)
Sale of Goods and Services	4,500	(77,511)	4,400
Retained Taxes, Fees and Fines	...	...	...
Interest Received	196,544	326,961	70,757
Grants and Contributions	241,000	207,326	222,572
Other Receipts	823,136	1,118,621	1,437,866
Total Receipts	10,233,409	5,338,686	1,767,405
Net Cash Flows From Operating Activities	604,712	(5,396,274)	(8,159,671)
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	...	...	...
Proceeds from Sale of Investments	6,516,335	14,963,071	5,399,542
Purchases of Investments	(3,742,433)	(20,388,645)	(2,249,931)
Advances Repayments Received	117,502	248,146	111,252
Advances made	(333,740)	(262,095)	(242,941)
Other Investing	...	...	...
Net Cash Flows From Investing Activities	2,557,664	(5,439,523)	3,017,923
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	45,000	3,905,631	7,980,000
Repayment of Borrowings and Advances	(316,025)	(1,116,286)	(354,301)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	(2,661,592)	(9,817,577)	(2,973,594)
Net Cash Flows From Financing Activities	(2,932,617)	(7,028,232)	4,652,105
Net Increase/(Decrease) in Cash	229,759	(17,864,030)	(489,643)
Opening Cash and Cash Equivalents	1,739,908	2,504,385	1,987,849
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	17,347,493	...
Closing Cash and Cash Equivalents	1,969,667	1,987,849	1,498,206

NSW Self Insurance Corporation

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	1,570,949	2,116,930	1,976,244
Grants and Subsidies	...	90,000	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	833	802	856
Finance Costs	322,151	143,554	154,774
Other Expenses	...	77,915	...
TOTAL EXPENSES EXCLUDING LOSSES	1,893,933	2,429,201	2,131,874
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	1,210,552	1,221,820	1,642,244
Grants and Contributions	134,496	1,259,496	19,155
Investment Revenue	574,797	696,844	711,259
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	...	...
Total Revenue	1,919,845	3,178,160	2,372,658
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	25,912	748,959	240,784

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	610,448	1,664,222	705,024
Taxes Receivable	...	...	...
Receivables	82,562	140,160	139,587
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	693,010	1,804,382	844,611
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	184,983	189,228	192,236
Inventories	...	...	...
Financial Assets at Fair Value	8,680,474	8,910,655	10,493,003
Equity Investments	...	...	...
Property, Plant and Equipment -	...	...	...
Land and Building	...	...	...
Plant and Equipment	193	113	222
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	968	915	120
Other Assets	...	...	...
Total Non Current Assets	8,866,618	9,100,911	10,685,581
Total Assets	9,559,628	10,905,293	11,530,192
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	334	18,448	18,618
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	1,054,889	1,226,847	1,271,395
Other	95,806	323,844	124,588
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	1,151,029	1,569,139	1,414,601
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	7,312,646	8,235,973	8,526,605
Other	366,315	108,661	356,683
Total Non Current Liabilities	7,678,961	8,344,634	8,883,288
Total Liabilities	8,829,990	9,913,773	10,297,889
Net Assets	729,638	991,520	1,232,303
Equity			
Accumulated Funds	729,638	991,520	1,232,303
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	729,638	991,520	1,232,303

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	649,102	605,435	715,298
Personnel Services	...	...	...
Grants and Subsidies	...	90,000	...
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	1,128,898	1,044,146	1,277,598
Total Payments	1,778,000	1,739,581	1,992,896
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	1,333,574	1,299,973	1,691,583
Retained Taxes, Fees and Fines	...	...	...
Interest Received	12,952	14,446	13,911
Grants and Contributions	134,496	1,259,496	19,155
Other Receipts	496,771	523,830	591,965
Total Receipts	1,977,793	3,097,745	2,316,614
Net Cash Flows From Operating Activities	199,793	1,358,164	323,718
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(110)	(110)	(110)
Proceeds from Sale of Investments	350,000	300,000	150,000
Purchases of Investments	(309,986)	(499,352)	(1,432,745)
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(60)	(60)	(60)
Net Cash Flows From Investing Activities	39,844	(199,522)	(1,282,915)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	239,637	1,158,642	(959,197)
Opening Cash and Cash Equivalents	370,811	505,579	1,664,222
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	610,448	1,664,222	705,024

Western City and Aerotropolis Authority

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	664	...
Personnel Services Expenses	...	850	...
Other Operating Expenses	...	1,293	...
Grants and Subsidies
Appropriation Expense
Depreciation and Amortisation
Finance Costs
Other Expenses
TOTAL EXPENSES EXCLUDING LOSSES	...	2,807	...
Revenue			
Appropriation Revenue
Cluster Grant Revenue	...	2,807	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities
Transfers to the Crown Entity
Sales of Goods and Services
Grants and Contributions
Investment Revenue
Retained Taxes, Fees and Fines
Other Revenue
Total Revenue	...	2,807	...
Gain/(loss) on Disposal of Non Current Assets
Other Gains/(Losses)
Net Result

Balance Sheet

	2018-19 Budget \$000	2018-19 Revised \$000	2019-20 Budget \$000
Assets			
Current Assets			
Cash Assets	...	96	96
Taxes Receivable
Receivables
Inventories
Financial Assets at Fair Value
Other Financial Assets
Other
Assets Held For Sale
Total Current Assets	...	96	96
Non Current Assets			
Taxes Receivable
Receivables
Inventories
Financial Assets at Fair Value
Equity Investments
Property, Plant and Equipment -
Land and Building
Plant and Equipment
Infrastructure Systems
Investment Properties
Intangibles
Other Assets
Total Non Current Assets
Total Assets	...	96	96
Liabilities			
Current Liabilities			
Taxes Payable
Payables	...	96	96
Other Financial Liabilities at Fair Value
Borrowings
Provisions
Other
Liabilities Associated with Assets Held for Sale
Total Current Liabilities	...	96	96
Non Current Liabilities			
Taxes Payable
Payables
Other Financial Liabilities at Fair Value
Borrowings
Provisions
Other
Total Non Current Liabilities
Total Liabilities	...	96	96
Net Assets
Equity			
Accumulated Funds
Reserves
Capital Equity
Total Equity

Cash Flow Statement

	2018-19 Budget \$000	2018-19 Revised \$000	2019-20 Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	664	...
Personnel Services	...	850	...
Grants and Subsidies
Finance Costs
Equivalent Income Tax
Other Payments	...	1,197	...
Total Payments	...	2,711	...
Receipts			
Appropriation
Cluster Grant Revenue	...	2,807	...
Cash reimbursements from the Crown Entity
Sale Proceeds Transfers to the Crown Entity
Cash transfers to the Crown Entity
Sale of Goods and Services
Retained Taxes, Fees and Fines
Interest Received
Grants and Contributions
Other Receipts
Total Receipts	...	2,807	...
Net Cash Flows From Operating Activities	...	96	...
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment
Purchases of Property, Plant and Equipment
Proceeds from Sale of Investments
Purchases of Investments
Advances Repayments Received
Advances made
Other Investing
Net Cash Flows From Investing Activities
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances
Repayment of Borrowings and Advances
Dividends Paid
Other Financing
Capital Appropriation - Equity Appropriation
Cash Equity Injection to For-Profit Entities
Net Cash Flows From Financing Activities
Net Increase/(Decrease) in Cash	...	96	...
Opening Cash and Cash Equivalents	96
Reclassification of Cash Equivalents
Cash transferred in (out) as a Result of Administrative Restructuring
Closing Cash and Cash Equivalents	...	96	96

Alpha Distribution Ministerial Holding Corporation

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	513	718	449
Personnel Services Expenses	...	...	...
Other Operating Expenses	136	9,687	9,905
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	...	...	...
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	649	10,405	10,354
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	...	...
Investment Revenue	9,510	9,412	9,984
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	564	9,691	9,909
Total Revenue	10,074	19,103	19,893
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	(13)	...
Net Result	9,425	8,684	9,539

Balance Sheet

	2018-19 Budget \$000	2018-19 Revised \$000	2019-20 Budget \$000
Assets			
Current Assets			
Cash Assets	26,283	27,067	28,101
Taxes Receivable	...	...	...
Receivables	...	55	56
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	26,283	27,122	28,158
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	148,180	147,935	157,511
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -	...	...	...
Land and Building	...	...	...
Plant and Equipment	...	...	...
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	148,180	147,935	157,511
Total Assets	174,462	175,057	185,669
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	116	827	849
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	230	234	239
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	346	1,060	1,088
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	21,513	22,316	20,538
Other	...	...	...
Total Non Current Liabilities	21,513	22,316	20,538
Total Liabilities	21,859	23,377	21,626
Net Assets	152,604	151,680	164,043
Equity			
Accumulated Funds	152,604	151,680	164,043
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	152,604	151,680	164,043

Cash Flow Statement

	2018-19 Budget \$000	Revised \$000	2019-20 Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	257	(597)
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	133	10,620	9,889
Total Payments	133	10,878	9,292
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	4	5
Retained Taxes, Fees and Fines	...	...	...
Interest Received	418	418	407
Grants and Contributions	...	...	...
Other Receipts	564	10,850	9,914
Total Receipts	982	11,273	10,327
Net Cash Flows From Operating Activities	849	395	1,035
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	...	...	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	...	...	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	849	395	1,035
Opening Cash and Cash Equivalents	25,434	26,672	27,067
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	26,283	27,067	28,101

Building Insurers' Guarantee Corporation

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	489	(3,745)	164
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	...	...	...
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	489	(3,745)	164
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	...	...
Investment Revenue	641	743	744
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	...	...
Total Revenue	641	743	744
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	152	4,487	580

Balance Sheet

	2018-19 Budget \$000	2018-19 Revised \$000	2019-20 Budget \$000
Assets			
Current Assets			
Cash Assets	35,510	45,602	41,925
Taxes Receivable	...	...	...
Receivables	45	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	35,555	45,602	41,925
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	...
Plant and Equipment	...	...	...
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	...	...	...
Total Assets	35,555	45,602	41,925
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	(18)	46	46
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	6,248	94	(4,163)
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	6,230	140	(4,116)
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	5,666	5,666
Other	...	...	...
Total Non Current Liabilities	...	5,666	5,666
Total Liabilities	6,230	5,807	1,550
Net Assets	29,325	39,795	40,375
Equity			
Accumulated Funds	29,325	39,795	40,375
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	29,325	39,795	40,375

Cash Flow Statement

	2018-19 Budget \$000	2018-19 Revised \$000	2019-20 Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	12,065	4,352	4,420
Total Payments	12,065	4,352	4,420
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	641	743	712
Grants and Contributions	...	...	...
Other Receipts	...	85	32
Total Receipts	641	828	744
Net Cash Flows From Operating Activities	(11,424)	(3,524)	(3,676)
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	...	...	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	...	...	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	(11,424)	(3,524)	(3,676)
Opening Cash and Cash Equivalents	46,932	49,126	45,602
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	35,508	45,602	41,925

Destination NSW

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	21,319	21,319	21,750
Personnel Services Expenses	...	...	...
Other Operating Expenses	133,750	141,830	105,874
Grants and Subsidies	17,551	13,376	11,347
Appropriation Expense	...	...	...
Depreciation and Amortisation	152	164	2,021
Finance Costs	...	...	167
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	172,772	176,689	141,159
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	164,138	166,845	133,346
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	325	325	325
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	6,000	7,200	5,996
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	10	...
Total Revenue	170,463	174,380	139,667
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(2,309)	(2,309)	(1,492)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	8,411	14,176	13,523
Taxes Receivable	...	...	...
Receivables	4,119	8,943	8,773
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	12,530	23,119	22,296
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	...	...	5,790
Plant and Equipment	464	258	287
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	49	55	41
Other Assets	...	...	...
Total Non Current Assets	513	313	6,118
Total Assets	13,043	23,432	28,414
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	21,547	31,841	32,341
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	1,809
Provisions	3,401	3,291	3,291
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	24,948	35,133	37,442
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	4,165
Provisions	954	966	966
Other	...	...	...
Total Non Current Liabilities	954	966	5,131
Total Liabilities	25,902	36,099	42,573
Net Assets	(12,859)	(12,667)	(14,159)
Equity			
Accumulated Funds	(12,859)	(12,667)	(14,159)
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	(12,859)	(12,667)	(14,159)

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	20,994	20,994	21,425
Personnel Services	...	...	...
Grants and Subsidies	17,551	13,376	11,347
Finance Costs	...	...	167
Equivalent Income Tax	...	...	...
Other Payments	138,650	152,930	110,874
Total Payments	177,195	187,300	143,813
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	164,138	166,845	133,346
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	5,000	6,200	4,996
Other Receipts	6,670	6,680	6,670
Total Receipts	175,808	179,725	145,012
Net Cash Flows From Operating Activities	(1,387)	(7,575)	1,199
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	(60)	(60)	(160)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	(100)	(100)	...
Net Cash Flows From Investing Activities	(160)	(160)	(160)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(1,692)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(1,692)
Net Increase/(Decrease) in Cash	(1,547)	(7,735)	(653)
Opening Cash and Cash Equivalents	9,958	21,911	14,176
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	8,411	14,176	13,523

Electricity Assets Ministerial Holding Corporation

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	261	299	152
Grants and Subsidies	9,518	4,800	4,988
Appropriation Expense	...	...	...
Depreciation and Amortisation	...	...	...
Finance Costs	1,709	769	1,058
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	11,488	5,868	6,199
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	...	...
Investment Revenue	2,625	2,446	2,206
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	375	732	532
Total Revenue	3,000	3,179	2,738
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	(8,488)	(2,689)	(3,461)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	151,887	156,783	149,834
Taxes Receivable	...	...	...
Receivables	571	779	758
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	152,458	157,561	150,592
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	2,332	2,716	2,564
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -	...	...	...
Land and Building	...	...	...
Plant and Equipment	...	...	...
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	2,332	2,716	2,564
Total Assets	154,790	160,278	153,156
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	42	42	45
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	4,434	4,460	4,010
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	4,476	4,502	4,055
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	37,841	47,062	43,849
Other	...	...	...
Total Non Current Liabilities	37,841	47,062	43,849
Total Liabilities	42,317	51,565	47,904
Net Assets	112,473	108,713	105,252
Equity			
Accumulated Funds	112,473	108,713	105,252
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	112,473	108,713	105,252

Cash Flow Statement

	2018-19 Budget \$000	2018-19 Revised \$000	2019-20 Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	393	997	455
Personnel Services	...	...	...
Grants and Subsidies	9,518	4,800	4,988
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	4,822	6,004	4,847
Total Payments	14,733	11,801	10,290
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	1	48	21
Retained Taxes, Fees and Fines	...	...	...
Interest Received	2,625	2,446	2,206
Grants and Contributions	...	...	...
Other Receipts	1,007	2,000	1,114
Total Receipts	3,633	4,494	3,341
Net Cash Flows From Operating Activities	(11,100)	(7,307)	(6,949)
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	...	...	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	...	...	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	(11,100)	(7,307)	(6,949)
Opening Cash and Cash Equivalents	162,987	164,090	156,783
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	151,887	156,783	149,834

Electricity Retained Interest Corporation - Ausgrid

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	367	367	368
Personnel Services Expenses	...	...	...
Other Operating Expenses	385	508	657
Grants and Subsidies	154,000	145,653	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	...	...	...
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	154,752	146,528	1,026
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	875	1,026
Investment Revenue	154,000	145,653	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	752	...	...
Total Revenue	154,752	146,528	1,026
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	...	...	...

Balance Sheet

	2018-19 Budget \$000	2018-19 Revised \$000	2019-20 Budget \$000
Assets			
Current Assets			
Cash Assets	...	...	...
Taxes Receivable	...	...	...
Receivables	97	314	328
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	97	314	328
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	3,923,707	3,953,809	3,953,809
Property, Plant and Equipment -			
Land and Building	...	...	...
Plant and Equipment	...	...	...
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	3,923,707	3,953,809	3,953,809
Total Assets	3,923,804	3,954,123	3,954,137
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	97	314	328
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	97	314	328
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Total Non Current Liabilities	...	...	...
Total Liabilities	97	314	328
Net Assets	3,923,707	3,953,809	3,953,809
Equity			
Accumulated Funds	3,886,606	3,947,212	3,947,212
Reserves	37,101	6,597	6,597
Capital Equity	...	...	...
Total Equity	3,923,707	3,953,809	3,953,809

Cash Flow Statement

	2018-19 Budget \$000	2018-19 Revised \$000	2019-20 Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	367	367	368
Personnel Services
Grants and Subsidies	154,000	145,653	...
Finance Costs
Equivalent Income Tax
Other Payments	385	553	643
Total Payments	154,752	146,573	1,011
Receipts			
Appropriation
Cluster Grant Revenue
Cash reimbursements from the Crown Entity
Sale Proceeds Transfers to the Crown Entity
Cash transfers to the Crown Entity
Sale of Goods and Services	...	45	(14)
Retained Taxes, Fees and Fines
Interest Received
Grants and Contributions	...	875	1,026
Other Receipts	154,752	145,653	...
Total Receipts	154,752	146,573	1,011
Net Cash Flows From Operating Activities
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment
Purchases of Property, Plant and Equipment
Proceeds from Sale of Investments
Purchases of Investments
Advances Repayments Received
Advances made
Other Investing
Net Cash Flows From Investing Activities
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances
Repayment of Borrowings and Advances
Dividends Paid
Other Financing
Capital Appropriation - Equity Appropriation
Cash Equity Injection to For-Profit Entities
Net Cash Flows From Financing Activities
Net Increase/(Decrease) in Cash
Opening Cash and Cash Equivalents
Reclassification of Cash Equivalents
Cash transferred in (out) as a Result of Administrative Restructuring
Closing Cash and Cash Equivalents

Electricity Retained Interest Corporation - Endeavour Energy

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	358	351	370
Personnel Services Expenses	...	...	...
Other Operating Expenses	395	585	657
Grants and Subsidies	68,000	38,061	126,170
Appropriation Expense	...	...	...
Depreciation and Amortisation	...	...	...
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	68,753	38,996	127,197
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	935	1,027
Investment Revenue	68,000	33,017	121,000
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	753	5,044	5,170
Total Revenue	68,753	38,996	127,197
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	...	...	...

Balance Sheet

	2018-19 Budget \$000	Revised \$000	2019-20 Budget \$000
Assets			
Current Assets			
Cash Assets	...	...	...
Taxes Receivable	...	...	...
Receivables	93	379	363
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	93	379	363
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	1,946,448	2,032,702	2,032,702
Property, Plant and Equipment -			
Land and Building	...	...	...
Plant and Equipment	...	...	...
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	1,946,448	2,032,702	2,032,702
Total Assets	1,946,541	2,033,081	2,033,065
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	93	379	363
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	93	379	363
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Total Non Current Liabilities	...	...	...
Total Liabilities	93	379	363
Net Assets	1,946,448	2,032,702	2,032,702
Equity			
Accumulated Funds	1,946,448	2,046,292	2,046,292
Reserves	...	(13,590)	(13,590)
Capital Equity	...	...	...
Total Equity	1,946,448	2,032,702	2,032,702

Cash Flow Statement

	2018-19 Budget \$000	2018-19 Revised \$000	2019-20 Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	358	351	370
Personnel Services
Grants and Subsidies	68,000	38,061	126,170
Finance Costs
Equivalent Income Tax
Other Payments	395	588	673
Total Payments	68,753	38,999	127,213
Receipts			
Appropriation
Cluster Grant Revenue
Cash reimbursements from the Crown Entity
Sale Proceeds Transfers to the Crown Entity
Cash transfers to the Crown Entity
Sale of Goods and Services	...	3	16
Retained Taxes, Fees and Fines
Interest Received
Grants and Contributions	...	935	1,027
Other Receipts	68,753	38,061	126,170
Total Receipts	68,753	38,999	127,213
Net Cash Flows From Operating Activities
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment
Purchases of Property, Plant and Equipment
Proceeds from Sale of Investments
Purchases of Investments
Advances Repayments Received
Advances made
Other Investing
Net Cash Flows From Investing Activities
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances
Repayment of Borrowings and Advances
Dividends Paid
Other Financing
Capital Appropriation - Equity Appropriation
Cash Equity Injection to For-Profit Entities
Net Cash Flows From Financing Activities
Net Increase/(Decrease) in Cash
Opening Cash and Cash Equivalents
Reclassification of Cash Equivalents
Cash transferred in (out) as a Result of Administrative Restructuring
Closing Cash and Cash Equivalents

Electricity Transmission Ministerial Holding Corporation

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	2,980	3,715	3,378
Personnel Services Expenses	...	...	...
Other Operating Expenses	(400)	2,592	2,757
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	...	...	...
Finance Costs	900	189	192
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	3,480	6,496	6,327
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	...	...
Investment Revenue	4,415	4,418	4,598
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	767	3,260	3,337
Total Revenue	5,182	7,678	7,935
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	1,702	1,181	1,608

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	145,911	152,460	155,109
Taxes Receivable	...	...	...
Receivables	582	697	715
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	146,493	153,158	155,824
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	40,399	35,864	37,468
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -	...	...	...
Land and Building	...	...	...
Plant and Equipment	...	...	...
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	40,399	35,864	37,468
Total Assets	186,892	189,022	193,292
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	52	598	604
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	769	897	906
Other	287	315	320
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	1,108	1,810	1,831
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	171,212	176,283	166,548
Other	...	...	...
Total Non Current Liabilities	171,212	176,283	166,548
Total Liabilities	172,320	178,093	168,379
Net Assets	14,572	10,929	24,914
Equity			
Accumulated Funds	14,572	10,929	24,914
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	14,572	10,929	24,914

Cash Flow Statement

	2018-19 Budget \$000	Revised \$000	2019-20 Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	4,111	1,387	919
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	(402)	2,594	2,751
Total Payments	3,709	3,981	3,670
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	17	1,249	(12)
Retained Taxes, Fees and Fines	...	...	...
Interest Received	2,335	2,335	2,382
Grants and Contributions	...	...	...
Other Receipts	957	3,860	3,948
Total Receipts	3,309	7,445	6,319
Net Cash Flows From Operating Activities	(400)	3,464	2,648
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	...	...	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	...	...	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	(400)	3,464	2,648
Opening Cash and Cash Equivalents	146,310	148,996	152,460
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	145,910	152,460	155,109

Epsilon Distribution Ministerial Holding Corporation

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	273	274
Personnel Services Expenses	...	...	...
Other Operating Expenses	105	2,773	2,836
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	...	...	...
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	105	3,046	3,109
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	...	...	...
Investment Revenue	1,807	1,822	1,919
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	551	3,102	2,829
Total Revenue	2,358	4,924	4,749
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	(2)	...
Net Result	2,253	1,876	1,639

Balance Sheet

	2018-19 Budget \$000	Revised \$000	2019-20 Budget \$000
Assets			
Current Assets			
Cash Assets	9,183	9,727	9,816
Taxes Receivable	...	...	...
Receivables	...	56	109
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	9,183	9,783	9,925
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	27,494	27,484	29,281
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -	...	...	...
Land and Building	...	...	...
Plant and Equipment	...	...	...
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	27,494	27,484	29,281
Total Assets	36,677	37,267	39,206
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	55	593	607
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	537	549
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	55	1,130	1,155
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	9,508	13,611	11,764
Other	...	...	...
Total Non Current Liabilities	9,508	13,611	11,764
Total Liabilities	9,563	14,741	12,920
Net Assets	27,113	22,526	26,286
Equity			
Accumulated Funds	27,113	22,526	26,286
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	27,113	22,526	26,286

Cash Flow Statement

	2018-19 Budget \$000	2018-19 Revised \$000	2019-20 Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	(60)	...
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	105	3,066	2,875
Total Payments	105	3,006	2,875
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	12	12
Retained Taxes, Fees and Fines	...	...	...
Interest Received	120	136	123
Grants and Contributions	...	...	...
Other Receipts	551	3,368	2,829
Total Receipts	671	3,516	2,964
Net Cash Flows From Operating Activities	566	510	89
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	...	...	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	...	...	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	566	510	89
Opening Cash and Cash Equivalents	8,617	9,217	9,727
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	9,183	9,727	9,816

Liability Management Ministerial Corporation

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	20	21	21
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	...	...	...
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	20	21	21
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	21,008	21,008	22,402
Investment Revenue	11,541	14,986	13,908
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	...	...	...
Total Revenue	32,549	35,994	36,310
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	32,529	35,973	36,289

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	10	10	(45)
Taxes Receivable	...	...	...
Receivables	2	2	2
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	12	13	(42)
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	199,259	205,640	241,982
Equity Investments	...	...	...
Property, Plant and Equipment -	...	...	...
Land and Building	...	...	...
Plant and Equipment	...	...	...
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	199,259	205,640	241,982
Total Assets	199,271	205,652	241,940
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	20	18	17
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	20	18	17
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Total Non Current Liabilities	...	...	...
Total Liabilities	20	18	17
Net Assets	199,251	205,634	241,923
Equity			
Accumulated Funds	199,251	205,634	241,923
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	199,251	205,634	241,923

Cash Flow Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	22	25	25
Total Payments	22	25	25
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	1	3	3
Grants and Contributions	21,008	21,008	22,402
Other Receipts	6,695	8,693	8,067
Total Receipts	27,704	29,703	30,472
Net Cash Flows From Operating Activities	27,682	29,679	30,447
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	...	...	...
Proceeds from Sale of Investments	(6,694)	(8,691)	(8,065)
Purchases of Investments	(20,988)	(20,988)	(22,437)
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	(27,682)	(29,678)	(30,502)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	...	...	(55)
Opening Cash and Cash Equivalents	10	10	10
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	10	10	(45)

Ports Assets Ministerial Holding Corporation

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	37,562	37,774	40,576
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	...	...	...
Finance Costs	...	...	...
Other Expenses	...	...	...
TOTAL EXPENSES EXCLUDING LOSSES	37,562	37,774	40,576
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	...	...
Grants and Contributions	600	600	599
Investment Revenue	15,325	15,339	16,416
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	37,123	37,342	40,135
Total Revenue	53,047	53,281	57,149
Gain/(loss) on Disposal of Non Current Assets	...	...	...
Other Gains/(Losses)	...	...	...
Net Result	15,486	15,507	16,573

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	2,258	2,427	2,645
Taxes Receivable	...	...	...
Receivables	38	9	9
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	2,296	2,436	2,654
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	232,554	232,554	248,911
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -	...	...	...
Land and Building	...	...	...
Plant and Equipment	...	...	...
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	232,554	232,554	248,911
Total Assets	234,850	234,990	251,565
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	181	134	136
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	181	134	136
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	...	...	...
Other	...	...	...
Total Non Current Liabilities	...	...	...
Total Liabilities	181	134	136
Net Assets	234,669	234,856	251,430
Equity			
Accumulated Funds	234,669	234,856	251,430
Reserves	...	...	...
Capital Equity	...	...	...
Total Equity	234,669	234,856	251,430

Cash Flow Statement

	2018-19 Budget \$000	2018-19 Revised \$000	2019-20 Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	41,607	41,831	36,438
Total Payments	41,607	41,831	36,438
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Interest Received	43	76	59
Grants and Contributions	600	600	599
Other Receipts	41,168	41,444	35,999
Total Receipts	41,810	42,120	36,656
Net Cash Flows From Operating Activities	204	289	218
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	...	...
Purchases of Property, Plant and Equipment	...	...	...
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	...	...	...
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	204	289	218
Opening Cash and Cash Equivalents	2,054	2,138	2,427
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	2,258	2,427	2,645

Roads Retained Interest Pty Ltd

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	392	493
Personnel Services Expenses
Other Operating Expenses	...	755	835
Grants and Subsidies	85,402
Appropriation Expense
Depreciation and Amortisation
Finance Costs
Other Expenses
TOTAL EXPENSES EXCLUDING LOSSES	...	1,148	86,730
Revenue			
Appropriation Revenue
Cluster Grant Revenue
Acceptance by Crown Entity of Employee Benefits and Other Liabilities
Transfers to the Crown Entity
Sales of Goods and Services
Grants and Contributions	...	3,500	...
Investment Revenue	...	76	86,774
Retained Taxes, Fees and Fines
Other Revenue
Total Revenue	...	3,576	86,774
Gain/(loss) on Disposal of Non Current Assets
Other Gains/(Losses)
Net Result	...	2,428	44

Balance Sheet

	2018-19 Budget \$000	2018-19 Revised \$000	2019-20 Budget \$000
Assets			
Current Assets			
Cash Assets	...	3,030	2,953
Taxes Receivable
Receivables
Inventories
Financial Assets at Fair Value
Other Financial Assets
Other
Assets Held For Sale
Total Current Assets	...	3,030	2,953
Non Current Assets			
Taxes Receivable
Receivables
Inventories
Financial Assets at Fair Value
Equity Investments	...	6,611,279	6,702,843
Property, Plant and Equipment -			
Land and Building
Plant and Equipment
Infrastructure Systems
Investment Properties
Intangibles
Other Assets
Total Non Current Assets	...	6,611,279	6,702,843
Total Assets	...	6,614,309	6,705,796
Liabilities			
Current Liabilities			
Taxes Payable
Payables	...	602	481
Other Financial Liabilities at Fair Value
Borrowings
Provisions
Other
Liabilities Associated with Assets Held for Sale
Total Current Liabilities	...	602	481
Non Current Liabilities			
Taxes Payable
Payables
Other Financial Liabilities at Fair Value
Borrowings
Provisions
Other
Total Non Current Liabilities
Total Liabilities	...	602	481
Net Assets	...	6,613,707	6,705,315
Equity			
Accumulated Funds	...	6,613,707	6,705,315
Reserves
Capital Equity
Total Equity	...	6,613,707	6,705,315

Cash Flow Statement

	2018-19 Budget \$000	Revised \$000	2019-20 Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	392	493
Personnel Services
Grants and Subsidies	85,402
Finance Costs
Equivalent Income Tax
Other Payments	...	153	956
Total Payments	...	545	86,851
Receipts			
Appropriation
Cluster Grant Revenue
Cash reimbursements from the Crown Entity
Sale Proceeds Transfers to the Crown Entity
Cash transfers to the Crown Entity
Sale of Goods and Services
Retained Taxes, Fees and Fines
Interest Received	...	76	44
Grants and Contributions	...	3,500	...
Other Receipts	86,730
Total Receipts	...	3,576	86,774
Net Cash Flows From Operating Activities	...	3,030	(78)
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment
Purchases of Property, Plant and Equipment
Proceeds from Sale of Investments
Purchases of Investments	...	(7,692,250)	(91,564)
Advances Repayments Received
Advances made
Other Investing
Net Cash Flows From Investing Activities	...	(7,692,250)	(91,564)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances
Repayment of Borrowings and Advances
Dividends Paid
Other Financing	...	7,692,250	91,564
Capital Appropriation - Equity Appropriation
Cash Equity Injection to For-Profit Entities
Net Cash Flows From Financing Activities	...	7,692,250	91,564
Net Increase/(Decrease) in Cash	...	3,030	(78)
Opening Cash and Cash Equivalents	3,030
Reclassification of Cash Equivalents
Cash transferred in (out) as a Result of Administrative Restructuring
Closing Cash and Cash Equivalents	...	3,030	2,953

Workers' Compensation (Dust Diseases) Authority

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	...	...	...
Personnel Services Expenses	...	...	...
Other Operating Expenses	5,887	(29,598)	7,289
Grants and Subsidies	5,692	5,723	9,432
Appropriation Expense	...	...	...
Depreciation and Amortisation	2,008	697	1,528
Finance Costs	33,552	38,901	29,781
Other Expenses	...	29,045	...
TOTAL EXPENSES EXCLUDING LOSSES	47,139	44,768	48,030
Revenue			
Appropriation Revenue	...	...	...
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	...	...	...
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	...	434	521
Grants and Contributions	...	...	...
Investment Revenue	65,854	16,403	63,392
Retained Taxes, Fees and Fines	(18,963)	17,956	(18,187)
Other Revenue	498	2,125	2,534
Total Revenue	47,389	36,918	48,260
Gain/(loss) on Disposal of Non Current Assets	...	8,150	...
Other Gains/(Losses)	(250)	(300)	(258)
Net Result	...	...	(28)

Balance Sheet

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Assets			
Current Assets			
Cash Assets	29,414	19,917	18,047
Taxes Receivable	...	...	...
Receivables	48,639	130,566	127,035
Inventories	...	...	...
Financial Assets at Fair Value	1,173,030	1,161,289	1,162,132
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	5,373	...	...
Total Current Assets	1,256,456	1,311,772	1,307,213
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	317,744	480,293	398,597
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -	...	...	...
Land and Building	...	...	...
Plant and Equipment	5,094	5,403	3,915
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	...	...	...
Other Assets	...	...	...
Total Non Current Assets	322,838	485,696	402,512
Total Assets	1,579,294	1,797,468	1,709,725
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	2,994	25,918	25,958
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	112,033	122,031	116,097
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	115,027	147,949	142,055
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	...
Provisions	1,443,974	1,635,894	1,554,074
Other	...	...	...
Total Non Current Liabilities	1,443,974	1,635,894	1,554,074
Total Liabilities	1,559,001	1,783,843	1,696,129
Net Assets	20,293	13,625	13,596
Equity			
Accumulated Funds	17,694	13,625	13,596
Reserves	2,599	...	...
Capital Equity	...	...	...
Total Equity	20,293	13,625	13,596

Cash Flow Statement

	2018-19 Budget \$000	Revised \$000	2019-20 Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	...	...	...
Personnel Services	...	...	...
Grants and Subsidies	5,692	5,723	9,432
Finance Costs	...	...	...
Equivalent Income Tax	...	...	...
Other Payments	115,953	90,032	124,784
Total Payments	121,645	95,755	134,216
Receipts			
Appropriation	...	...	...
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	...	684	771
Retained Taxes, Fees and Fines	143,765	106,258	145,205
Interest Received	19,498	26,948	30,748
Grants and Contributions	...	...	...
Other Receipts	(70,133)	(50,576)	(69,622)
Total Receipts	93,130	83,314	107,102
Net Cash Flows From Operating Activities	(28,515)	(12,441)	(27,114)
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	13,523	...
Purchases of Property, Plant and Equipment	(2,040)	(3,054)	(40)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	30,373	2,696	25,284
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	...	...
Net Cash Flows From Investing Activities	28,333	13,165	25,244
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	...
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	...
Net Increase/(Decrease) in Cash	(182)	724	(1,870)
Opening Cash and Cash Equivalents	29,596	19,193	19,917
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	29,414	19,917	18,047

Appropriation to the Treasurer for State contingencies

Each year an amount is appropriated to the Treasurer to manage expenditure contingencies and unforeseen events in the budget year.

Once allocated, expenditure is shown within the appropriate agency.

In 2019-20, an amount of \$120 million has been allocated.

9. THE LEGISLATURE

9.1 Introduction

The Legislature, or the Parliament of New South Wales, operates under the Constitution as the system of representative democracy and responsible government for the State, making laws, appropriating funds, overseeing the Executive Government and debating public policy issues.

The Legislature's Objectives

The Legislature provides services that contribute to and support the following key objectives:

- the effective functioning of the Parliament and its committees
- the members of Parliament are supported to fulfil their parliamentary duties
- the community can directly participate in and has access to Parliament and is aware of the role and functions of the Parliament.



State Outcome to be delivered by the Legislature

State Outcome	Description
Effective Parliament and accountable government	<p>The Legislature supports services delivered by the Parliament. This includes accurately processing bills and amendments, and promptly publishing Hansard and House documents.</p> <p>The Legislature also educates the community about the role and function of the Parliament. As well, it ensures the availability and accessibility for Members, staff and the community to the Parliamentary precinct and Electorate Offices.</p>

9.2 2019-20 Budget Highlights

In 2019-20, the Legislature will spend \$196 million (\$171 million recurrent expenses and \$25 million capital expenditure). This includes expenditure on key initiatives highlighted below.

The Legislature's activities include enabling the effective functioning and operation of both Houses of Parliament and their committees, supporting Members to fulfil their parliamentary duties through the delivery of key services, and running of education programs for schools and other members of the community in the role and function of the Parliament.

The administration and payment of Members' salaries, allowances and additional entitlements – in accordance with the *Parliamentary Remuneration Act 1989* – along with maintenance of the parliamentary precinct and 98 electorate offices across the State are also services delivered by the Legislature.

Key initiatives are highlighted below:

- \$7.1 million (\$13.7 million over four years) to continue the ceiling replacement and building services in the office building for Members and staff at Parliament House. This will ensure a safe working environment and the effective and efficient delivery of building services into the future
- \$2.5 million (\$3.8 million over two years) in additional funding to improve physical accessibility (including an access ramp) to Parliament House. This will improve the security and safety of the Macquarie Street frontage of Parliament House
- \$2.1 million to continue the project to replace roof membrane of Parliament House
- \$1.4 million to continue implementing additional strategic security measures at Parliament House to ensure the Parliament remains a safe and secure environment for staff and visitors
- \$1 million to replace information technology and other equipment to support the operation of both Houses of Parliament and electorate offices
- \$0.8 million (\$2.9 million over four years) to enhance the information technology maintenance agreements for Parliament and improve its cyber security
- \$0.8 million to enhance security systems and safety in electorate offices
- \$0.7 million (\$2.9 million over four years) to support the work of four additional accountability committees established in the Legislative Council and a joint committee on Modern Slavery to report to both houses
- \$0.6 million (\$2.2 million over four years) additional funding for minor works to continue the Parliament's program to allow urgent and routine replacement of office furniture, fittings and equipment.

9.3 Agency Expense Summary

The 2019-20 Budget for the Legislature is listed in the table below.

In 2019-20, the Legislature will spend \$195.5 million (\$171.0 million recurrent expenses and \$24.5 million capital expenditure).

The Legislature	Expenses ^(a)			Capital Expenditure		
	2018-19 Revised \$m	2019-20 Budget \$m	Change %	2018-19 Revised \$m	2019-20 Budget \$m	Change %
The Legislature	172.9	171.0	(1.1)	12.2	24.5	101.6
Total Principal Agency	172.9	171.0	(1.1)	12.2	24.5	101.6

(a) This table shows expenses on an uneliminated basis.

9.4 Financial Statements

The Legislature

Operating Statement

	2018-19		2019-20
	Budget	Revised	Budget
	\$000	\$000	\$000
Expenses Excluding Losses			
Operating Expenses -			
Employee Related	70,370	72,828	72,717
Personnel Services Expenses	...	...	...
Other Operating Expenses	37,676	38,722	32,224
Grants and Subsidies	...	...	...
Appropriation Expense	...	...	...
Depreciation and Amortisation	12,820	14,585	19,974
Finance Costs	...	...	543
Other Expenses	46,595	46,756	45,504
TOTAL EXPENSES EXCLUDING LOSSES	167,461	172,892	170,962
Revenue			
Appropriation Revenue	162,132	157,676	164,242
Cluster Grant Revenue	...	...	...
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	3,096	3,323	3,187
Transfers to the Crown Entity	...	...	...
Sales of Goods and Services	7,364	7,285	7,493
Grants and Contributions	30	30	20
Investment Revenue	...	...	...
Retained Taxes, Fees and Fines	...	...	...
Other Revenue	189	557	204
Total Revenue	172,811	168,871	175,145
Gain/(loss) on Disposal of Non Current Assets	...	3	...
Other Gains/(Losses)	...	...	...
Net Result	5,350	(4,018)	4,183

Balance Sheet

	2018-19		2019-20
	Budget \$000	Revised \$000	Budget \$000
Assets			
Current Assets			
Cash Assets	3,301	1,489	3,174
Taxes Receivable	...	...	...
Receivables	1,560	2,468	2,468
Inventories	129	134	134
Financial Assets at Fair Value	...	...	...
Other Financial Assets	...	...	...
Other	...	...	...
Assets Held For Sale	...	...	...
Total Current Assets	4,990	4,090	5,775
Non Current Assets			
Taxes Receivable	...	...	...
Receivables	...	...	...
Inventories	...	...	...
Financial Assets at Fair Value	...	...	...
Equity Investments	...	...	...
Property, Plant and Equipment -			
Land and Building	267,155	263,393	293,131
Plant and Equipment	77,096	74,132	72,697
Infrastructure Systems	...	...	...
Investment Properties	...	...	...
Intangibles	8,969	9,591	8,007
Other Assets	...	...	...
Total Non Current Assets	353,221	347,116	373,835
Total Assets	358,211	351,207	379,611
Liabilities			
Current Liabilities			
Taxes Payable	...	...	...
Payables	6,668	6,289	6,289
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	5,363
Provisions	5,331	6,187	6,187
Other	...	...	...
Liabilities Associated with Assets Held for Sale	...	...	...
Total Current Liabilities	11,999	12,475	17,838
Non Current Liabilities			
Taxes Payable	...	...	...
Payables	...	...	...
Other Financial Liabilities at Fair Value	...	...	...
Borrowings	...	...	18,858
Provisions	122	137	137
Other	...	...	...
Total Non Current Liabilities	122	137	18,995
Total Liabilities	12,121	12,612	36,833
Net Assets	346,090	338,594	342,777
Equity			
Accumulated Funds	199,014	192,058	196,241
Reserves	147,076	146,536	146,536
Capital Equity	...	...	...
Total Equity	346,090	338,594	342,777

Cash Flow Statement

	2018-19		2019-20
	Budget \$000	Revised \$000	Budget \$000
Cash Flows From Operating Activities			
Payments			
Employee Related	69,627	72,085	71,944
Personnel Services	...	...	...
Grants and Subsidies	...	...	...
Finance Costs	...	...	543
Equivalent Income Tax	...	...	...
Other Payments	85,388	88,110	71,844
Total Payments	155,015	160,196	144,331
Receipts			
Appropriation	162,132	157,676	164,242
Cluster Grant Revenue	...	...	...
Cash reimbursements from the Crown Entity	...	...	...
Sale Proceeds Transfers to the Crown Entity	...	...	...
Cash transfers to the Crown Entity	...	...	...
Sale of Goods and Services	7,364	7,285	7,493
Retained Taxes, Fees and Fines	...	...	...
Interest Received	...	...	...
Grants and Contributions	30	30	20
Other Receipts	3,659	5,478	(3,266)
Total Receipts	173,185	170,469	168,488
Net Cash Flows From Operating Activities	18,170	10,273	24,157
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment	...	3	...
Purchases of Property, Plant and Equipment	(16,453)	(10,893)	(17,821)
Proceeds from Sale of Investments	...	...	...
Purchases of Investments	...	...	...
Advances Repayments Received	...	...	...
Advances made	...	...	...
Other Investing	...	(1,280)	...
Net Cash Flows From Investing Activities	(16,453)	(12,171)	(17,821)
Cash Flows From Financing Activities			
Proceeds from Borrowings and Advances	...	...	...
Repayment of Borrowings and Advances	...	...	(4,651)
Dividends Paid	...	...	...
Other Financing	...	...	...
Capital Appropriation - Equity Appropriation	...	...	...
Cash Equity Injection to For-Profit Entities	...	...	...
Net Cash Flows From Financing Activities	...	...	(4,651)
Net Increase/(Decrease) in Cash	1,717	(1,897)	1,685
Opening Cash and Cash Equivalents	1,584	3,386	1,489
Reclassification of Cash Equivalents	...	...	...
Cash transferred in (out) as a Result of Administrative Restructuring	...	...	...
Closing Cash and Cash Equivalents	3,301	1,489	3,174

GLOSSARY

2019 Pre-election Budget Update	The Pre-election Budget Update was released by the Treasury Secretary on 5 March 2019. As required under the <i>Parliamentary Budget Officer Act 2010</i> , the Pre-election Budget Update provided an update to the State's economic and fiscal outlook following the release of the 2018-19 Half-yearly Review.
ABS Government Finance Statistics GFS Manual (ABS GFS)	The ABS publication Australian System of Government Finance Statistics: Concepts, Sources and Methods as updated from time to time.
Appropriation	The authority given by Parliament for the expenditure of monies from the consolidated fund for the annual services of Government and the Legislature. This authority is given to Ministers by the annual Appropriation Act.
Budget result (net operating balance)	The budget result represents the difference between expenses and revenues from transactions for the general government sector. This measure is equivalent to the net operating balance adopted in accounting standard AASB 1049 <i>Whole-of-Government and General Government Sector Financial Reporting</i> .
Capital allocation 2019-20	The amount of project expenditure approved in the 2019-20 Budget.
Capital expenditure	This is expenditure relating to the acquisition or enhancement of property, plant and equipment (including land and buildings, plant and equipment and infrastructure systems) and intangibles (including computer software and easements). Capital expenditure also includes assets acquired using finance leases.
Capital grants	Amounts paid or received for capital purposes for which no economic benefits of equal value are receivable or payable in return.
Cash surplus/(deficit)	Net cash flows from operating activities plus net cash flows from acquisition and disposal of non-financial assets (less distributions paid for the public non-financial corporation (PNFC) and public financial corporation (PFC) sectors).
Classification of the functions of government – Australia (COFOG-A)	A system of classification for revenue, expenses, and transactions in non-financial assets, according to the primary purpose for the outlay (e.g. health, education, transport). This replaces the former government purpose classification (GPC) breakdown.
Contingent assets and liabilities	Possible future assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly in control of the State.
Cluster	NSW Government entities have been consolidated into clusters reflecting broad policy areas of Government. These clusters are not legal entities. They are administrative arrangements that bring together a group of different legal and administrative entities.
Cluster grants	This represents the appropriation passed on by the principal agencies to the other government agencies within the cluster to fund their services.
Commitments* (Restart NSW)	Inflows that are committed to be spent on an individual project. A Restart NSW commitment can only be recognised once the Treasurer has accepted a specific funding recommendation from Infrastructure NSW for an individual project, as required by the <i>Restart NSW Fund Act 2011</i> .
Comprehensive Result (Change in net worth)	Change in net worth (comprehensive result) is revenue from transactions less expenses from transactions plus other economic flows and measures the variation in a government's accumulated assets and liabilities.
Concessional charges	Concessional charges apply to goods and services provided by government agencies at a lower fee or charge to certain members of the community, compared to the wider population, to pursue an economic or social policy goal such as reducing the cost of living.
Consolidated Fund	The fund is established under s39 of the <i>Constitution Act 1902</i> which includes all public moneys collected, received or held by any person for or on behalf of the State.
Crown Entity	Includes the Crown Finance Entity and the Consolidated Fund.

Crown Finance Entity	The Crown Finance Entity acts as the residual entity for NSW whole-of-government transactions that are not the responsibility of any other state public sector agency. Major assets reported by the Crown Finance Entity include investments for the NSW Infrastructure Future Fund and Social Affordable Housing Fund.
Current grants	Amounts paid or received for current purposes for which no economic benefits of equal value are receivable or payable in return.
Estimated total cost (ETC)	Represents the current cost estimate of planning, procuring and delivering the infrastructure/project/asset. The ETC may change as more detailed planning is undertaken and further information on market conditions becomes available. Due to commercial sensitivities, the ETC for some major works is not included.
Elimination	Removes the impact of transactions between government entities when preparing consolidated financial statements.
Fiscal aggregates	These are analytical balances that are useful for macroeconomic purposes, including assessing the impact of a government and its sectors on the economy. AASB 1049 <i>Whole-of-Government and General Government Sector Financial Reporting</i> prescribes the net operating balance (budget result), net lending/borrowing (fiscal balance), change in net worth (comprehensive result), net debt, net worth, and cash surplus/(deficit).
Fiscal gap	The fiscal gap is the difference between the base period primary balance as a share of gross state product (GSP) and the primary balance as a share of GSP at the end of the projection period, on a no policy change basis. The primary balance is the gap between spending and revenue excluding interest transactions but including net capital expenditure. A positive gap implies that fiscal pressures will be building over the projection period.
<i>Fiscal Responsibility Act 2012</i> (FRA)	The Act sets out both medium-term and long-term fiscal targets and principles providing a framework for budgeting in New South Wales.
Forward estimates	Refers to the period from 2020-21 to 2022-23.
General government sector (GGS)	This is an ABS classification of agencies that provide public services (such as health, education and police), or perform a regulatory function. General government agencies are funded in the main by taxation (directly or indirectly).
government / Government	‘government’ refers to the institution of government and is used as a pronoun in these budget papers (e.g. government department). The ‘Government’ refers to the present Government constituted by the Executive.
Government finance statistics (GFS)	A system of financial reporting developed by the International Monetary Fund and used by the Australian Bureau of Statistics to classify the financial transactions of governments and measure their impact on the rest of the economy.
<i>Government Sector Finance Act 2018</i>	The <i>Government Sector Finance Act 2018</i> (GSF Act) creates the financial management framework for the government sector in New South Wales that promotes and supports sound financial management, budgeting, performance, financial risk management, transparency and accountability in the government sector. This Act will eventually replace four other Acts. <ul style="list-style-type: none"> The GSF Act replaced the <i>Public Authorities (Financial Arrangements) Act 1987</i> from 1 December 2018. The GSF Act is proposed to replace the <i>Annual Reports (Departments) Act 1985</i> and <i>Annual Reports (Statutory Bodies) Act 1984</i> from 1 July 2020. The <i>Public Finance and Audit Act 1983</i> is proposed to be renamed the <i>Government Sector Audit Act 1983</i> from 1 July 2020 once all provisions other than those dealing with the Auditor-General, audit matters and the Public Accounts Committee have been omitted and replaced by the GSF Act.
Grants for on-passing	All grants paid to one institutional sector (for example, a state government) to be passed on to another institutional sector (for example, local government or a non-profit institution). For New South Wales, these primarily comprise grants from the Commonwealth Government to be on-passed to specified private schools, and to specified local government authorities.
Gross state product (GSP)	The total market value of final goods and services produced within a state.

Inflows* (Restart NSW)	Funds deposited into Restart NSW, including proceeds from asset recycling transactions, Commonwealth Government Asset Recycling Initiative payments, proceeds from Waratah Bonds, windfall tax revenue, and investment earnings, which are then invested into Rebuilding NSW and other Restart NSW projects.
Half-Yearly Review	Required under legislation, the Half-Yearly Review provides an update to the economic and financial assumptions released in the Budget.
Interest expense	Costs incurred in connection with the borrowing of funds. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of finance lease repayments, and amortisation of discounts or premiums in relation to borrowings. Where discounting is used, the carrying amount of a liability increases in each period to reflect the passage of time. This increase is also recognised as an interest expense.
Machinery of government (MoG)	MoG changes vary in scope and can involve: the abolition or creation of new government entities; the merger or absorption of entities; and small or large transfers of policy, program or service delivery responsibilities to other entities.
Major works	Refers to projects with an estimated total cost of \$250,000 or above, subdivided into new projects (approved to begin in 2018-19) and works in progress (commenced before 2018-19 but not yet completed).
Minor works	Refers to projects with an estimated total cost below \$250,000, such as minor plant and equipment or annual provisions for replacements.
National Agreement (please also see National Specific Purpose Payments)	National Agreements define the objectives, outcomes, outputs and performance indicators, and clarify the roles and responsibilities that guide the Commonwealth and the States in the delivery of services across a particular sector. The sectors include; Health, Education, Skills and Workforce, Disability and Indigenous.
National Partnership Payment (NPP)	A Commonwealth Government grant to States and Territories to support the delivery of specified outputs or projects, to facilitate reforms or to reward the delivery of nationally significant reforms. Each NPP is supported by a National Partnership Agreement which defines mutually agreed objectives, outputs and performance benchmarks.
National Specific Purpose Payments (SPP)	A Commonwealth Government grant made to the States and Territories under the associated National Agreement. These grants must be spent in the key service delivery sector (Health, Education, Skills and Workforce, Disability and Indigenous) for which it is provided. States are free to allocate the funds within that sector to achieve the mutually agreed objectives specified in the associated National Agreement.
Net acquisition of non-financial assets	This is purchases (or acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in inventories and other movements in non-financial assets. Purchases and sales (or net acquisitions) of non-financial assets generally include accrued expenses and payables for capital items. Other movement in non-financial assets include non-cash capital grant revenue/expenses such as developer contribution assets.
Net financial assets	See net financial worth.
Net debt	Net debt equals the sum of financial liabilities (deposits held, advances received, loans and other borrowings) less the sum of financial assets (cash and deposits, advances paid and investments, loans and placements).
Net financial liabilities (NFL)	This is the total liabilities less financial assets, other than equity in PNFCs and PFCs. It is a more accurate indicator than net debt of a jurisdiction's fiscal position. This is because it is a broader measure than net debt in that it includes significant liabilities other than borrowings (for example, accrued employee liabilities such as superannuation and long service leave entitlements). For the PNFC and PFC sectors, it is equal to negative net financial worth. For the general government sector NFL, excluding the net worth of other sectors results in a purer measure than net financial worth as, in general, the net worth of other sectors of government is backed up by physical assets.
Net financial worth	Net financial worth measures a government's net holdings of financial assets. It is calculated from the balance sheet as financial assets less liabilities. It is a broader measure than net debt, in that it incorporates provisions made (such as superannuation) as well as holdings of equity. It includes all classes of financial assets and liabilities, only some of which are included in net debt.

Net interest on the net defined benefit liability/asset	This is the change during the period to the net defined benefit liability/asset that arises from the passage of time.
Net lending/(borrowing)	This is the financing requirement of government, calculated as the net operating balance less the net acquisition of non-financial assets. It also equals transactions in financial assets less transactions in liabilities. A positive result reflects a net lending position and a negative result reflects a net borrowing position.
Net operating balance (budget result)	This is calculated as revenue from transactions less expenses from transactions.
Net worth	This is an economic measure of wealth and is equal to total assets less liabilities.
Nominal dollars/prices	This shows the dollars of the relevant period. No adjustment is made each time period for inflation.
Non-financial public sector (NFPS)	This is a sub-sector formed by the consolidation of the general government sector and public non-financial corporations (PNFC) sector.
Operating Result	This is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner movements in equity'.
Other economic flows	These are the changes in the volume or value of an asset or liability that do not result from transactions (that is, revaluations and other changes in the volume of assets).
Outcome indicator	Measures the effectiveness and performance of the government in achieving specific State Outcomes.
Payables	A liability that includes short and long-term trade creditors, and accounts payable.
Program group	A group of aligned activities aimed at delivering an agreed State outcome. These activities may be performed by more than one agency.
<i>Public Finance and Audit Act 1983</i>	An Act to make provision with respect to the administration and audit of public finances and for other purposes. From 1 July 2020, the <i>Public Finance and Audit Act 1983</i> will be renamed to the <i>Government Sector Audit Act 1983</i> , with the elements relating to the financial matters of the State replaced by the <i>Government Sector Finance Act 2018</i> .
Public Private Partnerships (PPP)	The creation of an infrastructure asset through private sector financing and private ownership for a concession period (usually long term). The Government may contribute to the project by providing land or capital works, through risk sharing, revenue diversion or purchase of the agreed services.
Public financial corporations (PFC)	An ABS classification of agencies that have one, or more, of the following functions: <ul style="list-style-type: none"> ▪ that of a central bank ▪ the acceptance of demand, time or savings deposits or ▪ the authority to incur liabilities and acquire financial assets in the market on their own account.
Public non-financial corporations (PNFC)	Government controlled agencies where user charges represent a significant proportion of revenue and the agencies operate within a broadly commercial orientation.
Receivables	An asset that includes short and long-term trade debtors, accounts receivable and interest accrued.
Recurrent expenditure	* see Total expenses
Reservations* (Restart NSW)	Inflows that are reserved with a view to a future commitment. A Restart NSW reservation can only become a commitment once the Treasurer has accepted a specific Infrastructure NSW recommendation for each individual project.
Restart NSW	A fund established by the NSW Government in 2011. Funds deposited into Restart NSW come from asset recycling transactions, Commonwealth Government asset recycling initiative payments, proceeds from Waratah Bonds, windfall tax revenue and investment earnings.

Rebuilding NSW	The NSW Government's 10-year plan to invest \$20 billion in new infrastructure funded by electricity network transactions, Commonwealth Government asset recycling initiative payments, and investment earnings. Proceeds are first deposited into Restart NSW before being invested into Rebuilding NSW projects.
Services	These are the 'end products' or direct services that are delivered to clients or recipients, the broader community or another government agency. They are expected to contribute to Government priorities.
Social Impact Investments (SII)	Social impact investments aim to achieve social returns as well as financial returns, with measurement of both. For government, partnering in such transactions is a way of harnessing capital and expertise from across public, private and not-for-profit sectors in order to tackle social challenges.
Special deposit account	A Special Deposits Account is to consists of: <ul style="list-style-type: none"> (a) all accounts of money that the Treasurer is, under statutory authority, required to hold otherwise than for or on account of the Consolidated Fund, and (b) all accounts of money that are directed or authorised to be paid to the Special Deposits Account by or under legislation.
State-owned corporation (SOC)	Government entities (mostly PNFCs) which have been established with a governance structure mirroring as far as possible that of a publicly listed company. NSW state owned corporations are scheduled under the <i>State Owned Corporations Act 1989</i> (Schedule 5).
State Outcomes	The outcomes which the government is seeking to achieve for the people of New South Wales.
Superannuation interest cost	This is the net interest on the net defined benefit liability/asset determined by multiplying the net defined benefit liability/asset by the discount rate (government bond rate).
Other superannuation expense	This includes all superannuation expenses from transactions except superannuation interest cost. It generally includes all employer contributions to accumulation schemes and the current service cost, which is the increase in defined benefit entitlements associated with the employment services provided by employees in the current period. Superannuation actuarial gains/losses are excluded as they are disclosed as an other economic flow.
Surplus/deficit (net result)	In Budget Paper No.3 <i>Budget Estimates</i> this is the agency accounting result which corresponds to profit or loss in private sector financial reports. It equals the net cost of services adjusted for government contributions. This is not the same as the budget result or the GFS cash surplus/(deficit).
Tax expenditure	Measures the additional tax that would have been payable if standard (or benchmark) tax rates had been applied to all taxpayers. Expenditures can include specific exemptions, reduced tax rates, allowances, deductions and deferral of tax liabilities. Equivalent amounts may be paid as rebates.
Total Asset Management (TAM)	An agency's TAM plan sets out its asset expenditure priorities and funding projections over a rolling ten-year period, to ensure physical asset management plans are aligned with service priorities and performance targets, and are financially sustainable. TAM covers the acquisition, maintenance, operation and disposal of all physical assets, including land, buildings, infrastructure, plant and equipment, and information technology.
Total expenses	The total amount of expenses incurred in the provision of goods and services, regardless of whether a cash payment is made to meet the expense in the same year. It does not include expenditure on the purchase of assets. It also excludes losses, which are classified as other economic flows.
Total revenues	This is the total amount of revenue due by way of taxation, Commonwealth Government grants and from other sources (excluding asset sales) regardless of whether a cash payment is received. It excludes gains, which are classified as other economic flows.

Glossary

Total state sector	This represents all agencies and corporations owned and controlled by the NSW Government. It comprises the general government, public non-financial corporations and public financial corporations.
Uniform Presentation Framework (UPF)	The uniform presentation framework provides uniformity in presentation of financial information so that users of the information can make valid comparisons between jurisdictions. A new framework was introduced in February 2019 which aligns the UPF with the ABS GFS Manual updates.

* terms used when referring to the Restart NSW and Rebuilding NSW programs

To gain a better understanding of the terminology and key aggregates used in these budget papers, a glossary of terms can be found in Note 37 of the Report on State Finances 2017-18.

Infrastructure Statement

2019-20



Budget Paper No. 2

Circulated by The Hon. Dominic Perrottet MP, Treasurer

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ABOUT THIS BUDGET PAPER

Purpose and scope

Budget Paper No. 2 *Infrastructure Statement* provides information on the Government's infrastructure investment program. The objectives of this budget paper are to:

- present a clear report on the State's planned capital expenditure covering new works and works-in-progress
- explain how resources have been allocated in the current budget and the forward estimates for both the general government and public non-financial corporation sectors
- explain how infrastructure investment supports the Government's priorities and service delivery objectives, including the underlying policies and strategies.

This budget paper includes the infrastructure investment of agencies that are material to the general government and public non-financial corporation sectors. Budget Paper No. 1 *Budget Statement*, includes an overview of agency classifications by sector and a glossary.

The capital projects listed in this *Infrastructure Statement* can be accessed online at <https://www.budget.nsw.gov.au/my-budget> with sorting functionality and a geospatial presentation available.

Structure of Budget Paper No. 2

Chapter	Description
1. Overview	Chapter 1 summarises the State's capital investment across the Budget and the forward estimates and explains the funding arrangements. It reports the value of the State's physical assets at an aggregate level and maintenance expenditure by the government sector.
2. Delivering Our Record Infrastructure Plan	Chapter 2 presents key infrastructure that has been delivered, projects in delivery and projects that are under development. This chapter focuses on the Government's commitment to regional NSW communities and its election commitments across NSW.
3. The Restart NSW Fund	Chapter 3 presents the State's infrastructure commitments and reservations funded from the Restart NSW Fund, including investment themes, funding sources, and governance arrangements.
4. Capital Strategies and Policies	Chapter 4 presents the Government's framework of capital strategies and policies for planning, selecting, funding and delivering capital projects.
5. General Government Sector Projects	Chapter 5 lists major capital projects and minor works for each general government agency, grouped by cluster. Project level information is treated as commercial-in-confidence for some parts of the sector and is not reported in detail.
6. Public Non-financial Corporations Projects	Chapter 6 lists major capital projects and minor works for each public non-financial corporation, grouped by industry sector. Project level information is treated as commercial-in-confidence for some parts of the sector and is not reported in detail.
Appendix	Description
A. Restart NSW Reconciliation	Appendix A provides a reconciliation of Restart NSW budgeted commitments and reservations since the 2018-19 Budget.
B. Rebuilding NSW Plan	Appendix B provides a summary of the Rebuilding NSW plan.

Agency disclosures

Capital program definitions

Program	Definition
Major Works	This refers to projects with an estimated total cost of \$250,000 or above, split into new projects (approved to begin in 2019-20) and works in progress (commenced before 2019-20 but not yet completed).
Minor Works	This refers to projects with an estimated total cost below \$250,000, such as minor plant and equipment or annual provisions for replacements.

Project level information

Item	Description
Project description	This is a brief outline of the capital project.
Location	This is the location where the infrastructure/project/asset will be built. 'Various' is noted for projects occurring across multiple locations.
Start	This is the calendar year when construction began or will begin. For planning works, it is the year that planning appraisals and related activities began or will begin.
Complete	This is the project's expected calendar year of completion.
Estimated total cost (ETC)	This represents the current cost estimate of planning, procuring and delivering the infrastructure/project/asset. The ETC is the complete project cost which can include funding in prior years and outside of the forward year estimates. The ETC may change as more detailed planning is undertaken and further information on market conditions becomes available. Large infrastructure acquisitions may be split into several projects, including planning, land acquisition and stages of construction. Due to commercial sensitivities, the ETC for some major works is not included.
Capital Allocation 2019-20	This is the amount of project expenditure approved in the 2019-20 Budget.

Project Definition

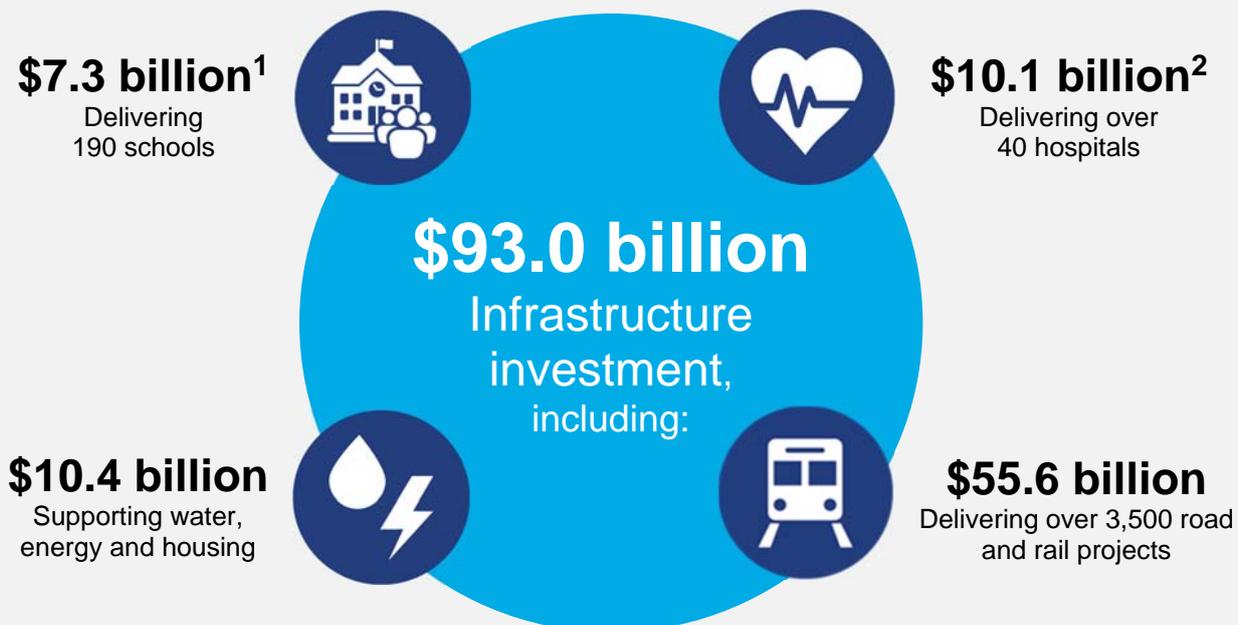
Project Description	Definition
Lease Acquisitions between \$250,000 and \$20 million	Project relates to the new accounting standard AASB 16 Leases.

Notes

- The Budget year refers to 2019-20, while the forward estimates period refers to 2020-21, 2021-22 and 2022-23.
- Figures in tables, charts and text have been rounded. Discrepancies between totals and the sum of components reflect rounding:
 - estimates under \$100,000 are rounded to the nearest thousand
 - estimates midway between rounding points are rounded up
 - percentages are based on the underlying unrounded values.
- For the budget balance, a negative sign indicates a deficit while no sign indicates a surplus.
- One billion equals one thousand million.
- The following notations are used:
 - n.a. means data is not available or is not disclosed for commercial reasons
 - N/A means not applicable
 - no. means number
 - TBC means to be confirmed
 - 0 means not zero, but rounded to zero
 - ... means zero
 - thous means thousand
 - \$m means millions of dollars
 - \$b means billions of dollars
 - () means a negative number when enclosing a number in a table
- Unless otherwise indicated, the data source for tables and charts is NSW Treasury.

1. OVERVIEW

- The 2019-20 Budget provides for the largest infrastructure commitment ever undertaken by a state government to meet the needs of the people of New South Wales, now and into the future. It includes substantial funding for world-class hospitals and health care facilities, new and upgraded schools to support high-quality education, critical road and rail projects, and sporting and cultural infrastructure.



- The Government is continuing to make substantial infrastructure investments in regional New South Wales to support jobs and deliver outcomes in transport, health, education and other vital public services. This is further supported by the Government's commitment to spend 30 per cent of all Restart NSW funding in the regions and invest the \$4.2 billion of proceeds from the sale of the State's share of Snowy Hydro in regional infrastructure projects.
- The \$93.0 billion capital program over four years to 2022-23 delivers on the Government's 2019 election commitments and wider commitment to support and build the New South Wales communities of the future. This record program is enabled by strong and sustainable fiscal management as demonstrated by the Government's successful asset recycling program.
- The benefits of the Government's once in a generation infrastructure program are now being realised with significant projects completed including: Western Sydney Stadium, Newcastle Light Rail and North West Metro.
- The Government will also provide a further \$2.2 billion over the four years to 2022-23 to support projects delivered by non-government bodies. This includes financial contributions to private-public partnerships and capital grants to local councils.

¹ \$7.3 billion includes TAFE NSW as part of the Education cluster. Refer Chapter 2 for further information.

² Health capital expenditure includes capital expensing amounts and leases following a change in accounting standards. Further information is provided at footnote d) of Table 1.3.

1.1 Introducing the State's infrastructure statement

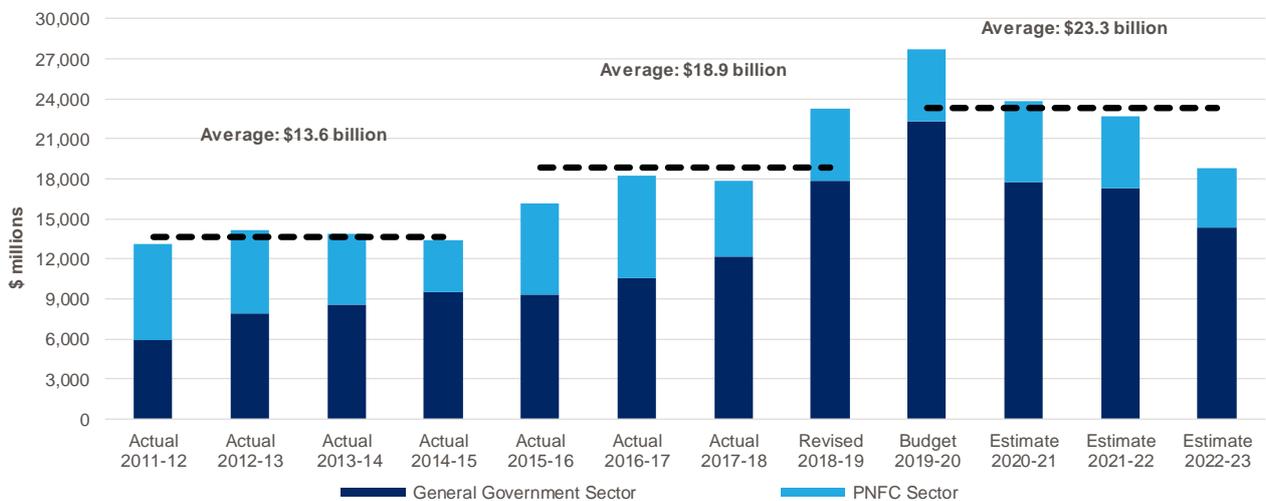
The 2019-20 Budget shows the Government is delivering on a record infrastructure commitment to make our communities great places to live, now and into the future. From local projects like improving parklands, world-class hospitals, schools and major road and transport projects that will transform New South Wales. The Budget's \$93.0 billion infrastructure program is designed to make communities more liveable today, while building the New South Wales of tomorrow.

It also highlights the delivery of significant State infrastructure projects including: North West Metro (opened May 2019), Western Sydney Stadium (opened April 2019) and the WestConnex new M4 tunnel from Homebush to Haberfield (opening mid 2019). Refer to Chapter 2 for further details.

The Budget commits \$93.0 billion over the four years to 2022-23 to the Government's infrastructure program. This program will continue to drive economic growth, create jobs, and provide high-quality services to residents across New South Wales. The Government's successful asset recycling strategy has enabled these record levels of capital spending, while maintaining the State's triple-A credit rating and negative net debt.

Chart 1.1 shows the growth in the State's capital program from 2011-12 to 2022-23 and its increase to an average of \$23.3 billion per annum over the four years to 2022-23. The figure represents a 23.3 per cent increase over the four years to 2018-19 and a 71.3 per cent increase over the four years to 2014-15.

Chart 1.1: Infrastructure program from 2011-12 to 2022-23



The Government's infrastructure program features funding for a wide range of projects over the four years to 2022-23, including:^{3,4}

- record investment of \$10.1 billion⁵ in health infrastructure funding for the planning and development of over 40 new and upgraded hospital builds, including the:
 - John Hunter Health and Innovation Precinct (estimated total cost (ETC) \$780.0 million)
 - Children's Hospital at Westmead (ETC \$619.0 million)
 - first of its kind comprehensive children's cancer centre and redevelopment of the Sydney Children's Hospital at Randwick (ETC \$608.0 million).
- record investment of \$7.3 billion in education infrastructure, including:
 - the planning or delivery of 190 new and upgraded schools
 - delivering on the Government's election commitment to significantly upgrade 32 schools and build 8 new schools (\$917.4 million)
 - \$79.6 million over the next four years to provide a new TAFE in the Western Sydney Construction Hub located close to the Western Sydney Airport.
- record investment of \$55.6 billion in public transport and roads, including:
 - \$6.4 billion in funding over the next four years to accelerate the delivery of the Sydney Metro West, commencing construction in 2020 (see Box 1.1)
 - over \$2.0 billion in the next four years for the planning and preconstruction of the New South Wales and Commonwealth Government funded North South Metro Rail Link that will connect to the Western Sydney Airport, with construction expected to start in 2021 and with completion in 2026 in time for the opening of the airport
 - \$268.0 million over four years as part of a \$2.5 billion commitment to start the duplication of the full 31 kilometres of the Great Western Highway between Katoomba and Lithgow for a four-lane highway to improve safety and traffic flow, and reduce travel times
 - \$322.0 million over four years as part of an additional \$960.0 million commitment for various upgrades to the Princes Highway between Nowra and the Victorian border, to improve safety, journey times and freight efficiency
 - \$500.0 million total commitment for the Fixing Country Bridges program to repair and replace poor quality timber bridges in rural and regional communities.
- \$3.2 billion for criminal justice and emergency services infrastructure, so the government can better deliver the outcomes that our communities need, including:
 - \$65.0 million from 2020-21 to 2022-23 to build new police stations in Bega, Goulburn, the Jindabyne area (including Jindabyne, Perisher and Thredbo) and major upgrades to police stations at Bourke and Bathurst.
- continuing significant investment across arts and culture, venues, energy, water utilities and other important infrastructure delivered by our cluster agencies where it is needed most to support the people of New South Wales.

Chapter 2 of this *Infrastructure Statement* provides further details on infrastructure projects the Government is also delivering.

³ The ETC of projects identified in this chapter may include prior year expenditure and expenditure beyond the budget and forward estimates.

⁴ Numbers represented in the text are on an eliminated Government Sector basis. These numbers may not agree with individual agency reporting which is done on a uneliminated basis.

⁵ Health capital expenditure includes capital expensing amounts and leases following a change in accounting standards. Further information is provided at footnote d) of Table 1.3.

Box 1.1: Sydney Metro West

Program: Sydney Metro West is a new underground metro railway line that will connect Greater Parramatta to Sydney CBD through Olympic Park and the Bays Precinct.

Service delivery objective: Sydney Metro West will double rail capacity and provide a faster, easier and more reliable journey between Sydney CBD and Greater Parramatta in around 20 minutes. The New South Wales Government has proposed stations at Westmead, Parramatta, Sydney Olympic Park, North Strathfield, Burwood North, Five Dock, The Bays and the Sydney CBD.

Implementation: Construction is expected to start in 2020.

Funding allocation: The Government has committed \$6.4 billion over the next four years to this project.

For further information on this project see <https://www.sydneymetro.info/west/project-overview>

Delivering for regional New South Wales

The Government is committed to supporting the growth and prosperity of regional New South Wales through substantial infrastructure investment. The Government's strong fiscal management has ensured it can sustain its infrastructure investment in regional New South Wales while also providing significant drought relief to these same communities.

It also remains committed to investing 30 per cent of the Restart NSW Fund on regional infrastructure over the life of the fund. The Government is spending a further \$4.2 billion from the Snowy Hydro Legacy Fund on regional infrastructure projects, as detailed in Box 2.10.

Significant regional projects include:

- the Regional Rail Fleet project: \$2.8 billion (\$1.3 billion included in the capital program) for the design, build, and ongoing maintenance of the new regional rail fleet. Along with the new purpose built maintenance facility in Dubbo, to create better, safer, more comfortable and reliable services for customers travelling long distances
- the Regional Digital Connectivity Program: \$400.0 million over four years to provide mobile black spot towers and data centres to improve internet connectivity, speeds and reliability in regional areas
- major regional hospitals including: Tweed (ETC \$582.1 million), Shellharbour (ETC \$378.6 million⁶), Dubbo (ETC \$241.3 million) and redevelopment of the Griffith Base Hospital (ETC \$250.0 million).

This Budget also includes funding for construction of new and upgraded hospitals, schools, roads and railways across regional New South Wales, see section 2.3 for further details.

⁶ This includes \$128.0 million in funding from the Commonwealth for the redevelopment of Shellharbour Hospital under its Community Health and Hospitals Program.

1.2 Citizen and economic benefits of infrastructure

The Government's once in a generation infrastructure program continues to deliver lasting economic and social outcomes for New South Wales, fuelling economic growth and creating opportunities for current and future generations. These opportunities include supporting strong employment conditions (see Box 1.2).

Box 1.2: Infrastructure investment boosts economic growth and supports jobs

The New South Wales Government is delivering a well targeted infrastructure program that will not only enhance services to people in New South Wales but also boost economic growth.

In the short term, efficient infrastructure projects support economic activity and jobs, both directly in the construction phase and indirectly via the flow on effects to supporting industries.

Underpinned by the Government's record infrastructure program, public investment is expected to contribute ½ a percentage point per year to economic growth this year and over the next two years, around five times its historical average.

Over the long run, well targeted infrastructure investment increases the productivity of other factors of production such as labour, private capital and land. It also encourages business to increase their own investments and expand economic activity. Additionally, there may be ongoing benefits for the labour market once projects become operational, depending on the type of infrastructure assets involved.

Some of the key projects providing economic benefits for New South Wales include:

- Western Sydney Aerotropolis which will become an economic hub through the concentration of key industries, residences, job opportunities and transportation, and is expected to create 200,000 new jobs
- North West Metro (opened May 2019) which has employed over 22,000 workers and will reduce the number of car trips on Sydney roads by 14 million a year
- Sydney Metro City and Southwest which will employ over 6,000 workers during the construction period and over 44,000 additional jobs in the project corridor by 2036
- Western Sydney Stadium (opened April 2019) has employed 1,200 workers during construction and will support up to 900 ongoing operational jobs.

The Government's investment in infrastructure is supporting economic activity and employment and will help the New South Wales economy achieve greater productive capacity, over the longer term.

Further, the Centre for International Economics has estimated that by 2056, the recommendations in the 2018 State Infrastructure Strategy will increase Gross State Product by \$45 billion.⁷

⁷ Centre for International Economics, *Impact of the State Infrastructure Strategy 2018*, Centre for International Economics, 2018.

A rigorous planning and assessment process will allow the Government to better meet the needs of a growing and ageing population. For example, Infrastructure NSW estimates:

- enrolments in government and non-government schools will increase by about 25 per cent over the next 20 years, with more than 80 per cent of that growth occurring in Sydney⁸
- the demand for health care will grow by over 50 per cent in the next 20 years, compared with population growth of 28 per cent.⁸

Infrastructure investment creates social benefits by improving the quality and efficiency of government services and enhancing social connections. For example:

- world-class hospitals protect and improve the wellbeing of the community by enabling doctors and nurses to provide high-quality health care
- modern schools and training facilities ensure all students receive a quality education or training to equip them for the future
- social housing and mental health infrastructure support those in need, including protecting the vulnerable and creating opportunities to improve their lives
- cultural and sporting infrastructure strengthens community engagement and cohesion by enhancing interconnectivity and shared values. Cultural infrastructure also attracts tourism, boosting the visitor economy
- reducing road congestion shortens travel times, increases productivity, reduces pollution and improves overall quality of life
- digital enhancements improve internet connectivity, speeds and reliability, which leads to gains in productivity and social inclusion across our communities, especially in remote and regional areas.

The Government is responding to these challenges through its record capital program which will improve essential services and meet the needs of the community now and into the future (see Box 1.2).

1.3 Our fiscal management

The Government's record infrastructure program is made possible because of strong and sustainable fiscal management. This has enabled the acceleration of critical projects while maintaining the State's triple-A credit rating. This includes:

- continuing management of recurrent expenditure, consistent with the *Fiscal Responsibility Act 2012*
- active management of the State's balance sheet, including reinvesting the proceeds of asset recycling into productive infrastructure via the New South Wales Infrastructure Future Fund (NIFF), allowing the Government to generate additional returns for taxpayers
- whole-of-government prioritisation of capital projects, based on a rigorous project assessment process, to enable a more strategic approach to capital allocation.

⁸ Infrastructure NSW, State Infrastructure Strategy 2018-2038, Sydney, 2018.

The Government uses a strong capital investment framework to underpin investment decisions. This framework has been designed to ensure the Government invests in critical infrastructure projects that provide the greatest economic benefit for the most efficient cost.

The framework integrates planning, project selection, funding and delivery. Chapter 4 of this *Infrastructure Statement* provides further information on the investment framework.

Infrastructure NSW plays a key role in assisting the Government to identify and prioritise infrastructure projects. It provides independent advice on infrastructure needs and delivery, with a focus on capital investment that brings economic growth and social well-being.

Asset recycling strategy

The Government's successful asset recycling strategy is enabling the delivery of its record infrastructure program and contributing to the Government's commitment to maintaining the State's triple-A credit rating. Asset recycling proceeds have been invested in special purpose funds such as the NIFF and the NSW Generations Fund (Refer to section 8.3 of Budget Paper 1), strengthening the State's net debt position and boosting budget reserves.

Asset recycling has unlocked additional funding for infrastructure projects and enabled the accelerated delivery of critical projects. Examples include the Sydney Metro City and Southwest, the More Trains, More Services program, Regional Road Freight Corridor and the Parramatta Light Rail.

The Government received a further \$9.3 billion in asset recycling proceeds in 2018-19 from the sale of 51 per cent of Sydney Motorway Corporation. These proceeds will support infrastructure delivery across New South Wales, including the acceleration and delivery of the final stage of WestConnex.

Box 1.3: WestConnex transaction wins award

The WestConnex transaction was recognised as one of the most unique and complex Merger and Acquisition transactions in Australia's history and named Australia's best infrastructure project for 2019 at Infrastructure Partnerships Australia's National Infrastructure Awards.

The WestConnex transaction generated \$9.3 billion for New South Wales taxpayers that will be used to support the M4-M5 Link, the final stage of WestConnex, and wider infrastructure for the people of New South Wales. The sale of 51 per cent of Sydney Motorway Corporation, the company delivering WestConnex, attracted widespread interest from domestic and global investors.

The balance of Restart NSW is expected to total \$33.3 billion as at 30 June 2019, of which \$25.1 billion relates to proceeds from the Government's successful asset recycling program. These proceeds have been supplemented by interest earnings in Restart NSW and the Commonwealth Government's Asset Recycling Initiative payments (see table 3.4).

A further \$4.2 billion was received on 30 June 2018 from the sale of the State's share of Snowy Hydro. These proceeds will be reinvested into regional infrastructure across New South Wales through the Snowy Hydro Legacy Fund, as detailed in Box 2.10.

1.4 Four-year capital program

The Government's capital spending program is forecast to be \$93.0 billion over four years to 2022-23. Table 1.1 provides a reconciliation of capital expenditure between the 2018-19 and 2019-20 budgets. Movements in the profile of capital expenditure across years for individual projects are captured at an aggregate level in parameter and other variations.

Parameter and other budget variations are the result of changes to the cost and timing of service delivery that are largely outside government control. These include changes to economic conditions, variations to Commonwealth Government grants, accounting and technical adjustments (including accounting standard changes), and changes to project delivery schedules.

The 2018-19 parameter and technical adjustments predominately relates to the delivery of WestConnex, which is no longer accounted for as part of the Government's capital program due to the project's partial sale in August 2018.

Table 1.1: Capital expenditure reconciliation

	2018-19	2019-20	2020-21	2021-22	2022-23
	\$m	\$m	\$m	\$m	\$m
Capital - 2018-19 Budget	24,471	22,547	21,042	19,147	n.a.
Policy measures					
New capital works ^(a)	777	1,330	655	317	n.a.
Parameter and other variations	(1,281)	342	331	(140)	n.a.
Capital - 2019 Pre-election Budget Update	23,967	24,219	22,028	19,324	n.a.
Policy measures					
New capital works ^(a)	19	898	1,287	2,711	2,388
Parameter and other variations	(786)	2,622	534	635	n.a.
Capital - 2019-20 Budget	23,199	27,739	23,849	22,671	18,775

(a) Includes the estimated impact of spending funds committed and reserved in Restart NSW.

Table 1.1 shows that the 2019-20 capital expenditure compared to 2018-19 has increased from \$23.2 billion to \$27.7 billion. Key drivers of this increase include new spending initiatives resulting from election commitments, the acceleration of projects from forward years in Transport, the reprofiling of projects from 2018-19 to 2019-20 and the impact of new accounting standards on capitalising operating leases.

Impact of changes to accounting standards

AASB 16 Leases is a new accounting standard that requires leases (including operating leases) to be reported on the balance sheet as a lease asset with an offsetting lease liability. The new standards come into effect for the 2019-20 budget year. Adjustments associated with the introduction of the new standards are forecast to increase reported capital expenditure by \$1.6 billion (for the period 2019-20 to 2022-23) as set out in Table 1.3.

Table 1.2: Impact of leases under new accounting standards

	2019-20	2020-21	2021-22	2022-23	Four year total
	\$m	\$m	\$m	\$m	\$m
Impact of leases - 2018-19 Budget	414	350	409	384	1,557

Breakdown of the capital program

The breakdown of capital expenditure by cluster is shown in Table 1.3. Chapter 5 (general government agencies) and Chapter 6 (public non-financial corporations), set out the detailed programs of the individual agencies.

More than half the four-year capital program reflects record levels of investment in productive road and rail infrastructure. The table also highlights the record infrastructure spend in Health^(d) and Education over the four years to 2022-23.

Table 1.3: State capital spending by cluster^{(a)(b)}

	2019-20	2020-21	2021-22	2022-23	Four year total	
	Budget	Forward Estimates				
	\$m	\$m	\$m	\$m	\$m	%
Transport ^(c)	16,597	13,245	14,108	11,618	55,568	59.7
Health ^(d)	2,727	2,652	2,003	1,590	8,972	9.6
Education	2,366	2,182	1,676	1,040	7,265	7.8
Stronger Communities	1,262	1,173	400	411	3,247	3.5
Premier's cluster	826	805	452	330	2,414	2.6
Planning, Industry and Environment	787	536	495	371	2,190	2.4
Customer Service	335	190	86	78	689	0.7
Other PNFCs ^(c)	2,341	2,536	2,709	2,788	10,374	11.2
Other	497	530	741	548	2,316	2.5
Total^(e)	27,739	23,849	22,671	18,775	93,034	100

(a) Clusters are reported where appropriate to align with new Machinery of Government changes announced in April 2019 which take effect from 1 July 2019. For information on clusters, refer Chapter 2.

(b) Numbers represented in the table are on an eliminated Government Sector basis. This table does not agree with individual agencies reporting which is done on an uneliminated basis.

(c) Other Public Non-Financial Corporations (PNFCs) exclude Transport agencies which are reported as part of the Transport cluster, and mainly comprise energy, water and property agencies. 2019-20 budgets are set out in Chapter 6. Key expenditure in the year include social housing \$364.5 million, water bulk system upgrades \$231.8 million and growth and renewal of the metropolitan water supply system \$859.7 million.

(d) Health spending on capital is forecast to total \$10.1 billion over the four years to 2022-23. Table 1.3 does not include \$148.3 million in 2019-20, \$145.7 million in 2020-21, \$138.2 million in 2021-22, and \$104.2 million in 2022-23 for minor capital spending for the construction of health capital projects which fall below a capitalisation threshold and is not reported as capital expenditure. Additionally, assets leased by Health from other clusters are eliminated in the above table.

(e) Spending excludes capital expenditure by public financial corporations.

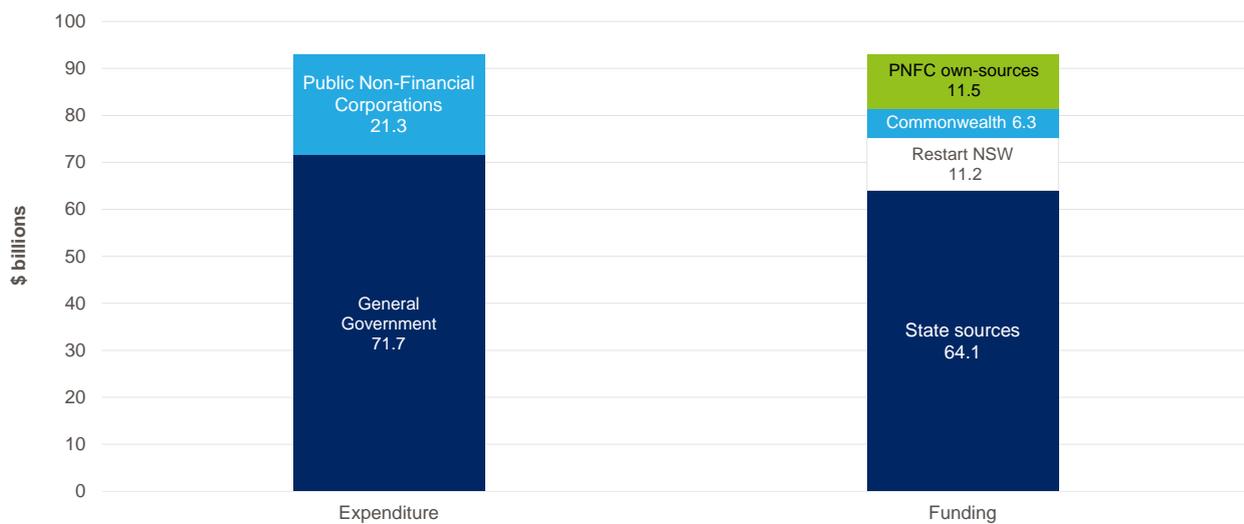
1.5 Funding the delivery of infrastructure

The State's capital program of \$93.0 billion over four years to 2022-23 is funded from:

- state sources, comprising:
 - taxation, other own-source State revenues and borrowings (\$64.1 billion)
 - Restart NSW (including the Rebuilding NSW plan), via sources such as asset recycling proceeds, windfall tax revenues and the issuing of Waratah Bonds (\$11.2 billion)⁹
- Public non-financial corporations (PNFC) own-source funding (including from equity, retained earnings and borrowings) (\$11.5 billion)
- Commonwealth Government grants (\$6.3 billion).

⁹ A total of \$33.1 billion is committed and reserved within Restart NSW (see Chart 3.1), with \$11.2 billion committed and reserved over the four years to 2022-23. Additional expenditure is forecast outside the budget and forward estimates.

Chart 1.2: Summary of capital expenditure and funding sources - 2019-20 to 2022-23



As shown in Chart 1.2, the capital program is comprised of \$71.7 billion from the general government sector and \$21.3 billion from the PNFC sector.

State sources is expected to be the largest funding source for capital expenditure, totalling \$64.1 billion over the four years to 2022-23.

Commonwealth Government funding comprises infrastructure grants for specific projects and accounts for \$6.3 billion, or 6.7 per cent, of the capital program. PNFC own-source funding is \$11.5 billion, or 12.4 per cent of the capital program.

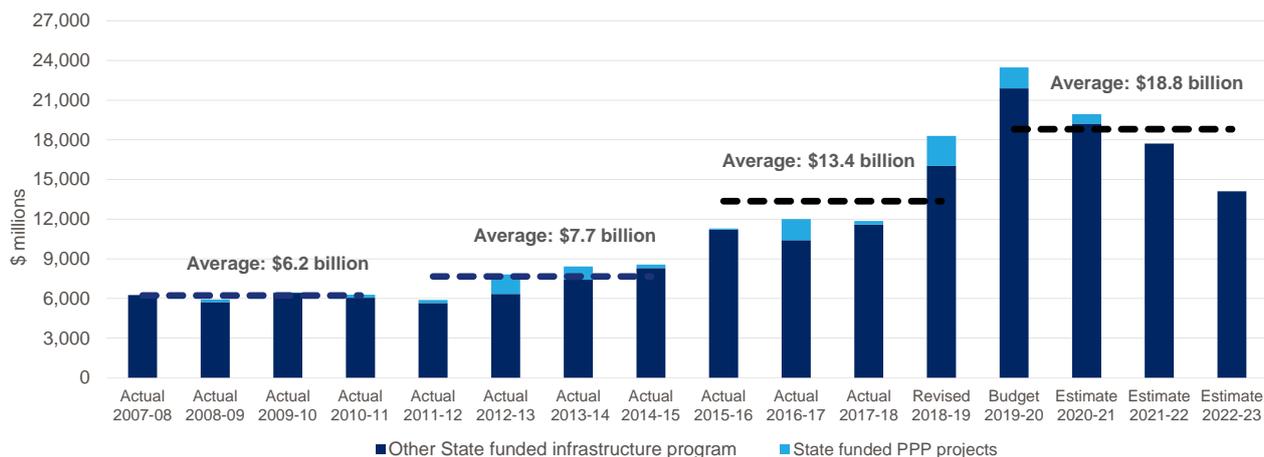
State funding

The State funded program is \$75.2 billion over the four years to 2022-23 and includes State sources and Restart NSW. Chart 1.3 shows the changes in the State funded capital investment program since 2007-08. The program increases to an average of \$18.8 billion per annum over the four years to 2022-23, 40.7 per cent higher than the four years to 2018-19, 145.3 per cent higher than the four years to 2014-15 and 202.3 per cent higher than the four years to 2010-11.

State funded capital expenditure is expected to reach \$23.5 billion in 2019-20, driven by record investment in Health and Education and spending on public transport and roads projects, including Sydney Metro City and Southwest, CBD and South East Light Rail, Parramatta Light Rail Stage 1 and the final stage of the WestConnex project (the M4-M5 link tunnel and Rozelle Interchange).

The reduction in expenditure over the later years to 2022-23 reflects the tailing off or end of construction of several major projects in the prior period, including (but not limited to) the CBD and South East Light Rail, Sydney Metro City and Southwest, the WestConnex new M4 Tunnel, the WestConnex New M5 Tunnel, More Trains, More Services, Westmead Hospital Redevelopment Stage 1 and the Sydney Football Stadium.

Chart 1.3: State funded capital expenditure program^{(a)(b)(c)}



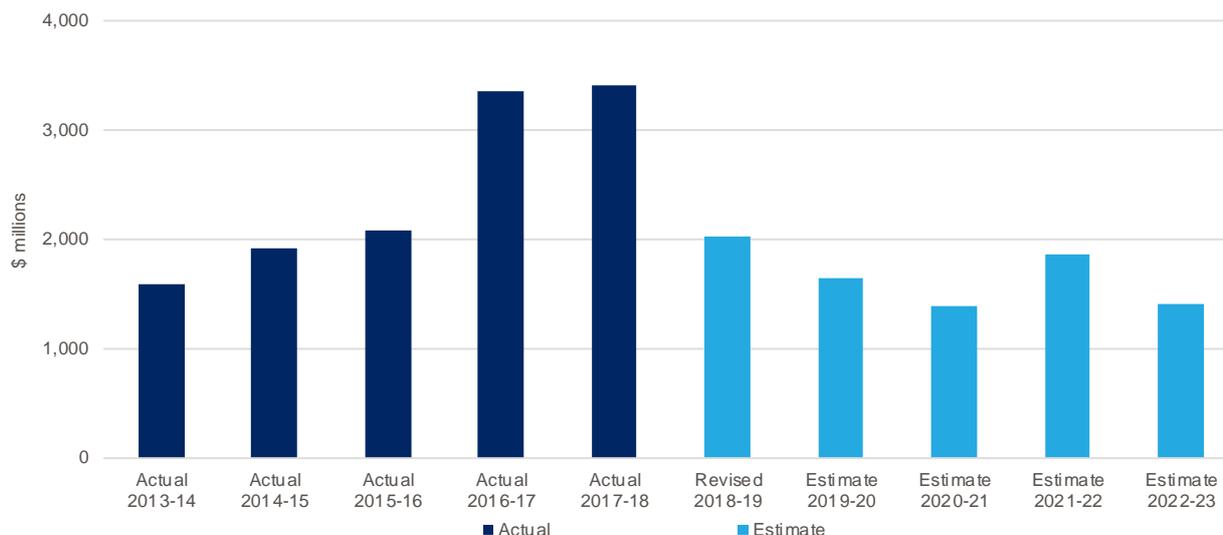
- (a) The State funded capital program includes expenditure in the general government sector and State funded contributions to PNFCs, including for WestConnex.
- (b) The four years to 2022-23 includes the impact of Restart NSW reservations, following on from the decision in 2017-18 to reflect the expenditure of these reservations in the budget estimates.
- (c) PPP projects with State funded expenditure over the four years to 2022-23 include the CBD and South East Light Rail, and the New Grafton Correctional Centre.

Commonwealth Government funding

The Commonwealth Government will contribute \$6.3 billion to the New South Wales capital program over the four years to 2022-23. Chart 1.4 shows the Commonwealth’s contribution to the program over the years 2013-14 to 2022-23. Funding reached over \$3.0 billion in 2016-17 and 2017-18 due to the receipt of Commonwealth Government Asset Recycling Initiative payments, with \$1.0 billion received in 2016-17 and \$847.8 million in 2017-18.

Contributions from the Commonwealth Government are currently forecast to decline over the four years to 2022-23 due to the completion of various major road projects linked to the Commonwealth program. Contributions are expected to increase once again as new funding agreements are implemented for the Western Sydney Airport, see Box 1.4.

Chart 1.4: Commonwealth Government contribution to State capital expenditure program



Box 1.4: North South Metro Rail Link – Stage 1

Program: A new metro line from St Marys to the Western Sydney Aerotropolis via Western Sydney International (Nancy-Bird Walton) Airport. The railway line will connect to the existing T1 Western train line at St Marys. The project was announced as part of the Western Sydney City Deal.

Service delivery objective: The railway line will connect passengers and employees to the new Western Sydney Airport and the Western Sydney Aerotropolis. The construction of the new rail link in Western Sydney will also help to reduce reliance on cars in the area.

The North South Metro Rail Link project will have fully-automated driverless trains, like the rest of the Sydney Metro system, with fast, frequent services. Customers will not need a timetable, they will just turn up and go.

Implementation: The Commonwealth and New South Wales governments have a shared objective of having the metro rail operational in 2026 when the Western Sydney Airport is scheduled to open.

Funding allocation: The Budget will provide over \$2.0 billion over the next four years, subject to completion of the business case, to commence construction of the New South Wales and Commonwealth Government funded project.

1.6 Existing assets and maintenance program

Existing assets

The State's physical assets comprise land and buildings, plant and equipment and infrastructure systems. Key assets include transport networks, public schools, hospitals, police and court facilities, public housing, water storage and supply networks, electricity and distribution networks and roads. Physical assets exclude intangibles, inventories and assets held for sale.

Table 1.4 shows that even with the Government's asset recycling program, the State's asset base is growing, and the people of New South Wales are sharing in this wealth. The State's physical assets are estimated to have a value of \$355.9 billion as at 30 June 2019, an increase of \$16.1 billion from 30 June 2018. The State's physical assets across both the general government and PNFC sectors were valued at \$339.8 billion as at 30 June 2018.

Table 1.4: State owned physical assets: value by sector ^{(a)(b)}

As at 30 June	2016 Actual \$m	2017 Actual \$m	2018 Actual \$m	2019 Revised \$m	2020 Budget \$m
General Government Sector	164,414	176,199	198,563	224,826	237,862
Public Non-Financial Corporations	140,303	130,960	140,012	130,497	141,896
Total ^(c)	304,717	307,114	339,835	355,892	380,350

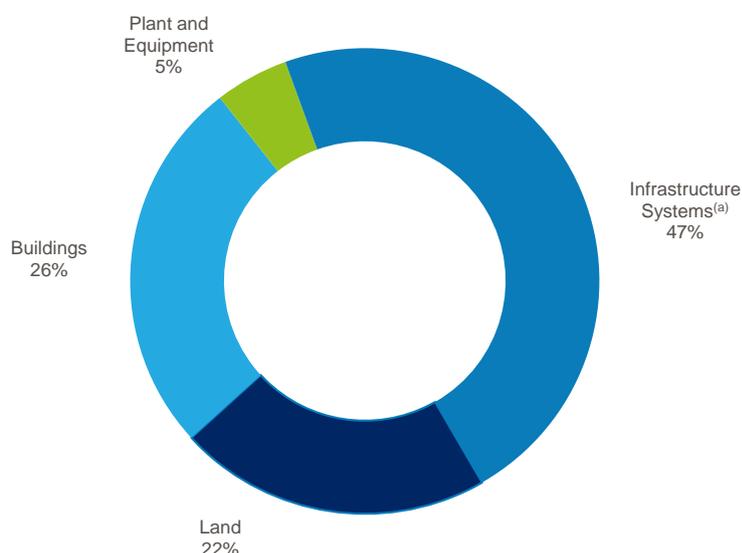
(a) Net of depreciation.

(b) Includes investment properties.

(c) Consolidated total may not equal the sum of the individual sectors due to differences in classification between the individual sectors and the consolidated sector.

Chart 1.5 details the components of the State's physical assets. The largest component at 30 June 2018 was infrastructure systems (\$160.2 billion), which included roads, railways, ports, dams and pipelines. The remaining components comprise buildings (\$88.9 billion), land (\$73.3 billion) and plant and equipment (\$17.3 billion).

Chart 1.5: State owned physical assets: value by type, as at 30 June 2018



(a) Infrastructure Systems are assets that comprise public facilities and which provide essential services. They also enhance the productive capacity of the economy, including roads, bridges, and water infrastructure and distribution works.

Infrastructure maintenance

Agencies maintain their infrastructure to support the delivery of high-quality services.

Treasury guidelines require that direct employee, contractor and external costs on infrastructure maintenance activities are reported as part of an agency's maintenance expenditure. Table 1.5 shows that the maintenance expenditure estimates for the general government and PNFC sectors are expected to increase over the four years to 2022-23 mainly due to the Government's commitment to clear the existing school maintenance backlog.

Table 1.5: Maintenance expenses^(a)

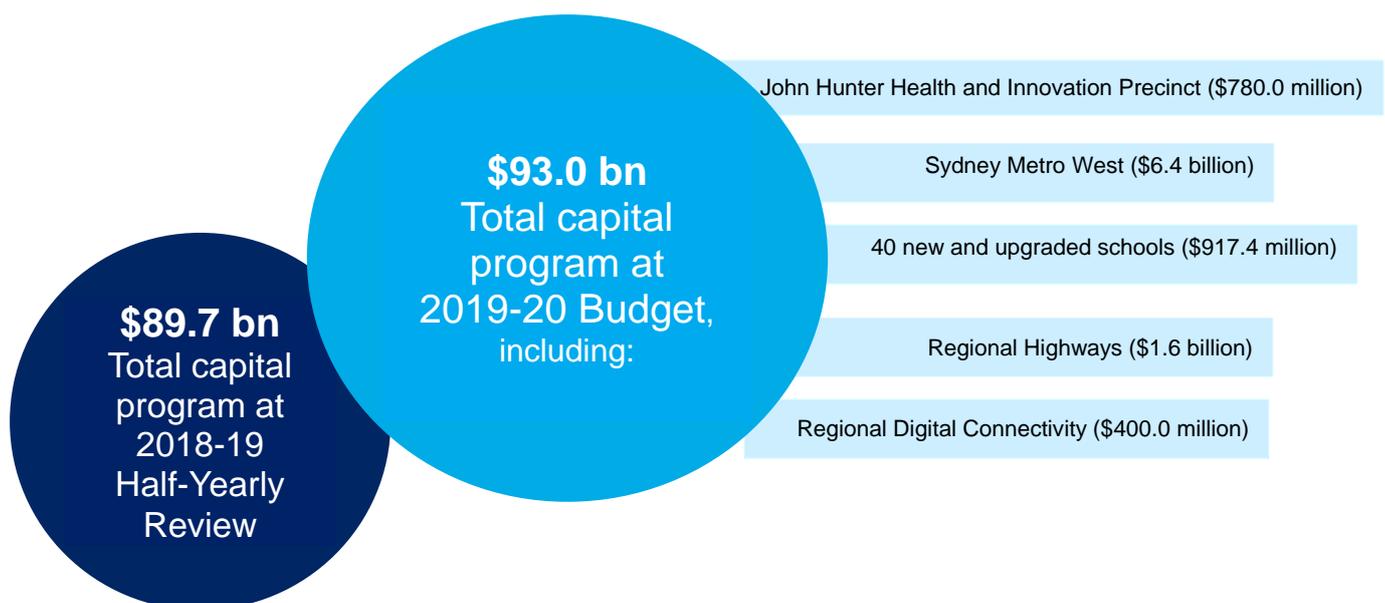
	2018-19		2019-20 Budget	2020-21	2021-22 Forward estimates	2022-23
	Budget	Revised				
	\$m	\$m	\$m	\$m	\$m	\$m
General Government Sector	1,936	1,949	2,051	1,955	1,953	2,154
Public Non-Financial Corporation Sector	2,067	2,152	2,139	2,068	2,067	2,032
Total	3,999	4,097	4,184	4,018	4,015	4,182

(a) Total spending may not equal the total of general government and PNFC expenditure due to intra-sector purchases.

2. DELIVERING OUR RECORD INFRASTRUCTURE PLAN

- The Government is delivering record infrastructure investment of \$93.0 billion over the four years to 2022-23, comprised of new and existing projects and incorporating the 2019 election commitments.
- This program includes investment of \$10.1 billion¹ for health infrastructure, \$7.3 billion for schools and skills infrastructure, \$55.6 billion for public transport and roads, and \$3.2 billion to deliver on our commitment to build stronger communities.
- This Budget includes funding for existing projects, Sydney Metro City and Southwest and future projects, such as Sydney Metro West. It also includes election commitments in both regional and metropolitan areas.
- Significant projects delivered in 2018-19 include North West Metro, Newcastle Light Rail, the Broken Hill water pipeline, The Northern Beaches Hospital and the Western Sydney Stadium.
- The Government is investing to meet the rising demand for services in Sydney's west, including supporting the Western Sydney City Deal.
- Regional infrastructure investment remains a focus for this Budget. This investment includes grant programs to enable local communities to build the infrastructure they need. The Snowy Hydro Legacy Fund will enable \$4.2 billion to be spent on regional infrastructure. This is in addition to 30 per cent allocation of Restart NSW funds for regional infrastructure investment.

Figure 2.1: Four-year capital program from 2018-19 Half-Yearly Review to 2019-20 Budget



¹ Health spending on infrastructure includes \$1.0 billion for lease acquisitions and \$536.0 million of capital expensing from the Ministry of Health's expense budget over the next four years.

2.1 Key infrastructure projects now delivered

Box 2.1: Delivering on our infrastructure commitments

In 2015-16 the Government committed to delivering \$68.6 billion of infrastructure over the forward estimates period and is on track to exceed its original commitment by about almost \$10.0 billion following the acceleration of a number of infrastructure projects. The Government's ability to accelerate infrastructure projects has been made possible by its successful Asset Recycling Strategy and strong fiscal discipline. Accelerated projects include Sydney Metro City and Southwest, Parramatta Light Rail, Western Sydney Stadium, and the WestConnex New M5 Tunnel.

The Government's infrastructure program has now delivered significant projects that will enhance the provision of services in New South Wales and drive economic growth.

Public transport and roads projects delivered include:

- North West Metro, opened on 26 May 2019, reducing peak commuting times between Sydney's North West and the City by providing a world-class rail system (delivered \$1.0 billion under budget; see Box 2.2)
- Newcastle Light Rail, opened in February 2019, connecting the Newcastle City CBD to the foreshore
- twenty-four 'Waratah 2' train sets delivered to support 1,900 additional services per week to Western Sydney
- the \$45.0 million realignment of the Princes Highway at Dignams Creek was completed two months ahead of schedule in April 2019
- the new Yandhai Nepean Crossing in Penrith opened in October 2018, providing a dedicated and safe pedestrian and cyclist crossing of the Nepean River separate from road traffic.

Significant transport and roads projects soon to be delivered include:

- the Westconnex new M4 tunnel between Homebush and Haberfield, including a 5.5 kilometre tunnel bypassing Parramatta Road and 22 sets of traffic lights, set to open in mid-2019
- NorthConnex, a nine kilometre motorway tunnel linking the M1 Pacific Motorway at Wahroonga with Pennant Hills Road, is expected to remove around 5,000 trucks off Pennant Hills Road each day, scheduled to be open in 2020
- a new \$240.0 million bridge over the Clarence River at Grafton scheduled to be completed in December 2019 (with the last bridge span expected to be in place by the end of September 2019)
- Sydney CBD and South East Light Rail, with all sections expected to be fully completed in 2020.

Box 2.2: Opening of North West Metro

The North West Metro, opened on 26 May 2019, and was delivered on time and \$1.0 billion under budget.

Within two weeks there had been 1 million customer journeys and more than 3,000 services operated.

The new metro line links Rouse Hill with Chatswood and includes 13 metro stations and 4,000 new commuter parking spaces.

The journey time from Rouse Hill to Chatswood is now about 35 minutes. In the first week of Metro services, patronage on buses travelling from Sydney's north west via the M2 to areas such as Macquarie Park, Chatswood, North Sydney and the CBD had fallen by about 18 per cent in the morning peak, and 22 per cent in the afternoon.

Health projects delivered include:²

- Gosford Hospital's 11 storey tower, opened in June 2018, including a new Intensive Care Unit and a Special Care Nursery as part of a \$348.0 million development
- The Northern Beaches Hospital, opened in October 2018 providing a substantial improvement in services available to this community (\$600.0 million of State capital contribution to the Northern Beaches Health Service project)
- new health facility developments across Sydney including the St George Hospital redevelopment (estimated total cost (ETC) \$265.5 million, opened October 2017), the Bright Alliance (comprising the Nelune Comprehensive Cancer Centre, Scientia Clinical Research and the Sydney Children's Hospitals Network expansion at Randwick Hospital Campus, ETC \$111.1 million, opened April 2017) and the Sutherland Hospital redevelopment (ETC \$62.4 million, opened December 2017)
- the redevelopment and refurbishment of the Parkes and Forbes hospitals (ETC \$92.5 million, both opened in January 2016) providing the Central West community with modern health facilities
- the Armidale Hospital Redevelopment opened in January 2019, including an emergency department, three operating theatres, a procedure room, an expanded Intensive Care Unit and an improved day surgery unit (ETC \$60.0 million)
- nine NSW Ambulance superstations built as part of the \$184.0 million Sydney Ambulance Metropolitan Infrastructure Strategy at Artarmon, Bankstown, Blacktown, Caringbah, Haberfield, Kogarah, Liverpool, Northmead, and Penrith
- 14 ambulance stations completed as part of the \$122.1 million investment in the Rural Ambulance Infrastructure Reconfiguration program at Wagga Wagga, Coolamon, Ardlethan, Harden, Molong, Griffith, Kiama, Berry, St George Basin, Toukley, Wauchope, Hamlyn Terrace, Bathurst, and Pottsville
- eight Multipurpose Services (MPS) completed as part of the \$304.9 million investment in the MPS Strategy Stage 5 at Walgett, Tocumwal, Molong, Bonalbo, Coolah, Rylstone, Culcairn and Holbrook
- improved access to hospitals for patients, staff and visitors by delivering accessible car parking including at Gosford (ETC \$39.1 million), Hornsby (ETC \$19.8 million) and Blacktown (ETC \$18.1 million).

² Where a health facility has been opened, further works (such as refurbishment) may continue. Further information can be found on pages 5-17 to 5-21 of Chapter 5 of this *Infrastructure Statement*.

Projects delivered for education and skills include:

Since 2011, the Government has delivered 88 new and upgraded schools that have provided more than 1,200 new classrooms and more than 22,500 additional student places, with thousands of additional classrooms and tens of thousands of additional student places on the way.

New schools opened for students in time for term one 2019 include:

- Ballina Coast, Cammeraygal, and Central Sydney Intensive English high schools
- Bella Vista and North Kellyville public schools
- Yawarra Community and Yandelora special schools
- the new integrated K to 12 school, Lindfield Learning Village Stage 1.

Major school upgrades also completed in time for term one 2019 include:

- Bardia, Bolwarra, Homebush West, Manly Vale, Marie Bashir, Rainbow Street, and Randwick public schools
- Farrer High School and the Hunter School of Performing Arts.

Major new and upgraded schools completed in time for term two 2019 are:

- Russell Lea Public School, a new school in Drummoyne and upgrades at Hurlstone Agricultural High School, Ingleburn High School, Claremont Meadows Public School and Penrith Public School.

In addition, nine TAFE connected learning centres were completed and opened this year across regional New South Wales at Singleton, Murwillumbah, Yamba, Bourke, Grenfell, Corowa, Deniliquin, Narrandera and Bega.

Projects delivered to support stronger communities include:

- the Western Sydney Stadium at Parramatta opened in April 2019, on time and on budget
- firefighting aircraft capability, including a large air tanker and two twin engine fixed wing lead and scanning aircraft to improve bush firefighting capability (ETC \$26.3 million), replacement of State Emergency Services (SES) radio equipment and terminals and audio-visual equipment (ETC \$31.4 million) and relocation of the Office of the NSW Rural Fire Service State Headquarters to Sydney Olympic Park (ETC \$18.2 million)
- new and upgraded police stations at Deniliquin, Walgett, Gunnedah, and Vincentia
- the NSW Police Force Hazardous Materials Management Program (ETC \$70.9 million)
- new Sydney Central Children's Court (ETC \$37.8 million - opened January 2018)
- Prison Bed Capacity Program: a new 330 bed maximum-security extension of Shortland Correctional Centre in Cessnock (ETC \$205.4 million), opened in May 2019.

Box 2.3: Western Sydney Stadium

Western Sydney Stadium, also known as 'Bankwest Stadium', was opened in April 2019 on time and on budget, and will provide a world-class spectator experience, bringing fans closer to the action than ever before.

The stadium:

- provides undercover seating for 30,000 people and high-quality food and beverage facilities
- offers five levels of premium function spaces, big screens, advanced technology including Wi-Fi and world-class broadcast facilities
- delivers improved security and administration, public plaza areas and landscaping around the stadium
- the project generated approximately 1,200 jobs during construction
- employs up to 900 operational jobs
- caters for a range of sporting, entertainment and community events within the precinct.

Projects delivered for planning, industry and environment include:

- the Port of Eden breakwater wharf extension (ETC \$42.0 million) set to open this year for the 2019-20 cruise season
- the delivery of the 4-year Coastal Infrastructure Program (\$41.4 million) to rebuild and repair key maritime assets to improve service life and avoid critical failure
- \$21.8 million for Stage 2 of the online ePlanning system, developed in partnership with local councils, which has cut development assessment timeframes, removed paper-based requirements, and allowed for real-time data analysis to identify blockages in the planning system
- \$4.2 million for Stage 2 of the Companion Animals Register, providing a modern pet registration system for the community that delivers functionality to support animal welfare agencies and council compliance activities
- the Riverstone Wastewater Treatment Plant Stage 1 Amplification (ETC \$120.0 million), Green Square Trunk Stormwater Drainage (ETC \$74.0m) and Malabar Wastewater Treatment Plant (ETC \$116.0 million) (Sydney Water)
- the 270 kilometre Broken Hill Water Pipeline completed in April 2019, ensuring the long-term water supply for Broken Hill (WaterNSW).

2.2 Key infrastructure projects in delivery



Health

This Budget includes \$10.1³ billion of capital investment over four years to 2022-23 on health infrastructure including hospitals and health facilities. This investment will enable NSW Health to build new hospitals and to upgrade existing facilities across New South Wales to support the delivery of world-class health services.

Key 2019 election commitments included in this budget starting in 2019-20 are:

- redevelopment of the John Hunter Health and Innovation Precinct (ETC \$780.0 million)
- Stage 2 redevelopment of the Children's Hospital at Westmead (ETC \$619.0 million)
- expanding the scope of the Griffith Base Hospital Redevelopment (ETC \$250.0 million).

Projects starting in the three years after 2019-20⁴:

- new Bankstown-Lidcombe Hospital (ETC \$1.3 billion)
- redevelopment of the Royal Prince Alfred Hospital (ETC \$750.0 million)
- new Comprehensive Children's Cancer Centre and redevelopment of the Sydney Children's Hospital at Randwick (ETC \$608.0 million⁵)
- redevelopment of the Ryde Hospital (ETC \$479.0 million)
- redevelopment of the Shoalhaven Hospital (ETC \$434.0 million)
- redevelopment of the St George Hospital (ETC \$385.0 million)
- new Eurobodalla Hospital (ETC \$150.0 million)
- Stage 2 redevelopment of the Manning Base Hospital (ETC \$100.0 million).

This is in addition to new projects commencing in 2019-20 comprising:

- hospital redevelopments across the State to respond to growing health service needs, including the Tumut Hospital redevelopment (ETC \$50.0 million) and expanding the scope of hospital redevelopments underway at Goulburn Hospital, Hornsby Hospital, and Mona Vale Hospital
- building three more hospital carparks at Liverpool (ETC \$50.0 million), Shellharbour (ETC \$23.3 million) and Wagga Wagga (ETC \$30.0 million) to better support access for patients and their families.

³ Health spending on infrastructure includes \$1.0 billion for lease acquisitions and \$536.0 million of capital expensing from the Ministry of Health's expense budget over the next four years.

⁴ Only election commitments with an estimated total cost of \$100.0 million or more have been listed.

⁵ Total project estimated costs includes a Commonwealth Government contribution of \$100.0 million and third party contributions of \$80.0 million.

Box 2.4: The Children's Hospital at Westmead Stage 2 Redevelopment

Program: This Budget includes funding for Stage 2 of the Redevelopment of the Children's Hospital at Westmead. This project will increase bed capacity and complement the new expanded paediatric emergency department currently being built as part of the new Westmead Acute Services Building, reflecting the growing population of Western Sydney.

Service delivery objective: This project will deliver a new Paediatric Services Building, and refurbish existing facilities, to provide additional service capacity including neonatal intensive care unit, paediatric intensive care unit, acute inpatient beds, mental health inpatient and ambulatory care, operating theatres, interventional suites, and cardiac catheter laboratory.

The project will also fund the expansion of clinical and non-clinical support services, including car parking.

Implementation: Planning is continuing with a final business case to be completed in 2020, with the construction works proposed to commence in 2022.

Funding allocation: The estimated total cost of the project is \$619.0 million.

This budget also includes funding of health infrastructure projects already underway:

- Multipurpose Services Strategy Stage 5 (\$304.9 million) to provide health and aged care services for small and remote communities
- major metropolitan facilities including the Randwick Campus Reconfiguration and Expansion Stage 1 (ETC \$720.0 million), Westmead Hospital Redevelopment (ETC \$832.3 million Stage 1), and Concord Hospital upgrade (ETC \$341.2 million)
- Western Sydney hospitals including Stage 2 of the Campbelltown Hospital Redevelopment (ETC \$632.0 million), Liverpool Health and Academic Precinct (ETC \$740.0 million), Nepean Hospital Stage 1 (ETC \$550.0 million), and the Blacktown and Mt Druitt Hospitals redevelopment (ETC \$655.2 million)
- major regional hospitals including Tweed (ETC \$582.1 million), Maitland (ETC \$470.0 million), Shellharbour (ETC \$378.6 million⁶), and Dubbo (ETC \$241.3 million)
- Statewide Mental Health Infrastructure Program (\$700.0 million) to support new contemporary care models and provide specialist mental health units for mothers and their babies, children and adolescents, families and older people
- hospital car parks at Campbelltown (ETC \$34.1 million), Port Macquarie (ETC \$11.5 million), Shoalhaven (ETC \$10.8 million) and Wyoong (ETC \$10.2 million).

Page 5-17 to 5-21 of Chapter 5 of this *Infrastructure Statement* lists the major capital projects and minor works for the Health cluster, including the ETC, estimated expenditure to 30 June 2019 and the 2019-20 allocation.

⁶ This includes \$128.0 million in funding from the Commonwealth for the redevelopment of Shellharbour Hospital under its Community Health and Hospitals Program.



Education

This Budget includes an unprecedented \$7.3 billion of capital investment in education and skills infrastructure over the four years to 2022-23, benefiting primary, secondary and vocational students. This investment includes the planning and delivery of 40 new and upgraded schools committed to in 2019-20, bringing the total number of projects underway to 190. This capital investment will support the State's world-class education system by providing accessible modern facilities, which are a critical foundation for learning.

This budget also includes \$449.0 million to clear the existing school maintenance backlog in all public schools by July 2020. This will bring the total investment to more than \$1.3 billion over five years. In addition to the cluster capital expenditure, this budget includes \$500.0 million over four years as recurrent grant funding to support non-government schools to build, extend, or upgrade their facilities to provide more student places in growing communities.

Key 2019 election commitments in this budget include:

- \$917.4 million over the next four years in additional funding for school infrastructure. This will allow the Government to build 8 new schools and significantly upgrade a further 32 schools
- \$79.6 million over the next four years will be invested in the Western Sydney Construction Hub that will provide a new TAFE NSW presence located close to the Western Sydney Airport
- \$61.7 million over the next four years for Tranche 3 of the Connected Learning Centre Program that will see 8 new facilities rolled out across the state at Byron Bay, Batemans Bay, Cobar, Hay, Jindabyne, Nambucca Heads, Nelson Bay, and West Wyalong
- \$7.4 million over the next four years for minor works to improve amenity in 11 New South Wales public schools.

In addition, new TAFE and skills infrastructure projects funded in 2019-20 include:

- \$11.7 million (2019-20) for the Meadowbank TAFE site (Stage 2.1)
- \$4.5 million (2019-20) for a new specialist centre in Bega (Stage 2).

For further information about the Government's record education program, see Box 2.5 which sets out in detail the New South Wales schools investment program.

Box 2.5: An unprecedented program

The Government's \$6.7 billion school infrastructure program is delivering 190 upgraded and new schools.

For more information see <https://www.schoolinfrastructure.nsw.gov.au>

Election Commitments 2019-20 Budget**New schools**

- A high school in Bungendore
- A primary school in Epping
- A high school in Jerrabomberra
- Planning for a high school in Marsden Park
- Relocation of Budawang School
- A primary school – Mulgoa Rise (Glenmore Park)
- Planning for a new primary school in South Nowra/Worrigeer
- A primary school in Tallawong

Upgraded schools

- Bangalow Public School
- Bexhill Public School
- Bletchington Public School
- Brooke Avenue Public School
- Planning for Castle Hill Public School
- Cranebrook High School
- Planning for Cronulla High School
- Eastwood Public School
- Engadine High School
- Epping West Public School
- Glenmore Park High School
- Glenwood High School
- Hastings Secondary College, Port Macquarie Campus
- Planning for Hunter River High School
- Planning for Irrawang High School
- Jamison High School
- Jannali East Public School
- Jindabyne Central School (Stage 2)
- John Palmer Public School
- Planning for Matthew Pearce Public School
- Millthorpe Public School
- Milperra Public School
- Mona Vale Public School
- Mosman High School
- Muswellbrook South Public School
- Nepean Creative and Performing Arts High School
- Planning for North Sydney Demonstration School
- Planning for Orange Grove Public School
- Queanbeyan West Public School
- Stanwell Park Public School
- Teven-Tintenbar Public School
- Yass High School

Ongoing projects**New schools**

- Alex Avenue new primary school
- Alexandria Park Community School
- Armidale Secondary College
- Arthur Phillip High School and Parramatta Public School
- Catherine Field new primary school
- New primary school in Gledswood Hills
- Hurlstone Agricultural High School
- Inner School
- Jordan Springs new primary school
- Leppington new primary school
- Mainsbridge School
- Marsden Park new primary school
- New Environmental Education Centre in Penrith Lakes
- New primary school in Wagga Wagga electorate
- New school in Liverpool electorate
- Meadowbank Education Precinct
- Oran Park new high school
- Queanbeyan School
- Smalls Road new primary school
- Sydney Olympic Park High School
- Ultimo Public School
- Warnervale new primary school
- Wilton Junction new school

Box 2.5: An unprecedented program (cont)

Upgraded schools

- Ajuga School, Campbell House School and Glenfield Park School
- Ashbury Public School
- Ashtonfield Public School
- Auburn North Public School
- Banksia Road Public School
- Bankstown North Public School
- Belmont High School
- Braidwood Central School
- Brookvale Public School
- Byron Bay Public School
- Callaghan College Jesmond Campus
- Canley Vale High School
- Canterbury South Public School
- Carlingford Public School
- Cecil Hills Public School
- Chatswood Education Precinct (Chatswood Public School and High School)
- Coffs Harbour Public School
- Croydon Public School
- Curl Curl North Public School
- Dapto Public School
- Darlington Public School
- Denistone East Public School
- Epping Public School
- Excelsior Public School
- Fairvale High School
- Fort Street Public School
- Greenwich Public School
- Greystanes Public School
- Gwynneville Public School
- Harrington Park Public School
- Hurstville Public School
- James Fallon High School
- Jindabyne Central School
- Karabar High School
- Kent Road Public School
- Killara High School
- Killarney Heights Public School
- Kingscliff High School
- Kingscliff Public School
- Kingswood High School
- Ku-ring-gai High School
- Kyeemagh Infants School
- Lake Cathie Public School
- Lennox Head Public School
- Lidcombe Public School
- Liverpool West Public School
- Marsden Road Public School
- Merrylands Public School
- Monaro High School
- Murrumbidgee Regional High School
- Murwillumbah East Public School
- Murwillumbah High School
- Newcastle East Public School
- North Rocks Public School
- Nulkaba Public School
- Old Bar Public School
- Oran Park Public School
- Parramatta West Public School
- Pendle Hill High School
- Pendle Hill Public School
- Penshurst Public School
- Penshurst West Public School
- Picton High School
- Pottsville Beach Public School
- Prestons Public School
- Quakers Hill East Public School
- Queanbeyan East Public School
- Queanbeyan High School
- Riverbank Public School
- Riverstone High School
- Rosehill Public School
- Rutherford Public School
- Samuel Gilbert Public School
- Schofields Public School
- Speers Point Public School
- St Ives High School
- St Ives North Public School
- Tamworth Public School
- Terrigal Public School
- Tweed Heads South Public School
- Tweed River High School
- Waitara Public School
- Wamberal Public School
- Wangi Wangi Public School
- Wauchope Public School
- Wentworthville Public School
- West Ryde Public School
- Westfields Sports High School
- William Stimson Public School
- Willoughby Girls High School
- Willoughby Public School
- Wollongong Public School
- Yagoona Public School
- Yass High School
- Young High School

Planning

- Birrong Boys and Girls High School
- Carlingford West Public School and Cumberland High School
- Cecil Hills High School
- Darcy Road Public School
- Edmondson Park new high school
- Edmondson Park new primary school
- Girraween Public School
- Googong new primary school
- Green Square new primary school
- Gregory Hills new primary school
- Liverpool Boys and Girls High School
- Macquarie Park Education Precinct
- Middle Head Environmental Education Centre
- Murrumbateman new primary school
- Narrabeen Education Precinct
- Neutral Bay Public School
- Newcastle Education Precinct
- Punchbowl Public School
- Randwick Girls and Boys High Schools
- Rhodes East new primary school
- Rydalmere Education Precinct
- St Leonards Education Precinct
- Westmead new primary school

Page 5-9 to 5-16 of Chapter 5 of this *Infrastructure Statement* lists the major capital projects and minor works for the Education cluster, including the ETC, estimated expenditure to 30 June 2019, and 2019-20 allocation.



Transport

The capital program includes a record \$55.6 billion investment over the four years to 2022-23 for public transport and roads. This represents a \$4.4 billion, or 8.6 per cent, increase on the four years to 2021-22 included in the 2018-19 Budget. The total amount is comprised of \$32.2 billion for public transport and \$23.4 billion for roads.

Key 2019 election commitments in this budget include:

Public transport:

- \$6.4 billion over four years to accelerate the construction of the Sydney Metro West. Construction will commence in 2020 to provide the fastest, easiest and most reliable journey between the Sydney CBD and Greater Parramatta
- investing over \$2.0 billion over the next four years, subject to completion of the business case, to commence construction of the New South Wales Government and Commonwealth Government funded North South Metro Rail Link to connect the new Western Sydney Airport, with construction expected to start in 2021 and be completed in 2026 in time for the opening of the airport
- an initial investment of \$295.0 million over four years for the fast rail network, including identifying an improved alignment north of Mittagong, duplication between Berry and Gerringong, development for a new alignment between Sydney and Woy Woy, and planning work to improve the route to the Central West.

Roads:

- \$268.0 million over four years as part of a \$2.5 billion commitment to start the duplication of the full 31 kilometres of the Great Western Highway between Katoomba and Lithgow to a four-lane highway to deliver a safer, faster route over the mountains
- \$500.0 million for the Fixing Country Bridges program to repair and replace poor quality timber bridges in rural and regional communities
- \$322.0 million over four years as part of an additional \$960.0 million commitment to upgrade the Princes Highway between Nowra and the Victorian border to improve safety, journey times and freight efficiency
- \$12.0 million in 2019-20 (\$99.0 million over four years, as part of a \$695.0 million commitment) to further ease congestion through smart technology, including intelligent traffic light installations, planning for a smart motorway upgrade on the M1 between Gosford and Sydney, digital parking and clearway signage, virtual in-car and GPS messaging, and new drones.

Box 2.6: Sydney Metro program

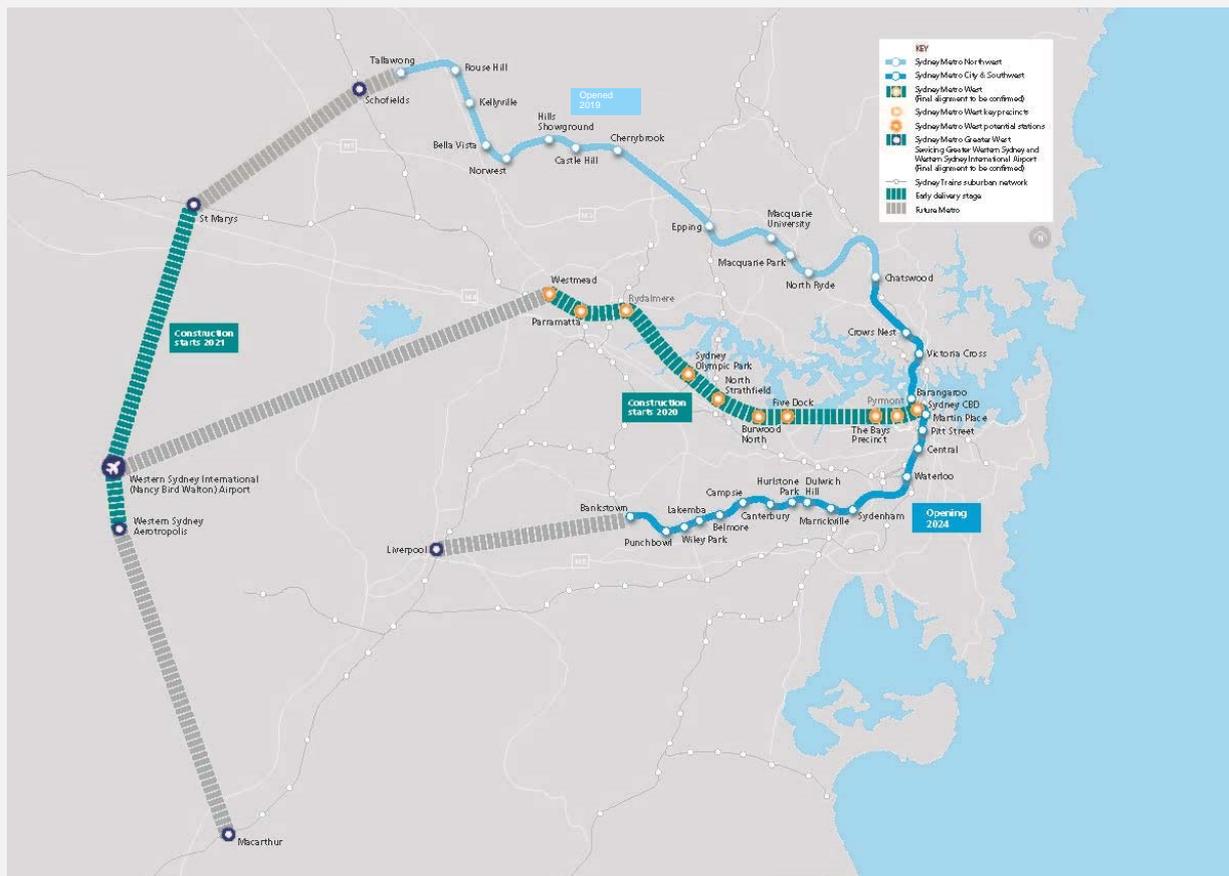
Program: The Metro program comprises four projects:

- North West Metro (Rouse Hill to Chatswood) (See Box 2.2)
- Sydney Metro City and Southwest (Chatswood through the CBD to Bankstown)
- Sydney Metro West (Westmead to the Sydney CBD via Olympic Park and the Bays Precinct) (See Box 1.1)
- North South Metro Rail Link, servicing greater western Sydney and the new Western Sydney International (Nancy-Bird Walton) Airport.

Service delivery objective:

- In 2024, Sydney will have a 66 kilometre standalone metro railway with 31 stations between Rouse Hill and Bankstown, revolutionising the way Australia’s biggest city travels. It will both relieve congestion on the existing rail and road networks, including at stations in the CBD, as well as open new work, travel and living opportunities for Sydney residents.

Figure 2.2: The existing Sydney Metro network and the proposed extensions



Box 2.6: Sydney Metro program (cont)**Implementation:**

North West Metro opened in May 2019.

Work is underway to build Sydney Metro City & Southwest, with five tunnel boring machines working to build 15.5km twin tunnels between Chatswood and Sydenham. Services are scheduled start in 2024.

Services will start on Sydney Metro West in the second half of the 2020's.

The Commonwealth and New South Wales Governments are delivering North South Metro Rail Link and have a shared objective of having the new line operational in 2026 when the Western Sydney Airport opens.

Benefits:

Sydney Metro will transform the way Sydney grows and develops, in addition to reducing travel times for commuters. In the next 15 years, New South Wales will require infrastructure to support 40 per cent more train trips. Sydney Metro will help meet this demand. Sydney's new metro, together with signaling and infrastructure upgrades across the existing Sydney suburban rail network, will increase the capacity of train services entering the Sydney CBD by up to 60 per cent from around 120 an hour to around 200 services an hour beyond 2024.

The Metro program will ease congestion at major city stations (Town Hall and Wynyard) by creating new stations and travel paths through the CBD (including stations at Pitt Street and Barangaroo), improving access to growing employment and business corridors, and improving access to employment centres in Southwest Sydney. For further information on this project see <https://www.sydneymetro.infooverview>.

Significant public transport and roads projects already underway and funded in this budget include:**For Sydney Metropolitan:**

- \$5.3 billion over four years to continue delivery of the Sydney Metro City and Southwest linking Chatswood and Bankstown
- \$4.1 billion over four years for staged delivery of the WestConnex Motorway including the final stage of the project, the M4-M5 link tunnel and Rozelle Interchange
- \$3.3 billion over four years to continue planning or delivery of motorway links in Sydney including the F6 extension Stage 1, the Western Harbour Tunnel, Beaches Link, NorthConnex and Sydney Gateway
- Light Rail networks, including Parramatta Light Rail (with construction of the \$2.4 billion Stage 1, contracted in late 2018) and the CBD and South East Light Rail, which has now progressed to full operational testing of major components
- More Trains More Services, with a further \$2.2 billion committed to continue the delivery of more frequent, and reliable rail services to customers on the Illawarra, Airport, and South Coast lines
- continuing the Western Sydney Growth Roads Program to accommodate population and employment growth in Western Sydney, upgrades to Mamre Road, Mulgoa Road, The Horsley Drive, Campbelltown Road, Memorial Avenue, Appin Road and planning for the Spring Farm Parkway.

For the regions surrounding Sydney:

- \$1.8 billion over four years to continue delivery of the New Intercity Fleet to provide long-distance, intercity trains operating between Sydney, the Central Coast, Newcastle, the Blue Mountains, and the Illawarra
- \$168.7 million over four years towards the Newcastle Inner City Bypass from Rankin Park to Jesmond and the Pacific Motorway extension to Raymond Terrace
- \$426.3 million over four years to complete construction of the Albion Park Rail bypass in 2022
- \$311.7 million over four years to complete road projects in the Central Coast area, including the M1 Pacific Motorway widening and the upgrade of the intersection of Empire Bay Drive, The Scenic Road and Cochrone Street at Kincumber.

Further details of Transport regional projects are in the next Section 2.3.

Box 2.7: Transport Access Program (TAP)

Program: The TAP is an initiative to improve access to public transport.

Service delivery objective: While around 90 per cent of all public transport journeys are accessible, the TAP aims to further improve accessibility by delivering more convenient, accessible, modern, secure and integrated transport infrastructure. It also improves commuter access with dedicated commuter parking close to public transport hubs throughout New South Wales.

Key benefits of the program include providing:

- improved station accessibility for people with a disability, limited mobility and parents with prams
- modern buildings and facilities for all modes of transport, to help meet the needs of a growing population
- modern interchanges to support an integrated network and provide better connections between all modes of transport, for all customers.

Implementation: Since 2011 the following stations have been upgraded:

- | | | |
|------------------|----------------|-------------------------|
| • Aberdeen | • Flemington | • Picton |
| • Albion Park | • Gerringong | • Quakers Hill |
| • Arncliffe | • Glenfield | • Scone |
| • Artarmon | • Ingleburn | • Sefton |
| • Bathurst | • Jannali | • Shellharbour Junction |
| • Berala | • Leppington | • Singleton |
| • Broadmeadow | • Lochinvar | • St James |
| • Cardiff | • Marrickville | • Sydenham |
| • Casula | • Martin Place | • Tahmoor |
| • Cheltenham | • Minto | • Toongabbie |
| • Concord West | • Museum | • Victoria Street |
| • Croydon | • Narwee | • Wallarobba |
| • Dungog | • Newtown | • Warwick Farm |
| • East Richmond | • Oatley | • Waterfall |
| • Edmondson Park | • Panania | • Wentworth Falls |
| • Harris Park | • Pendle Hill | • Wentworthville |
| • Heathcote | | • Windsor |

This Budget includes funding for further works at these stations:

- | | | |
|-----------------------------|---------------------------------|-----------------------------|
| • Armidale | • Faulconbridge | • Punchbowl (Sydney Metro) |
| • Banksia | • Glenbrook | • Pymble |
| • Beecroft | • Goulburn | • Queanbeyan |
| • Bellambi | • Griffith | • North Strathfield |
| • Bexley North | • Hawkesbury River | • Redfern |
| • Birrong | • Hazelbrook | • Rooty Hill |
| • Blackheath | • Hurlstone Park (Sydney Metro) | • Roseville |
| • Blayney | • Lapstone | • St Peters |
| • Canley Vale | • Lisarow | • Stanmore |
| • Canterbury (Sydney Metro) | • Kingswood | • Taree |
| • Casino | • Millthorpe | • Towradgi |
| • Clarendon | • Mittagong | • Thornleigh |
| • Como | • Moree | • Tuggerah |
| • Dapto | • Moss Vale | • Unanderra |
| • Denistone | • Narara | • Wahroonga |
| • Dubbo | • Narrabri | • Waitara |
| • Dulwich (Sydney Metro) | • Niagara Park | • Waratah |
| • East Hills | • Normanhurst | • Warrawee |
| • Edgecliff | • North Strathfield | • Wauchope |
| • Erskineville | • Ourimbah | • Wiley Park (Sydney Metro) |
| • Fairy Meadow | • Parkes | • Wollstonecraft |
| • Grafton | • Petersham | • Wyee |
| • Gunnedah | • Point Clare | • Yagoona |

Funding allocation: This Budget allocates more than \$300.0 million in 2019-20 to continue the program, a 150 per cent increase on the 2018-19 budget.

Box 2.8: Urban Roads and Congestion Program

Program: The Government is proceeding with the planning and delivery of new urban road projects across Sydney, the Central Coast and the Lower Hunter and measures to reduce congestion and improve safety. This includes funding directed towards regional road projects including Nelson Bay Road and the Central Coast Highway. Specific initiatives in Sydney include:

Smart Technology

The Budget supports the \$695.0 million commitment for technology upgrades to reduce congestion including:

- intelligent traffic lights at priority intersections able to read the flow of the traffic and to clear traffic queues, reducing the number of stops in traffic by up to 15 per cent
- ramp meters, variable speed and message signs and active CCTV monitoring to automatically adjust the speed of vehicles entering the motorway, to smooth traffic flow, and increase capacity
- digital parking and clearway signage to reduce the number of parking and clearway signs removing confusion for drivers
- invest in drone technology and virtual messaging to monitor more of the road network in real time and to report and clear incidents faster.

Pinch points

The budget provide additional funding to reduce congestion at a further 12 pinch points (\$450.0 million commitment) including at intersections along major arterial roads and regional links within Sydney.

Further investment in Western Sydney roads, including:

- upgrades to Mamre Road along a 3.8 kilometre section to a four-lane dual carriageway between the M4 Motorway and Erskine Park Road, providing a safer high capacity connection (\$220.0 million commitment)
- Mulgoa Road upgrades, to tackle congestion and delays along Mulgoa Road during peak times (\$260.0 million commitment).

Pages 5-42 to 5-48 of Chapter 5 of this *Infrastructure Statement* lists the major capital projects and minor works for Transport cluster, including the ETC, estimated expenditure to 30 June 2019, and 2019-20 allocation.



Planning, Industry and Environment

This Budget includes more than \$2.4 billion in capital spending for planning, industry and environment initiatives and projects over the four years to 2022-23. This investment will enable New South Wales to promote the sustainable development whilst preserving our natural legacy.

Key 2019 election and other commitments in this budget include:

- \$400.0 million over four years for the Regional Digital Connectivity program, with \$300.0 million allocated to mobile black spots and \$100.0 million for regional data hubs to improve internet connectivity, speeds and reliability in the State's regions
- \$149.5 million to improve access to New South Wales national parks through the upgrade and extension of walking trails, improving visitor infrastructure and facilities and introducing online and digital tools for virtual tours
- \$68.4 million to upgrade and maintain the fire trail network across New South Wales
- \$47.0 million (part of \$50.0 million program) to upgrade food and fibre research stations across our regions, including Port Stephens, Cowra, Tamworth, Orange, Wagga Wagga and Trangie, ensuring our agricultural industries are best-placed to remain productive and competitive
- \$33.4 million to upgrade venues at the Eastern Creek Motor Sports Precinct improving safety, lighting and attendance facilities as part of the Government's Motor Sports Strategy. These upgrades will help establish a night time racing economy and increase visitation and participation in motor sports at all levels.

Projects continuing in this budget include:

- \$125.0 million over four years (as part of \$150.0 million commitment) to establish new and improved public parklands and create a network of connected regional parks and gardens across Sydney
- \$71.5 million over six years to continue upgrades of short stay accommodation and national park visitor infrastructure, as well as improvements to the Snowies Iconic Great Walk, Murramarang South Coast Walk, Thredbo Valley Track and Light to Light Great Walk
- \$66.4 million for the relocation of the Department of Planning, Industry and Environment and the Environment Protection Authority to Parramatta as part of the Government's commitment to jobs in Western Sydney
- the Australian Institute of Botanic Sciences at Mount Annan, a purpose-built, state-of-the-art facility protecting the Royal Botanic Garden's collection of more than 1.4 million plant specimens (ETC \$59.5 million)
- three new Doppler radars in western New South Wales. The new radar stations will provide real time rainfall data and wind observations to 34 local government areas in western New South Wales, covering almost 30 per cent of the state by 2022 (with funding allocated from Restart NSW) (ETC \$24.4 million)

- \$22.2 million in 2019-20 (\$103.9 million over 10 years) for parkland upgrades and business hub development at Western Sydney Parklands. These upgrades will improve signage and pathway accessibility and further establish business parks with proximity to the future Aerotropolis
- \$1.5 million of State contribution in 2019-20 (\$13.0 million over four years) to rehabilitate high priority free flowing bores and drains in the Great Artesian Basin to enhance reliability of water supply to reduce the impact of drought (grant program)
- the continuing investigation of the augmentation of the Warragamba Dam Wall, with the preparation of an environmental impact assessment and project business case.

The Cluster also oversees the delivery of water projects across the State including by way of grants to non-government agencies and by supporting PNFC agencies including Sydney Water Corporation, Hunter Water Corporation, Essential Energy and Water NSW. Key initiatives include:

- Restart NSW Fund (Restart NSW) grants for regional water infrastructure with \$314.7 million budgeted over the next 4 years and a total of over 120 projects being supported by Restart NSW
- \$527.1 million for future grants from the Consolidated Fund will be available to continue the Safe and Secure Water program (see Box 3.3)
- WaterNSW projects across the State including Keepit Dam upgrade (ETC \$113.1 million) Warragamba Dam-related upgrades (ETC \$352.7 million) as well as upgrades to an ongoing program of upgrading reservoirs and water infrastructure across the State (\$75.6 million in 2019-20)
- Future expenditure from the Snowy Hydro Legacy Fund will also provide for water security in priority catchments.

Pages 5-22 to 5-28 of Chapter 5 of this Infrastructure Statement lists the major capital projects and minor works for the Planning, Industry and Environment cluster, including the ETC, estimated expenditure to 30 June 2019, and 2019-20 allocation. Chapter 6 provides full details for the PNFC program for the Water agencies referred to above.



Stronger Communities

Capital investment for this new cluster, which includes the former Family and Community Services, Justice and Sport portfolios, is \$3.2 billion over the four years to 2022-23.

Key 2019 election commitments in this budget include:

- \$100.0 million from 2020-21 to 2022-23 to build and upgrade police stations in Bega, Goulburn, Jindabyne area (including Jindabyne, Perisher and Thredbo), Bourke and Bathurst, and a new police education and training facility at Dubbo
- \$9.0 million in 2019-20 (\$18.0 million over two years) to refurbish and upgrade the Queanbeyan Courthouse.

Continuing investment programs include:

- Prison Bed Capacity Program, to deliver fit for purpose capacity across the custodial system (\$2.4 billion)
- the new Clarence Correctional Centre to deliver 1,700 additional prison beds in 2020 (ETC \$798.8 million)
- Sydney Football Stadium (delivered by Infrastructure NSW) (ETC \$729.0m)
- Critical Communications Enhancement Program, to enhance the communications services required by frontline agency staff to deliver law enforcement, essential emergency and community services (\$562.2 million)⁷
- Future Light Helicopter program, to replace part of the NSW Police Force aircraft fleet, including three new helicopters (for PolAir 1, 3 and 4) (ETC \$47.8 million)
- Technology Asset Refresh Program Phase 4, refreshing and optimising ICT Infrastructure services (ETC \$40.0 million)
- a Large Air Tanker (LAT) aircraft and two twin engine fixed wing lead and scanning aircrafts in preparation for the 2019-20 bush fire season (ETC \$26.3 million).

Pages 5-35 to 5-41 of Chapter 5 of this *Infrastructure Statement* lists the major capital projects and minor works for the Stronger Communities cluster, including the ETC, estimated expenditure to 30 June 2019, and 2019-20 allocation.

⁷ This program is being delivered across multiple sectors. The ETC for the program is the cost across all sectors and includes recurrent expenditure for equipment supporting the delivery of the program.



The Arts and Culture

The Government continues to provide significant spending for new cultural infrastructure including:

- \$645.0 million of government contribution towards the relocation of the Powerhouse Museum to Parramatta and the expansion of the Museum Discovery Centre which is underway, with six teams now shortlisted in the international design competition
- detailed planning for a creative industries precinct in Ultimo (\$5.0 million government contribution as part of the Powerhouse Museum relocation)
- \$245.1 million of government contribution towards the rejuvenation of the Walsh Bay Arts Precinct which is now entering the construction phase to provide a unique cultural and visitor experience
- \$244.0 million government contribution to support construction of the Sydney Modern project, transforming the Art Gallery of New South Wales into one of the world's great art museums
- The Sydney Opera House renewal works, with focus now turning to modernising the Opera House's largest and most popular venue, the Concert Hall. The redevelopment of the Joan Sutherland Theatre has now been completed and the Yallamundi function rooms opened (ETC Stage 1 Renewal, \$202.0 million)
- \$50.5 million of government contribution for the construction of a new exhibition hall at the Australian Museum to expand the museum's capacity to host major international exhibitions. This will enable Sydney to be one of 10 cities worldwide to host the King Tutankhamun exhibition in 2021 before it permanently returns to Egypt
- Projects funded under the \$100.0 million Regional Cultural Fund including exciting and diverse arts and cultural activities which are being delivered across New South Wales.

Pages 5-29 to 5-34 of Chapter 5 of this *Infrastructure Statement* lists the major capital projects and minor works for the Premier's cluster (with cultural venues), including the ETC, estimated expenditure to 30 June 2019, and 2019-20 allocation.



Customer Service

The new Customer Service cluster is committed to improving key services, delivery and advice to the customers of the New South Wales Government. This includes delivering world-class human and electronic service channels guaranteeing both speed and accuracy of service. Investment in direct customer services includes:

- \$100.0 million over the next two years to establish a Digital Restart Fund to support whole of government digital transformation
- \$70.0 million (\$55.0 million expenses and \$15.0 million on capital) over four years to roll out 10 new Service NSW centres across Metropolitan Sydney in Merrylands, Randwick, Revesby, Northmead, Engadine, Glenmore Park, Prestons/Edmondson Park, Roselands, North Sydney, and Schofields
- \$12.5 million over four years to establish a Nuclear Medicine and Technology Hub at Lucas Heights in partnership with the Australian Nuclear Science and Technology Organisation to develop cutting-edge treatments
- \$4.0 million in 2019-20 to roll out four one-stop shop Service NSW buses servicing communities throughout the State. The total of this project over four years is \$10.5 million.

In addition, Customer Service will continue existing programs including:

- Information and Communication Technology (ICT) projects including the OneGov Digital Services Gateway and the spatial data Infrastructure Program.

Pages 5-5 to 5-8 of Chapter 5 of this *Infrastructure Statement* lists the major capital projects and minor works for the Customer Service cluster, including the ETC, estimated expenditure to 30 June 2019, and 2019-20 allocation.

2.3 Delivering for regional NSW

The State's infrastructure program provides benefits across regional New South Wales and comprises projects that provide:

- state-wide benefits – for example, the Critical Communications Enhancement Program, which will improve the delivery of emergency services delivery across New South Wales
- services to local communities – for example local police station upgrades at Gunnedah
- improved connections between different parts of the State – for example upgrades of the Pacific, Princes, Great Western, Newell, and New England Highways.

Box 2.9: Supporting drought affected regions

More than 90 per cent of New South Wales remains affected by drought. The continuing dry conditions are having severe impacts on farm production and incomes, with flow-on effects felt in regional towns and rural communities.

The Government has committed close to \$800.0 million in drought assistance, which includes additional funding for both infrastructure (local and State owned) as well as direct funding support. These infrastructure components include:

- Injecting an additional \$350.0 million for the Farm Innovation Fund to support low interest loans for farmers funding on-farm capital improvements which build drought resilience and preparedness
- The \$170.0 million Drought Infrastructure Package to fund a suite of critical town water projects as well as shovel-ready infrastructure projects that will stimulate local economies such as regional airport upgrades, activation of industrial lands and CBD revitalisation projects
- For further details: <https://www.dpi.nsw.gov.au/climate-and-emergencies/droughthub/drought-assistance>.

Box 2.10: Supporting the regions through the Snowy Hydro Legacy Fund

Program: The Snowy Hydro Legacy Fund (the **Fund**) will account for the spending of the proceeds from the sale of the State's share of Snowy Hydro on regional infrastructure.

Service delivery objective: The purpose of the Fund is to invest in productive infrastructure to support economic development in the regions. The projects and programs consist of major state-building infrastructure and are for the primary benefit of regional New South Wales.

Five priority areas for investment have been identified:

- **Providing water security in priority catchments:** investing in catchment-scale water **security** infrastructure for regional New South Wales including dams, pipelines and weirs. This is in addition to the \$32.0 million over three years to investigate the raising of the Wyangala Dam as part of a \$650.0 million commitment, with environmental and economic studies to commence this year. This will bring the Government's total investment in water security projects to \$1.4 billion
- **Improving rail and road passenger transport connections:** exploring opportunities to invest in infrastructure that makes travel between regional centres and to metropolitan areas faster and easier, including fast rail
- **Improving freight linkages:** improving regional freight networks to global gateways and investigating the development of potential air freight hubs in regional New South Wales that will allow producers to deliver meat, dairy, fruit, nuts and seafood around Australia and globally as quickly as possible
- **Improving digital connectivity across regional New South Wales:** exploring infrastructure to provide faster and more reliable digital connectivity across regional New South Wales, improving liveability, productivity and innovation in regional New South Wales. Business cases will explore regional data hubs, high-capacity 'backbone' data links to Sydney, and improved connectivity and data access for businesses. \$400.0 million has been committed towards the Regional Digital Connectivity Program in this budget to improve internet and mobile phone coverage in Regional New South Wales
- **Activating regional locations for increased business investment:** providing attractive locations and conditions for targeted industries to invest in regional New South Wales. Work is already underway to build an inland port in Parkes as a Special Activation Precinct that will leverage investment in inland rail. The second activation precinct has been announced for Wagga Wagga.

Implementation: Projects will be subject to an assessment framework to maximise the economic growth and productivity of the regions.

Funding allocation: An allocation of \$113.0 million has been made in the 2019-20 year to plan and progress State significant infrastructure projects under the Fund including digital connectivity, international airfreight hubs and the special activation precincts program. Funding has also been made available to progress water security projects including the raising of Wyangala Dam wall. \$40.0 million was provided in 2018-19 year for scoping studies.

Significant regional projects have already been included above in Section 2.2. Additional projects include:

Transport

Significant regional Transport projects which are currently underway include:

- Regional rail fleet, a \$2.8 billion commitment towards the design, build and maintenance of new regional rail fleet, along with the new purpose-built maintenance facility in Dubbo, to create better, safer, more comfortable and reliable services for customers travelling long distances
- \$1.5 billion over four years to continue the New South Wales Government and Commonwealth Government funded Pacific Highway upgrade program, with construction continuing between Woolgoolga and Ballina in 2019-20, along with planning and preconstruction activities for the bypass of Coffs Harbour
- \$1.2 billion over four years to substantially upgrade the Princes Highway, including the Albion Park Rail Bypass, the Berry to Bomaderry Upgrade, the new Nowra Bridge and the Batemans Bay Replacement Bridge
- \$822.3 million over four years to enhance road freight productivity and provide safe and reliable travel in regional New South Wales including Bridges for the Bush projects at Tabulam, Echuca-Moama and Gunnedah and new overtaking lanes on the Newell Highway. Improvement programs are also continuing on the Golden Highway, Oxley Highway and the Silver City and Cobb Highway
- \$373.0 million over four years to improve road safety, including continuing investment under the Road Safety Plan 2021 targeting regional areas where most fatalities occur
- \$500.0 million total commitment to the Fixing Country Bridges program to repair and replace poor quality timber bridges in rural and regional communities
- \$500.0 million total commitment to the Fixing Local Roads program to support councils with repairing, maintaining and sealing important local roads
- \$268.0 million over four years as part of a \$2.5 billion commitment to start the duplication of the full 31 kilometres of the Great Western Highway between Katoomba and Lithgow for a four-lane highway to deliver a safer, faster route over the mountains.

A range of regional road, rail and bridge projects have been allocated a total of \$677.5 million from Restart NSW since the 2018-2019 Budget. Additional funds now specifically allocated to these programs include:

- Regional Road Freight Corridor (\$353.9 million)
- Fixing Country Roads (\$138.3 million)
- Fixing Country Rail (\$73.4 million)
- Regional Growth Roads (\$8.7 million).

Box 2.11: Pacific Highway duplication nearing completion

The New South Wales Government, in partnership with the Commonwealth Government, is working to complete the duplication of the Pacific Highway by late 2020.

Approximately 81 per cent (530 kilometres) of the final 657 kilometre length of the Pacific Highway (between Hexham and the Queensland border) is now a four-lane divided road. This includes the entire section between Port Macquarie and Coffs Harbour, with the final section near Macksville opened in mid 2018.

The remaining sections in major construction between Glenugie and Ballina, form part of the Woolgoolga to Ballina upgrade, and are on track to progressively open to traffic before or during 2020. Refer to: <https://www.pacifichighway.nsw.gov.au/>

When completed, more than \$15.0 billion will have been invested in the upgrade program by the Commonwealth and New South Wales governments.

Benefits and outcomes

The project will produce major benefits, including improvements to road user safety, better road conditions, boost transport efficiency and improved access to amenities for local communities.

Fatal crashes have already halved, down from around 50 each year to less than 25 and most recently to eight in 2018. In 2018, nine people died in eight fatal crashes, this is down from the previous five-year average of 21 fatalities in 17 crashes.

When complete, the Pacific Highway duplication will cut travel time between Hexham and the Queensland border by between two and a quarter and two and half hours.

There will also be improved travel reliability through better flood immunity, fewer incidents and more readily available alternative routes.

Figure 2.3: Upgrading the Pacific Highway – Status of dual carriageway – July 2018



Health

This Budget features a continuing and substantial regional capital program to provide health infrastructure investments to support the growing health service need across regional New South Wales.

This includes projects highlighted in Section 2.2: Tweed Hospital (ETC \$582.1 million), Maitland Hospital (ETC \$470.0 million), Dubbo Hospital Redevelopment (ETC \$241.3 million), Shellharbour Hospital Redevelopment Stage 1 (ETC \$378.6 million), John Hunter Health and Innovation Precinct (ETC \$780.0 million), Griffith Hospital (ETC \$250.0 million), Tumut Hospital Redevelopment (ETC \$50.0 million) and Goulburn Hospital (ETC \$150.0 million).

There are also specifically tailored programs such as the Multipurpose Service facilities (\$304.9 million) designed to provide health and aged care services for small and remote communities with current projects at Barham, Braidwood, Cobar, Harden, Tumbarumba and Yass.

Box 2.12: John Hunter Health and Innovation Precinct

Program: This Budget includes funding to develop the John Hunter Health and Innovation Precinct. The project will deliver updated and enhanced health facilities providing extra capacity to meet the demand of the community, both locally in the Newcastle area and to enhance access for specialist services to the Hunter, New England and Northern NSW areas.

Service delivery objective: The project will provide a new acute services building housing expanded and enhanced facilities for a range of health services including medical, surgical, intensive care, emergency, clinical and non-clinical support. It will also enable more integrated services with key health, education and research partners.

Implementation: Subject to a final business case, construction is expected to commence in 2021.

Funding allocation: The estimated total cost of the project is \$780.0 million.

Education and skills

Up to 50 new and upgraded schools are currently being delivered across regional and rural New South Wales, while 2019 election commitments also cover four new schools and more than 10 upgrades. These includes:

- South East NSW and Tablelands: one new school and seven upgrades in the South East NSW and Tablelands. The 2019 Government election commitments include high schools at Bungendore and Jerrabomberra as well as upgrades of Queanbeyan West Public School and Yass High School
- North Coast: 12 major upgrades including schools in Murwillumbah, Kingscliff, Tweed Heads, Lennox Head, Pottsville Beach, Lake Cathie, Coffs Harbour, Wauchope and Byron Bay. The 2019 election commitments also include upgrades to Bexhill Public School, Bangalow Public School, Hastings Secondary College and Teven-Tintenbar Public School
- Hunter: nine major upgrades including in Ashtonfield Public School, Newcastle East, Nulkaba Public School, Old Bar Public School, Rutherford, Speers Point, Wangi Wangi Public School, Belmont High School and Callaghan College Jesmond. The 2019 Government election commitments include Hunter River High School, Irrawang High School and Muswellbrook South Public School.

Stronger Communities

Infrastructure located in regional communities provides essential services to local communities, as well as providing opportunities for local growth and employment. Funding in this budget includes:

- \$9.0 million in 2019-20 (\$18.0 million over two years) to refurbish and upgrade the Queanbeyan Courthouse
- \$100.0 million from 2020-21 to 2022-23 to build and upgrade police stations in Bega, Goulburn, Jindabyne area, Bourke and Bathurst as well as to build a new Police education and training centre at Dubbo
- \$798.8 million (ETC) for a new Clarence Correctional Centre in Grafton to deliver 1,700 additional prison beds in 2020
- \$15.9 million to continue the NSW Police Force Regional Small Police Station Program to redevelop police stations in regional locations across New South Wales including Adelong, Tea Gardens, Tullamore, and Bonalbo.

Planning, Industry and Environment

The Planning, Industry and Environment cluster is responsible for regional development, including the delivery of projects under the Regional Growth Fund (see Box 2.13) and those allocated funding under the \$4.2 billion Snowy Hydro Legacy Fund (see Box 2.10).

This Budget includes:

- \$32.0 million over three years to investigate the augmentation of the Wyangala Dam
- \$24.4 million to deliver three new Doppler radars in western New South Wales to provide real time rainfall data and wind observations to 34 local government areas, covering almost 30 per cent of the state by 2022
- \$19.4 million to consolidate regional offices in Orange
- \$12.5 million from the \$4.2 billion Snowy Hydro Legacy Fund to fast track regional water strategies, investigate a pipeline from Lostock Dam to Glennies Creek, and develop plans for other projects to improve water security for regional communities.

Regional Restart NSW grant programs are further detailed in section 3.6 of Chapter 3 of this *Infrastructure Statement*.

Box 2.13: Regional Growth Fund

An additional \$100.0 million is committed in the 2019-20 budget, taking the total commitment to \$1.7 billion. Through the \$1.7 billion Regional Growth Fund, the New South Wales Government is investing in essential infrastructure to strengthen communities, improve local facilities and grow local economies in regional New South Wales. An unprecedented level of investment is taking place throughout every regional Local Government across New South Wales and delivering significant benefits to the regions. The \$100.0 million is part of round three of the Stronger Country Communities Fund, with a focus on youth-related projects.

Over \$1.0 billion has already been committed to more than 1,350 projects over the past two years. In 2019-20, the focus on regional New South Wales will continue with more infrastructure projects already in the pipeline.

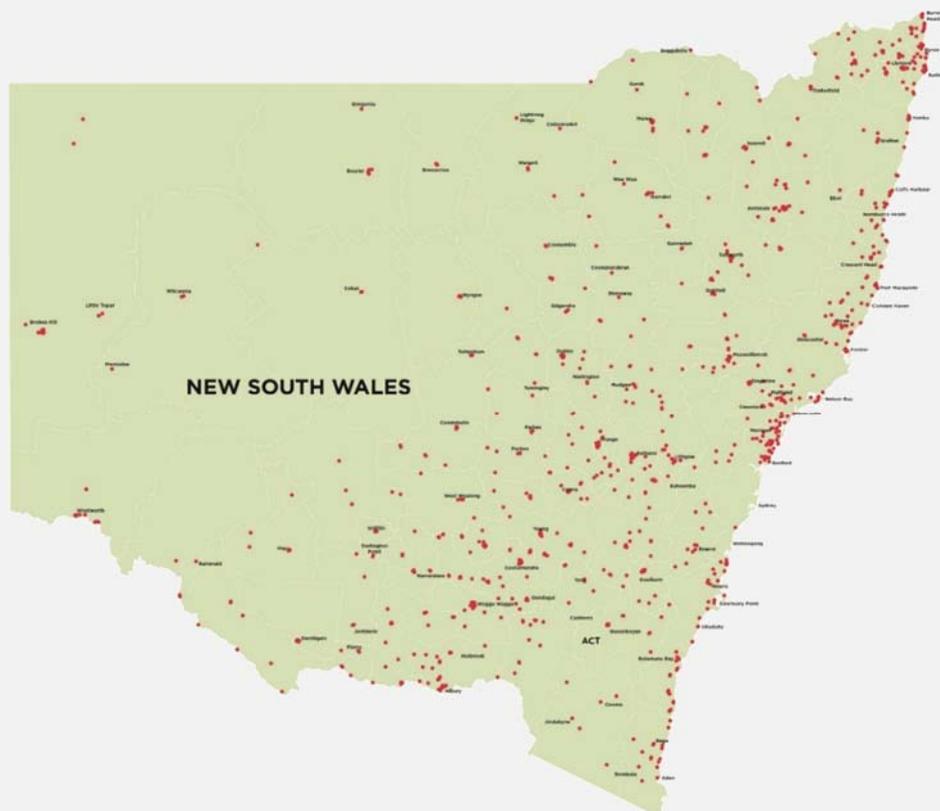
For more details see: [https:// www.nsw.gov.au/improving-nsw/regional-nsw/regional-growth-fund/](https://www.nsw.gov.au/improving-nsw/regional-nsw/regional-growth-fund/)

Table 2.1: Regional Growth Fund initiatives

	Number of projects
Growing Local Economies (\$500.0 million) ^(a)	31
Regional Growth - Environment Tourism Fund (\$300.0 million)	49
Regional Communities Development Fund (\$100.0 million)	16
Resources for Regions (Round 5 and 6 - \$78.2 million)	20
Connecting Country Communities (\$50.0 million)	111
Stronger Country Communities Fund (\$400.0 million)	1,001
Regional Sports Fund (\$100.0 million)	21
Regional Cultural Fund (\$100.0 million)	136
Doppler Radar Network	1
Total	1,386

(a) This includes \$170.0 million for the Drought Infrastructure Package and \$40.0 million from Restart NSW as part of \$50.0 million for the World-Class Food and Fibre program.

Figure 2.4: Distribution of Regional Growth Fund initiatives



3. THE RESTART NSW FUND

- The Government established the Restart NSW Fund (Restart NSW) in 2011 to enable the funding and delivery of high-priority infrastructure projects.
- In 2014, Restart NSW was bolstered by the Government's Rebuilding NSW plan to invest \$20 billion in new infrastructure over 10 years. The Rebuilding NSW plan forms part of Restart NSW.
- Of the \$33.3 billion of inflows into Restart NSW, \$24.8 billion has been committed to specific projects and programs, representing an increase of 10.6 per cent since the 2018-19 Budget. Of the remaining balance, \$8.3 billion has been reserved to enable further project development and assurance processes prior to final funding decisions.
- Restart NSW has funded 650 commitments to local governments and non-government organisations, 210 of which have already been delivered.
- The Government has targeted 30 per cent of Restart NSW funding to regional areas outside the metropolitan areas of Sydney, Newcastle and Wollongong, over the life of the fund.

3.1 Overview

The Government established Restart NSW in 2011 to enable the funding and delivery of high-priority infrastructure projects. The fund was established to improve the State's economic growth and productivity. Restart NSW is supported by the Government's successful asset recycling program, which has enabled the Government to sustain record levels of infrastructure investment whilst maintaining the State's triple-A credit rating and negative net debt for the fourth consecutive year.

Table 3.1: Restart NSW Fund (expected position as at 30 June 2019)

	Restart NSW	Table reference
Total inflows ^(a)	\$33.3 billion	3.4
Commitments ^(b)	\$24.8 billion	3.2
Reservations	\$8.3 billion	3.3
Unallocated balance	\$0.2 billion	

(a) Total inflows exclude the unrealised investment returns in the NSW Infrastructure Future Fund (NIFF). These returns and future budgeted earnings in the NIFF will be allocated towards the Government's capital programs.

(b) Commitments include \$527.1 million in funding from the Consolidated Fund for the \$1.0 billion Safe and Secure Water program to enable the funding of crucial water infrastructure based on community needs.

The value of inflows into Restart NSW as at 30 June 2019 is expected to be \$33.3 billion (Table 3.4), of which the Government has committed and reserved \$33.1 billion for specific infrastructure projects and programs (see Chart 3.1).

A total of \$24.8 billion has been committed from Restart NSW for the planning and delivery of infrastructure projects and programs, as further detailed in Table 3.2. Of these commitments, \$15.7 billion has already been paid to over 600 projects across New South Wales.

Box 3.1: Completed regional Restart NSW projects

A total of \$7.4 billion¹ has been committed from Restart NSW programs for over 750 individual projects in regional New South Wales, with \$3.0 billion paid out to project proponents as at 2 June 2019. This funding has enabled the delivery of 251 completed regional infrastructure projects. Examples from across the range of programs include:

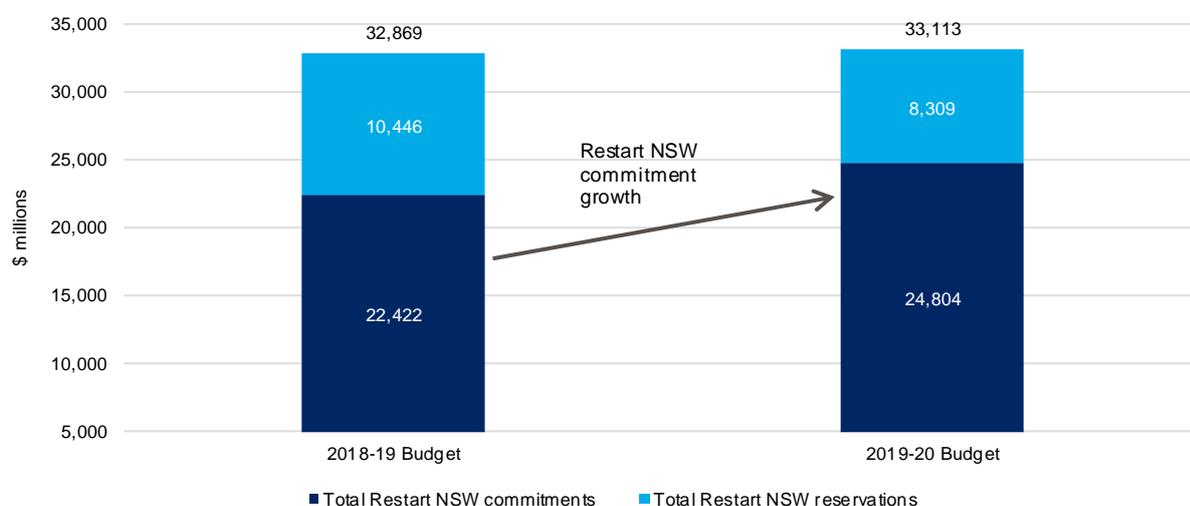
- Armidale Hospital (Regional Health Infrastructure program)
- Mudgee Airport Airside upgrade (Regional Tourism Infrastructure program)
- Nyngan Single Storage project (Water Security for Regions Program)
- New England Highway Pavements Strengthening Package (Regional Road Freight Corridor)
- Singleton Regional Livestock upgrade (Resources for Regions).

Additionally, the Government has reserved a further \$2.1 billion across 21 different Restart NSW programs for future regional projects.

A further \$8.3 billion has been reserved in Restart NSW for identified projects and programs, as detailed in Table 3.3. Reservations enable the Government to undertake comprehensive project development and assurance reviews prior to a final funding decision.

Total Restart NSW commitments have increased by 10.6 per cent since the 2018-19 Budget whilst reservations have decreased by 20.5 per cent, reflecting the transition of the Government’s infrastructure program from the planning reservations to the delivery stage commitments as shown in Chart 3.1 below.

Chart 3.1: Restart NSW commitments and reservations



¹ Including \$527.1 million in funding from the Consolidated Fund for the \$1.0 billion Safe and Secure Water Program.

3.2 Restart NSW commitments and reservations

Restart NSW Commitments

Total Restart NSW commitments are \$24.8 billion as at the 2019-20 Budget. This includes an additional \$2.4 billion that has been committed to projects since the 2018-19 Budget (Table 3.2 and Appendix A.1).

A commitment can only be made once the Treasurer has accepted a specific funding recommendation from Infrastructure NSW for an individual project, as required by the *Restart NSW Fund Act 2011*. All commitments funded from Restart NSW are supported by comprehensive business cases and have undergone rigorous financial analysis and economic assessment.

Major infrastructure projects being delivered through Restart NSW include Sydney Metro City and Southwest, and Parramatta Light Rail Stage 1.

Table 3.2: Restart NSW commitments

	Commitments \$m
Commitments as at the 2018-19 Budget	22,422.4
Commitments approved since the 2018-19 Budget	
Safe and Secure Water Program ^(a)	539.5
Regional Road Freight Corridor	353.9
Hospitals Growth program ^(b)	320.0
Regional Growth: Economic Activation Fund ^(c)	290.1
New Intercity Fleet (previously Next Generation Rail Fleet)	180.0
Fixing Country Roads program	138.3
Future Focused Schools	111.9
Western Sydney Roads for Western Sydney Airport	82.6
Lismore Hospital Redevelopment	79.4
Fixing Country Rail	73.4
Housing Acceleration Fund (HAF 5)	57.8
North South Metro Rail Link	50.0
Dubbo Base Hospital Redevelopment	36.8
Redevelopment of Circular Quay	18.5
NSW Cycling Infrastructure Initiative	11.4
Bridges for the Bush	10.0
Water Security for Regions Program	8.8
Regional Growth Roads	8.7
Culture and Arts	5.5
Traffic Management Upgrades	5.0
Bus Priority Infrastructure (including B-Line)	0.1
Total commitments approved since the 2018-19 Budget^(b)	2,381.8
Total commitments as at the 2019-20 Budget	24,804.2

(a) The Safe and Secure Water Program is partially funded from the Consolidated Fund (\$527.1 million) to enable the funding of crucial water infrastructure based on community needs (see Box 3.3).

(b) This includes \$20.0 million which relates to an increase in the proportion of Restart funding for the program with an equivalent reduction in funding from the Consolidated Fund.

(c) The Regional Growth: Economic Activation Fund is comprised of multiple subprograms that are funded from both Restart NSW and the Consolidated Fund, as detailed in Box 2.13.

Table A.1 in Appendix A details the total Restart NSW commitments approved by program since the 2018-19 Budget.

Box 3.2: Restart NSW funding more local infrastructure

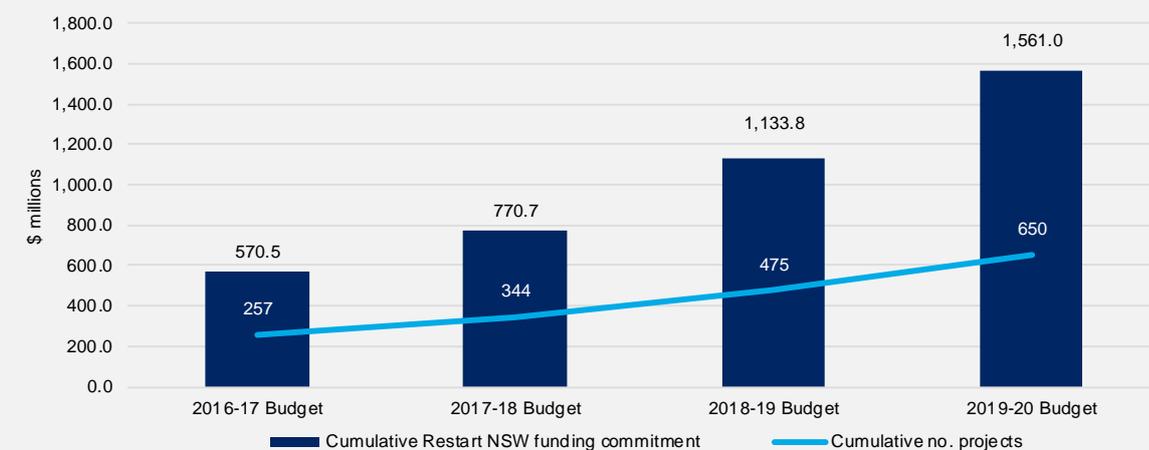
The Government continues to invest in local infrastructure initiatives alongside major infrastructure projects including the Western Harbour Tunnel and F6 Extension. Communities across the State are benefitting from significant investments in cycling infrastructure, water treatment plants, local road upgrades, civic centres and regional airports.

Since the 2018-19 Budget, there has been a 37.8 per cent increase in the funding committed to local infrastructure projects. This includes investments in the Illawarra Regional Airport, the Wentworth Water Treatment Plant Augmentation Scoping Study and the Emu Creek Bridge Replacement.

Almost \$1.6 billion has been committed from Restart NSW to local governments and non-government organisations for the delivery of 650 projects. Of these projects, 560 will have Restart NSW funding deeds in place by 30 June 2019 (worth \$1.4 billion), allowing the projects to proceed.

Since Restart NSW was established, 210 local infrastructure projects have been delivered, providing critical infrastructure to both metropolitan and regional areas of the State.

Chart 3.2: Restart NSW commitments to local infrastructure projects



Restart NSW Reservations

A total of \$8.3 billion of Restart NSW funds are reserved to fund future projects and programs, as at the 2019-20 Budget (see Table 3.3 and Table A.2).

Reservations are Restart NSW funds that have been set-aside for specific projects and programs prior to receiving a funding recommendation from Infrastructure NSW. This enables the Government to undertake additional project development and assurance processes before making a final decision on whether to proceed with a project.

The budget aggregates include the estimated direct budget impact of spending Restart NSW reservations. This reflects the Government’s commitment to fully invest all reservations in economically beneficial projects and programs over the life of the fund.

Significant reservations created since the 2018-19 Budget include \$44.0 million for the Denmark Link Road and \$200.0 million for the Redevelopment of Circular Quay (of which \$18.5 million has been committed for planning).

Additionally, the Government has created project-level reservations within the Growing Local Economies program reservation for the following election commitments: the Orange Sports Complex (\$25.0 million), the Bellingen Coastal Communities Sewer project (\$10.0 million), and the Valla Employment Lands (\$3.0 million).

Table 3.3: Restart NSW reservations

	Reservations \$m
Reservations as at the 2018-19 Budget	10,446.4
Reservation movements during 2018-19	
Redevelopment of Circular Quay ^(a)	200.0
Denmark Link Road	44.0
Commitments funded from existing reservations ^(b)	(2,381.8)
Total reservations as at the 2019-20 Budget	8,308.6

(a) Of this reservation, \$18.5 million was approved during the budget year.

(b) This includes \$527.1 million in funding from the Consolidated Fund for the \$1.0 billion Safe and Secure Water Program. This program is partially funded from the Consolidated Fund to enable the funding of crucial water infrastructure based on community needs.

3.3 Funding sources

Restart NSW is forecast to reach \$33.3 billion by 30 June 2019 (Table 3.4), an increase of \$391.1 million since 30 June 2018, primarily due to investment earnings and Waratah Bond returns.

Table 3.4: Restart NSW funding sources (expected position as at 30 June 2019)

Funding source	Total Inflows \$m
Asset recycling	25,101.7
TransGrid (including stamp duty)	6,578.6
Ausgrid (including stamp duty)	5,561.4
Port Botany and Port Kembla (including stamp duty)	4,253.3
Endeavour Energy (including stamp duty)	2,841.9
Land and Property Information	2,606.8
Newcastle Port (including stamp duty)	1,575.6
Macquarie Generation (including stamp duty)	713.6
Property NSW (various asset recycling transactions)	481.7
Sydney Desalination Plant	312.0
Green State Power	86.9
Eraring Power Station	48.1
Delta Electricity (various asset recycling transactions)	25.6
Pillar Corporation (including stamp duty)	16.2
Cash deposits from the Consolidated Fund	2,336.5
Windfall tax revenues	2,293.0
Investment earnings to date^(a)	1,505.3
Waratah Bonds	1,038.4
Asset Recycling Initiative payments	1,007.9
Total Inflows (see Table 3.1)	\$33.3 billion

(a) Investment earnings to date include the recognition of \$600.0 million of investment returns in the NSW Infrastructure Future Fund (NIFF) as an inflow into Restart NSW. A portion of the investment returns in the NIFF remain unallocated as a prudential buffer against future volatility.

The Government established the NIFF in December 2016 as the investment vehicle for Restart NSW proceeds. These proceeds are invested in a range of financial assets with a higher earning potential than cash deposits and an investment horizon that matches the forecast expenditure requirements of Restart NSW. Earnings from the NIFF support the delivery of the Government's Restart NSW and Rebuilding NSW infrastructure programs.

3.4 Investing in regional New South Wales

The Government has committed to investing 30 per cent of Restart NSW in regional areas outside of the metropolitan areas of Sydney, Newcastle and Wollongong over the life of the fund.

To date, \$9.5 billion from Restart NSW has been committed and reserved for programs and projects in regional New South Wales. This is comprised of \$7.4 billion in commitments and \$2.1 billion in reservations for future projects.

The Government has committed an additional \$1.1 billion for regional projects since the 2018-19 Budget. Significant new regional commitments and reservations are detailed in Chapter 2.3 of this *Infrastructure Statement*.

Additionally, the Government has bolstered investment in regional New South Wales through initiatives such as the Snowy Hydro Legacy Fund, which will invest \$4.2 billion in major and transformative infrastructure (see Box 2.10 in Section 2.3).

Table 3.5: Significant Restart NSW programs in regional New South Wales

Program	Description	Restart NSW Commitment as at the 2019-20 Budget \$m
Bridges for the Bush	Improves road freight productivity by replacing or upgrading bridges in regional New South Wales.	268.4
Cobbora Transition Fund	Drives productivity and economic growth in local communities impacted by the land acquisition and other activities associated with the Cobbora Coal Project.	20.0
Fixing Country Rail	Relieves bottlenecks by upgrading parts of the regional rail network constraining efficient freight movement.	222.8
Fixing Country Roads	Improves local and regional roads managed by local government in country areas, especially roads allowing higher mass vehicles to operate.	354.3
Hunter Infrastructure and Investment Fund ^(a)	Promotes economic growth and enhances the liveability of the Hunter region.	75.0
Illawarra Infrastructure Fund ^(a)	Supports economic growth in the Illawarra region.	100.2
Regional Freight Pinch Point and Safety	Improves key road and rail freight corridors in regional areas including the Golden Highway, Kings Highway, Gocup Road and Bells Line of Road.	169.0
Regional Growth: Economic Activation Fund ^(b)	Targets investment in economic enabling infrastructure and enhanced data connectivity to support local communities.	528.3
Regional Health Infrastructure	Fast-tracks regional health infrastructure in Coraki, Grafton, Macksville, Manning, Lismore and Armidale.	50.0
Regional Tourism Infrastructure	Improves the economic competitiveness of the State through funding critical regional tourism infrastructure.	103.7
Water Security for Regions	Secures water supplies and drought-proofs regional communities, including dams and bores, and includes the Regional Waste Water and Backlog Water program.	340.1
Western NSW Freight Productivity	Supports sealing, widening and other improvement works on the Cobb Highway, Silver City Highway and other freight corridors in western New South Wales.	44.7

(a) The Illawarra Infrastructure Fund, Hunter Infrastructure and Investment Fund and Resources for Regions program also include funding commitments to projects located in Newcastle and Wollongong.

(b) The Regional Growth: Economic Activation Fund is comprised of multiple subprograms that are funded from both Restart NSW and the Consolidated Fund, as detailed in Box 2.13.

Box 3.3: Safe and Secure Water Program

Program: The \$1.0 billion Safe and Secure Water Program was established to fund eligible water and sewerage projects in regional New South Wales from Restart NSW. Safe water sources and sewerage services are vital for public health, economic development, and commercial activities.

Service delivery objective: This program aims to improve regional communities' access to dependable, clean and safe water supplies and sewerage services.

Funding allocation: The Safe and Secure Water Program was relaunched in 2018 with partial funding from the Consolidated Fund to enable the accelerated funding of crucial infrastructure based on community needs.

Implementation: To date, over 45 eligible projects have been funded from Restart NSW with the remaining balance to be funded from the Consolidated Fund. This includes funding for the construction of a 270-kilometre pipeline between the Murray River and Broken Hill to provide water security for local communities, Hay Wastewater Treatment Plant and the Manilla Water Supply System Upgrade.

3.5 Governance and project selection framework

The Government has implemented a comprehensive governance framework to ensure that Restart NSW funds are invested effectively into infrastructure projects that enhance the State's economic growth and productivity.

The *Restart NSW Fund Act 2011* (the Act) is central to this governance framework. It provides the Government, through the Treasurer, with clear oversight of Restart NSW expenditure and sets out the process for fund allocation. The Act entrusts Infrastructure NSW with the responsibility for independently assessing projects and making recommendations to the Treasurer for the use of Restart NSW funds.

New infrastructure projects considered for Restart NSW funding are subject to a comprehensive selection process and need to demonstrate that they are financially and economically justifiable. The components of the project assessment framework are:

- strategic assessment to ensure the project aligns with the Act criteria and existing government priorities
- economic assessment to ensure the project can produce a net economic benefit and improve economic growth and productivity in the State (demonstrated by a benefit-cost ratio of greater than one)
- Investor assurance, which includes an independent review process to ensure, where required, the project has successfully completed the appropriate business-case processes.

4. CAPITAL STRATEGIES AND POLICIES

- The Government's capital strategies and policies seek to ensure all infrastructure investment delivers the greatest benefit to the people of New South Wales.
- The *NSW State Infrastructure Strategy 2018-2038*, *Future Transport 2056* and *A Metropolis of Three Cities*, detail the Government's strategic approach to investment in infrastructure to meet the long-term needs of the State.
- Project selection policies are designed to ensure that the best projects are prioritised.
- Sound financial management is at the forefront of project funding decisions.
- The Government is committed to delivering projects on time and on budget. Robust policies and sound practices as outlined below assist to achieve this.

The strategies and policies detailed in this chapter outline the State's governance framework which ensures that capital investment supports the people of New South Wales by meeting their current and future needs.

There are four major components to successful infrastructure delivery:

- **Project planning** – a high-level strategic approach to guide infrastructure planning in New South Wales
- **Project selection** – ensures individual projects or programs represent value for money and are financially, economically, socially and environmentally justifiable
- **Project funding** – implementing an innovative approach to funding infrastructure, while maintaining the State's triple-A credit rating
- **Project delivery** – ensuring projects are delivered within budget and on time.

Infrastructure NSW plays a key role in supporting the capital framework and ensuring the successful delivery of infrastructure by:

- providing the Government with independent expert advice on investment priorities
- conducting project reviews and providing selection advice for the five-year State Infrastructure Plan
- managing the delivery of select infrastructure projects through Projects NSW
- recommending projects for Restart NSW funding, based on a consistent and objective assessment framework
- operating within the Infrastructure Investor Assurance Framework
- providing assurance on the implementation of the asset management policies by agencies.

4.1 Project planning

In March 2018, the Government released the *NSW State Infrastructure Strategy 2018-2038*, the State's *Future Transport 2056*, and *A Metropolis of Three Cities* (also known as the *Greater Sydney Region Plan*). Together these important strategic plans outline the Government's long-term vision for a thriving New South Wales – creating jobs near where people live and delivering infrastructure to ensure cities and regions are connected and liveable.

For the first time, these plans were developed jointly to deliver integrated policy and investment directions for New South Wales. This new vision combines social infrastructure, transport and planning to optimise the Government's significant investment in communities across the State.

The Government takes a strategic approach to investment, drawing on the long-term plans set out in this chapter.

NSW State Infrastructure Strategy 2018-2038 - Building Momentum

NSW State Infrastructure Strategy 2018-2038 - Building Momentum sets out the Government's infrastructure vision over the next 20 years, across all sectors.

In 2012, the first *State Infrastructure Strategy* and *Long-Term Transport Master Plan* laid the foundations for the delivery of major projects such as North West Metro, WestConnex, and major hospital upgrades at Campbelltown, Dubbo, Bega, Wagga Wagga and Tamworth.

The Government over the past eight years has invested in and delivered projects that has created a pipeline of future investments. New South Wales now has more infrastructure projects in progress than any other Australian state or territory, with new roads and public transport networks, modern schools and hospitals in delivery or planning.

Recognising the State has a long pipeline of investment already completed, in progress or in advanced planning, *Building Momentum* extends the focus from developing an infrastructure project pipeline to supporting sustainable growth in the New South Wales population and economy.

Future Transport 2056

Future Transport 2056 is a suite of strategies and plans setting the vision and directions for mobility, transport and integrated land planning for the next 40 years. It includes service and infrastructure plans for Greater Sydney and regional New South Wales, and supporting plans for safety, disability inclusion, freight and tourism. Transport is critical to the future of NSW, and the vision recognises its contribution to economic, social and environmental outcomes.

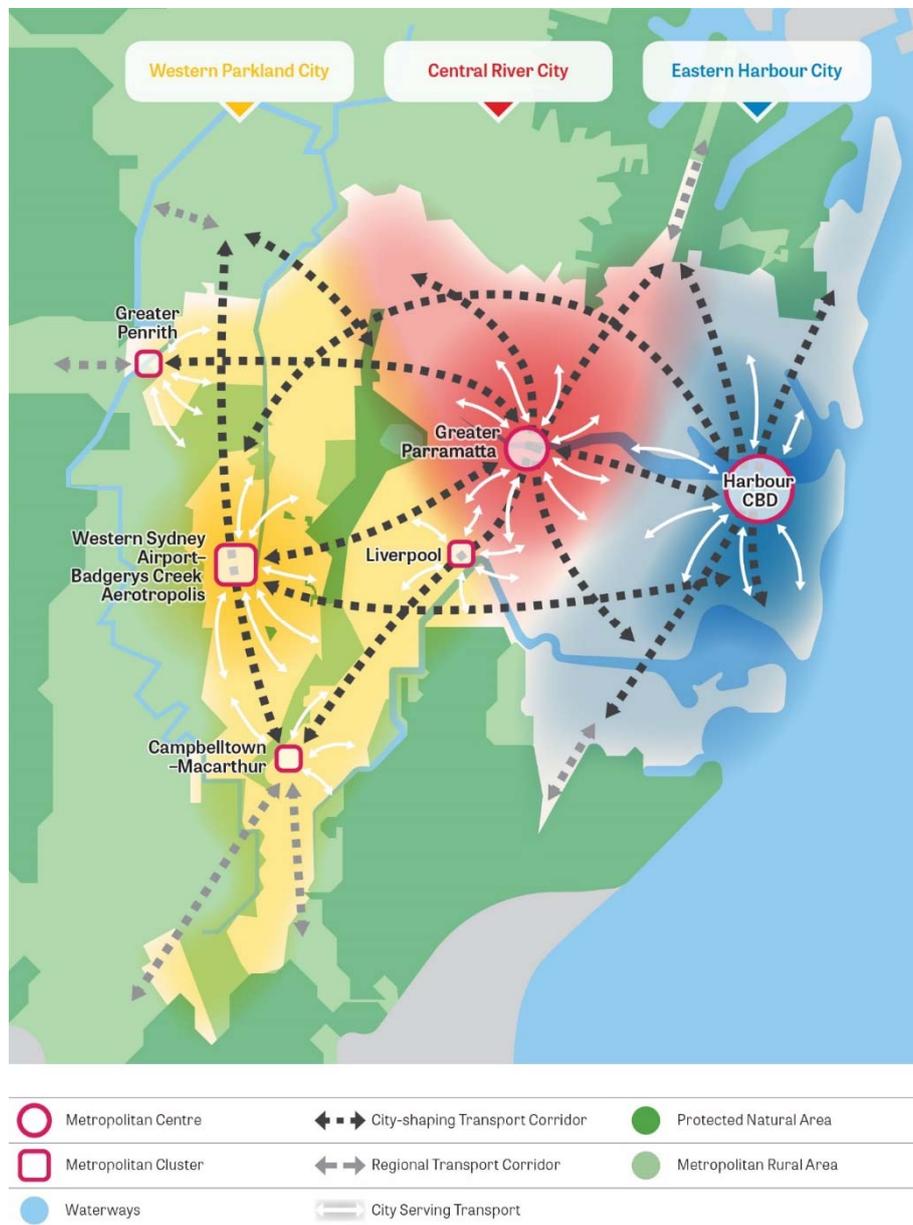
For further information on the strategy and supporting services and infrastructure plans see <https://future.transport.nsw.gov.au/plans/future-transport-strategy>.

A Metropolis of Three Cities

A *Metropolis of Three Cities*, also known as the *Greater Sydney Region Plan*, was developed by the Greater Sydney Commission and adopted by the New South Wales Government in March 2018. A *Metropolis of Three Cities* will guide the transformation of Greater Sydney into three distinct but connected cities. The three cities vision (see Figure 4.1 below) addresses the desire of Sydneysiders to live closer to where they work and have more convenient access to education, health and recreation facilities.

The plan promotes Greater Sydney's health and education precincts as generators of innovation, research and future jobs, and ensures 'green infrastructure' is valued, protected and enhanced. It promotes the advancement of the Central River City (based around the Greater Parramatta area), and the development of the new Western Parkland City (centred on the new Western Sydney Airport).

Figure 4.1: Map of Greater Sydney as a metropolis of three cities: Western Parkland City, Central River City and Eastern Harbour City



Source: *Greater Sydney Region Plan*, page 7, available at <https://gsc-public-1.s3.amazonaws.com/s3fs-public/greater-sydney-region-plan-0318.pdf>

District Plans

The Greater Sydney Commission's five District Plans are a guide for implementing the three-cities vision. These plans set out a vision for each district along five dimensions: infrastructure and collaboration, liveability, productivity, sustainability, and implementation.

Western City District – forms the Western Parkland City and the majority of the Central River City. The plan builds on the Western Sydney City Deal for infrastructure planning and delivery in the Western Parkland City.

Central City District – plan focuses on promoting greater diversity in high-skilled roles within the Central River City, building on the presence of existing health, education and advanced technology industries.

North District – forms a large part of the Eastern Harbour City. The plan emphasises increased transport linkages, including North West Metro, Western Harbour Tunnel and Beaches Link, all which are intended to improve access to jobs in the Harbour CBD.

Eastern City District – includes Sydney's established Harbour CBD. Its objectives include aligning growth with infrastructure, planning open space areas and protecting trade and freight routes.

South District – forms part of the Eastern Harbour City but connects to the Central River City. The plan emphasises enhanced transport links to research, health and education precincts, and using the international gateways of Sydney Airport, Port Botany and Port Kembla to support productivity and access to jobs.

For more information see <https://www.greater.sydney/greater-sydney-region-plan>.

Regional Development Framework

The Regional Development Framework provides an overall government vision for the delivery of quality services and infrastructure in regional New South Wales, based on better coordination, decision making and delivery. The investment model has been designed to:

- provide quality services and infrastructure, ensuring a baseline set of services across regional areas
- align efforts to support growing regional centres, acknowledging the needs of areas with a strong growth in population, jobs or both
- identify and activate economic potential in local economies throughout regional New South Wales.

NSW Intergenerational Report 2016

The Government publishes an intergenerational report every five years, which provides projections for the State's demographic, workforce and housing trends for the next four decades. The analysis assists the Government to lay the foundations for a strong future.

The latest report – titled *Future State NSW 2056* – was published in 2016. This report identified adequate and appropriate infrastructure investment as critical to ensuring the State achieves its economic potential. The plans and policies included in this chapter support the implementation of strategic capital investment that is crucial to long-term sustainability.

Refer to the *NSW Intergenerational Report 2016* for more detail
<https://www.treasury.nsw.gov.au/nsw-economy/intergenerational-report>.

4.2 Project selection

Individual projects need to be financially, economically, socially and environmentally justifiable to attract government investment. Moreover, high-quality project selection is crucial for realising the full benefits of infrastructure investment. The project selection process has been designed to assure that spending only goes to projects that support improved living standards and economic growth. The mechanisms described below support project selection.

NSW State Infrastructure Plan

The State Infrastructure Plan (SIP) highlights selected priority projects the New South Wales Government will deliver over the next five years. These projects are important both for the direct benefits they will deliver and for the future growth they will unlock. The Government is committed to providing infrastructure that meets the needs of a growing population and a growing economy.

The *Infrastructure NSW Act 2011*, requires Infrastructure NSW to review the existing five-year Infrastructure Plan (the Plan) every year and submit a revised Plan to the Premier for consideration.

The Plan represents Infrastructure NSW's advice to the Government on the State's infrastructure priorities and the projects which should be included in the Government's SIP. As required under the Infrastructure NSW Act, the Plan is to have regard to the Government's adopted State Infrastructure Strategy 2018-2038.

This year Infrastructure NSW will be submitting its advice to the Government after the conclusion of this budget process. This advice is focussed on delivering the specific election commitments which were reviewed by the Parliamentary Budget Office. Infrastructure NSW's advice, and the Government's response, will be focussed on informing the 2019-20 Half-Yearly Review and the 2020-21 budget process.

Asset Management Policy

The Asset Management Policy has been developed by NSW Treasury and Infrastructure NSW, in line with the *NSW State Infrastructure Strategy* recommendation. The policy aims to ensure that investment in infrastructure maintenance is properly managed to both minimise the whole-of-life cost to taxpayers and to ensure those assets deliver the services the community expects.

Under the terms of the policy, NSW Government agencies are required to develop a fit - for- purpose Strategic Asset Management Plan, Asset Management Plans, and an Asset Register. These plans enable a more strategic assessment of asset efficiency which assists agencies in project selection and investment planning.

Capital Investment Plan

All agencies are required to submit ten year Capital Investment Plans (CIPs) in accordance with the annual budget process and in line with the Asset Management Policy. The requirements of the Asset Management Policy and Capital Investment Plan supersede previous capital planning policy requirements.

Agency CIPs help the Government to take a strategic and systematic approach to capital investment across the whole of government to enable greater forward capital planning.

Cost-benefit analysis

A cost-benefit analysis (CBA) is a systematic, transparent and evidence-based assessment methodology used to quantify the economic, social and environmental benefits of any proposed initiative. The Government uses CBA to gain a better understanding of potential benefits and costs relating to proposed capital and recurrent initiatives.

In March 2017, NSW Treasury released the *NSW Government Guide to Cost-Benefit Analysis* (CBA Guide), which promotes a consistent approach to project appraisal and evaluation across whole of government. The CBA Guide also gives agencies greater clarity on CBA application and assists the Government in effectively planning and assessing infrastructure projects.

Business case guidelines

In September 2018 NSW Treasury released the *NSW Government Business Case Guidelines*. Business cases are used to inform investment, policy and regulatory decisions for the Government.

Business cases also provide evidence to inform government decisions by addressing five aspects of a proposal:

- a case for change – a clear rationale for agency and government action based on an identified priority outcome, benefit, need and/or opportunity
- evidence of appropriate options – that among the solutions outlined, the one selected achieves the required outcome(s) while maximising benefits and delivering value for money (CBA)

- evidence that appropriate options (solutions) are financially viable
- confidence that the delivery agency has the necessary capacity and capability to procure, implement and maintain the proposed asset or investment and realise the anticipated benefits
- confidence that the solution put forward is deliverable, and that governance and systems are in place to optimise value and adapt if required.

Gateway Review

The Gateway Review system is the Government's assurance program for investments. It consists of peer reviews conducted by independent external experts at key decision points (or gates) in a project or program's lifecycle. The intention is to provide the Government with a level of investor confidence that programs and projects are being effectively developed and delivered on time, on budget and in accordance with the Government's objectives.

It also provides delivery agencies with independent assessments to complement their internal assurance arrangements, to support the delivery of successful projects.

NSW Treasury issued the NSW Gateway Policy in early 2017. Features of the policy include:

- a Gateway review process that applies to significant government capital projects and major Information and Communication Technology (ICT) and recurrent projects
- a risk-based approach to determine when and at which decision points (or gates) Gateway reviews should be undertaken
- the minimum requirements for risk-based assurance frameworks
- the use of three Gateway Co-ordination Agencies to design and operate risk-based assurance frameworks.

Infrastructure Investor Assurance Framework

In June 2016, the Government approved the *Infrastructure Investor Assurance Framework* (IIAF), to further enhance the governance and oversight of capital infrastructure projects. The IIAF delivers a tiered, risk-based approach which seeks to:

- provide the Government with confidence as the investor that key capital projects across the State are being delivered on time and on budget
- act as an effective tool to monitor the State's infrastructure program, flagging emerging issues and allowing the Government to act ahead of time to prevent projects from failing.

Infrastructure NSW is the Gateway Co-ordination Agency (CGA) for the IIAF and is responsible for its design and administration. Under the terms of the IIAF, capital projects developed and/or delivered by agencies covered by the *NSW Gateway Policy* valued at an estimated total cost of \$10 million or greater must be registered on Infrastructure New South Wales' Reporting and Assurance Portal. Once a project is registered, it will undergo risk profiling to determine appropriate levels of assurance and reporting.

ICT Assurance

ICT Assurance is an independent risk-based process, developed to improve ICT investment outcomes and deliver better value for the State's capital and recurrent ICT spending. The GCA responsible for ICT Assurance is the newly formed Department of Customer Service which uses the ICT Assurance Framework (IAF) to deliver its objectives. Compliance with the IAF is mandatory and is monitored through a centralised and standardised project monitoring and reporting framework, and by Treasury's annual budget process.

Recurrent or capital ICT proposals greater than \$10 million, or other nominated projects below the threshold must register with ICT Assurance. Projects are tiered based on risk and value. Those considered high risk will receive more assurance and reporting support.

Unsolicited Proposals Guide

The Government recognises that the private sector can offer innovative ideas, approaches and solutions to the State's policy goals. The Government seeks to encourage more private sector investment and participation in projects, with rigorous planning and costing to deliver the highest standards of public value and confidence to investors and the community.

The *Unsolicited Proposals Guide for Submission and Assessment 2017* (the Guide) gives the private sector the consistency and certainty of a transparent and streamlined framework for assessing their proposals.

The Guide was released in August 2017, following a review which incorporated feedback from industry, the findings of the *2016 Department of Premier and Cabinet (DPC) review* and the Acting Auditor General's report.

The Guide outlines principles for assessing unsolicited proposals, including:

- achieving optimal benefit for the State
- delivering a unique benefit
- probity to assure the integrity of the parties involved in the decision-making process
- proponents will be required to commit resources.

Governance arrangements will include whole-of-government management and coordination through DPC of a single Unsolicited Proposals Steering Committee, proposal specific steering committees where required, proposal specific assessment committees, and a staged approach to assessment, negotiation and contracting.

The Guide aims to improve the quality of proposals received and will be monitored periodically to assess its effectiveness.

4.3 Project funding

The Government is better utilising available funds for infrastructure projects by:

- strategic asset recycling initiatives which have enabled it to fast-track vital infrastructure projects and unlock funds that would otherwise not have been available
- continuing to fund projects through the Restart NSW Fund, a dedicated fund for infrastructure to improve the State's economic competitiveness (refer to Chapter 3 for further details), including the Housing Acceleration Fund to deliver on some of the Government's key policy aims in a targeted manner
- better managing contingency allowances for efficiency gains and savings to free up funding for other projects
- working closely with the private sector to fund and deliver productive infrastructure projects.

Contingency management

Major infrastructure projects are long-duration and highly complex undertakings that are often significantly affected by external events. They therefore need a contingency component covering costs that are difficult to identify precisely given the risk profile of these projects.

NSW Treasury and Infrastructure NSW issued a circular and guidelines in 2014 to improve the allocation and management of contingencies. The guidelines are there to assist agencies to better plan and manage risks, and reuse surplus contingency for investment in other projects.

Contingencies are managed throughout the full lifecycle of a capital project, including at the following stages:

- strategic business case
- final business case
- pre-tender
- project delivery.

Infrastructure finance and public private partnerships

Infrastructure finance involves a range of tools that facilitate better access to potential financing for infrastructure investments in New South Wales. These include public private partnerships (PPPs), concession agreements, leases, vendor finance and other structured finance arrangements.

NSW Treasury's Infrastructure and Structured Finance Unit (ISFU) focuses on developing innovative solutions to enable continued partnerships with the private sector. These partnerships support complex service-enabling infrastructure projects.

PPPs offer an appropriate risk allocation between the Government and the private sector on a value-for-money basis. These partnerships are developed using world-class standards and expertise, and include social infrastructure PPPs (such as availability payment PPPs in health, education, corrective services, transport and roads) and economic infrastructure PPPs (such as user-charge PPPs in roads and water).

The Government's *NSW PPP Guidelines 2017* reflect best practice in procuring PPPs, which have the following principal features:

- creating public service-enabling infrastructure assets
- a contribution by Government through land, capital works, availability payments, risk sharing, revenue diversion or other supporting mechanisms
- engaging the private sector for a specified period for the provision of related services.

The Guidelines provide a transparent mechanism to competitively pursue innovative solutions. This is primarily achieved through optimal risk allocation, management synergies, encouraging innovation in operations, design and construction, efficient asset utilisation and integrated whole-of-life asset management.

The PPP Guidelines refer to the PPP Toolbox. The PPP Toolbox is a suite of templates, pro-forma and guidance documents relating to all phases of the PPP procurement cycle. The PPP Toolbox ensures a streamlined transaction process, improved consistency across New South Wales Government projects, and incorporation of new thinking or lessons learned on past projects. These benefits are expected to reduce bid costs and ensure the New South Wales PPP procurement processes remain world-class.

4.4 Project delivery

Delivering infrastructure projects efficiently, on time and on budget is a key priority for the Government. Capital policies and strategies, discussed above, are designed to facilitate this. The publication of the strategic plans – *NSW State Infrastructure Strategy, Future Transport 2056, A Metropolis of Three Cities and District plans* – enables agencies and private providers to plan based on a reliable project pipeline. The innovative delivery models discussed above (like for the North West Metro which is the largest PPP awarded in New South Wales) also help to focus accountability and expertise when engaging with the private sector.

Beyond these, there are specific policies and institutional arrangements within the Government to drive project delivery. These include:

- Health Infrastructure, an independent expert organisation responsible for delivering all major health capital projects of \$10 million and above on behalf of the Ministry of Health
- School Infrastructure NSW, a specialist assets unit in the Department of Education responsible for the planning and delivery of capital projects in public schools
- the Transport Asset Holding Entity, a dedicated asset manager for the public transport sector responsible for managing assets consistent with government requirements and negotiating leases and other contracts with operators.

Box 4.1: Collaboration through construction**NSW Construction Leadership Group**

The Government's Construction Leadership Group, led by Infrastructure NSW, has developed the *NSW Government Action Plan* which is endorsed by its member agencies, all of whom are engaged in a large, long-term pipeline of infrastructure delivery.

The plan is designed to improve collaboration and increase capacity to meet future demand, reduce industry costs and down-time through more efficient government procurement processes, and develop the skills, capability and capacity of the construction industry's workforce.

Construction Industry Leadership Forum

A forum of leaders from the construction industry and the New South Wales and Victorian public sectors has been established to improve collaboration and action around procurement and delivery of major government infrastructure project. It also addresses capability and capacity constraints and the need for greater workforce diversity.

The overall purpose of the Construction Industry Leadership Forum is to improve the effectiveness and value (to governments and industry) of procurement and the delivery of the governments' infrastructure program.

Procurement policy

The Government has reformed its procurement system for the New South Wales public sector to deliver value for money, quality government services, and alignment with business needs.

The *NSW Procurement Policy Framework 2015* was developed by the NSW Procurement Board, in consultation with government agencies and suppliers, to provide a single source of guidance on mandatory procurement requirements. The framework's fundamental objective is to ensure that government procurement achieves best value for money.

Construction procurement

The *New South Wales Industrial Relations Guidelines: Building and Construction Procurement 2013* was updated in September 2017. These guidelines deal with matters including:

- protecting freedom of association laws
- protecting independent contractors (including sub-contractors) from coercion
- restrictions on over-award payments, unregistered workplace agreements and project agreements
- ensuring right of entry laws are appropriately applied on construction sites
- ensuring projects are delivered on time and within budget.

The guidelines apply to contractors, including prospective contractors who participate in government procurement processes for public building and construction work.

Governance for complex infrastructure projects

NSW Treasury is in the process of developing a policy to assist responsible agency project teams in developing a governance plan for Tier 1 High Profile High Risk complex infrastructure projects. Improved project outcomes can be achieved by applying a consistent, best practice approach to governance across New South Wales Government agencies.

The policy will establish the need for good governance and specify the minimum requirements for a governance plan. The policy will require responsible agencies to seek approval of a governance plan by the senior governance body, and update it as the project progresses through its lifecycle. As a project transitions from one phase to the next, responsible agencies will need to outline the governance arrangements for the next phase.

5. GENERAL GOVERNMENT SECTOR PROJECTS

5.1 General government sector projects

Customer Service

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New South Wales Government Telecommunications Authority	5 - 7
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Education

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NSW Education Standards Authority	5 - 16

Health

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Planning, Industry and Environment

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Environment Protection Authority	5 - 24
Royal Botanic Gardens and Domain Trust	5 - 24
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Aboriginal Housing Office	5 - 25
Centennial Park and Moore Park Trust	5 - 25
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Premier and Cabinet

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UrbanGrowth NSW Development Corporation	5 - 32
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Law Enforcement Conduct Commission	5 - 33
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Museum of Applied Arts and Sciences	5 - 34
Independent Commission Against Corruption	5 - 34
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Transport

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The Legislature	5 - 50
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Table 5.1: Capital investment by general government sector ^(a)

Agency	Capital Expenditure			
	2018-19 Budget ^(b)	2018-19 Revised ^(b)	2019-20 Budget ^(b)	Variation ^(c)
	\$m	\$m	\$m	\$m
Customer Service				
Department of Customer Service	N/A	N/A	141.9 ^(e)	N/A ^(e)
Independent Liquor and Gaming Authority	0.1	0.1	...	(0.1)
Information and Privacy Commission	0.2	0.2	1.3	1.1
Service NSW	57.6	61.1	44.6	(16.5)
Long Service Corporation	4.6	1.2	5.8	4.5
New South Wales Government Telecommunications Authority	212.0	105.7	169.0	63.3
State Insurance Regulatory Authority	5.6	...	5.6	5.6
Independent Pricing and Regulatory Tribunal	0.9	0.2	6.7	6.5
Department of Finance, Services and Innovation	145.7	101.9	N/A ^(f)	N/A ^(f)
Education				
Department of Education	1,611.9	1,674.5	2,242.6	568.1
NSW Education Standards Authority	1.6	1.4	2.2	0.8
TAFE Commission	179.5	146.1	137.2	(8.9)
Health ^(d)				
Ministry of Health	2,162.7	2,221.7	2,740.3	518.6
Health Care Complaints Commission	0.4	0.8	0.3	(0.5)
Mental Health Commission of New South Wales	0.0	0.0	0.0	0.0
Planning, Industry and Environment				
Department of Planning, Industry and Environment	N/A	N/A	504.8 ^(e)	N/A ^(e)
Environment Protection Authority	6.8	6.8	12.1	5.3
New South Wales Rural Assistance Authority	0.1	...	0.1	0.1
Royal Botanic Gardens and Domain Trust	12.0	5.4	32.6	27.1
Sydney Olympic Park Authority	18.1	22.1	23.6	1.5
Aboriginal Housing Office	49.9	33.5	35.8	2.4
Biodiversity Conservation Trust of NSW	15.0	4.3	20.0	15.7
Centennial Park and Moore Park Trust	15.1	20.3	11.4	(8.9)
Hunter and Central Coast Development Corporation .....	...	0.1	...	(0.1)
Local Land Services	10.8	2.6	16.4	13.8
NSW Food Authority	1.1	1.0	1.1	0.1
Planning Ministerial Corporation	65.0	217.5	102.0	(115.5)
Property NSW	132.5	130.0	24.4	(105.6)
Water Administration Ministerial Corporation	31.0	31.0	...	(31.0)
Western Sydney Parklands Trust	28.9	20.9	55.6	34.7
Department of Industry	96.4	76.0	N/A ^(f)	N/A ^(f)
Department of Planning and Environment	398.8	93.6	N/A ^(f)	N/A ^(f)
Office of Environment and Heritage	89.3	81.5	N/A ^(f)	N/A ^(f)
Office of Local Government	0.1	3.2	N/A ^(f)	N/A ^(f)
Premier and Cabinet				
Department of Premier and Cabinet	9.6	6.7	295.4	288.7
Infrastructure NSW .....	...	0.1	237.0	236.9
Parliamentary Counsel's Office	0.3	0.2	0.3	0.1
Art Gallery of New South Wales	61.9	25.5	147.9	122.3
Australian Museum	9.1	8.3	52.8	44.5
Barangaroo Delivery Authority	26.7	4.1	27.8	23.7
Historic Houses Trust of New South Wales	7.1	9.3	5.1	(4.3)
Museum of Applied Arts and Sciences	2.0	3.8	2.0	(1.8)
State Archives and Records Authority of New South Wales	6.6	6.3	7.3	1.0
State Library of New South Wales	17.3	17.9	17.6	(0.3)

Table 5.1: Capital investment by general government sector ^(a) (cont)

Agency	Capital Expenditure			
	2018-19 Budget ^(b)	2018-19 Revised ^(b)	2019-20 Budget ^(b)	Variation ^(c)
	\$m	\$m	\$m	\$m
Premier and Cabinet (cont.)				
UrbanGrowth NSW Development Corporation .....	...	0.2	4.3	4.1
Audit Office of New South Wales	7.5	4.8	17.6	12.8
Independent Commission Against Corruption	0.9	0.9	0.8	(0.1)
Law Enforcement Conduct Commission	1.2	1.3	7.3	6.0
New South Wales Electoral Commission	20.8	9.1	15.9	6.8
Ombudsman's Office	0.8	0.5	0.3	(0.2)
Public Service Commission	0.6	0.6	0.2	(0.4)
Stronger Communities				
Department of Family and Community Services and Justice	N/A	N/A	870.1 ^(e)	N/A ^(e)
Crown Solicitor's Office	11.5	18.6	0.7	(17.9)
Fire and Rescue NSW	74.9	80.4	51.9	(28.5)
Legal Aid Commission of New South Wales	5.6	13.6	6.1	(7.5)
New South Wales Crime Commission	0.9	0.7	0.9	0.3
NSW Police Force	260.5	219.3	285.9	66.6
Office of Sport	17.6	6.8	6.5	(0.3)
Office of the NSW Rural Fire Service	34.3	66.3	16.4	(49.9)
Office of the NSW State Emergency Service	24.9	10.3	26.0	15.7
Multicultural NSW	0.7	0.6	0.3	(0.3)
NSW Trustee and Guardian	17.5	9.7	14.0	4.3
Judicial Commission of New South Wales	0.2	0.1	0.2	0.1
Office of the Children's Guardian	0.2	1.0	5.4	4.3
Office of the Director of Public Prosecutions	5.3	2.9	3.3	0.4
Department of Family and Community Services	68.6	82.6	N/A ^(f)	N/A ^(f)
Department of Justice	944.4	894.3	N/A ^(f)	N/A ^(f)
Transport				
Transport for NSW	1,174.3	1,326.5	10,599.6 ^(e)	N/A ^(e)
Roads and Maritime Services	4,886.8	5,592.7	N/A ^(f)	N/A ^(f)
Sydney Metro	3,731.6	4,357.5	1,504.9	(2,852.5)
Office of Transport Safety Investigations	0.0	...	0.1	0.1
Treasury				
The Treasury	11.0	7.3	7.8	0.5
NSW Self Insurance Corporation	0.2	0.2	0.2	...
Destination NSW	0.2	0.2	0.2	...
Workers' Compensation (Dust Diseases) Authority	2.0	3.1	0.0	(3.0)
The Legislature				
The Legislature	16.5	12.2	24.5	12.4
Appropriation to the Treasurer for State Contingencies	20.0	...	120.0	120.0
Not allocated to an agency	494.0	...	1,586.6	1,586.6
Total	17,329.5	17,870.8	22,308.3	4,437.5

(a) This table only reports infrastructure investment by agencies and does not include capital grants to public and private bodies to fund infrastructure.

(b) General government sector investment published in Table 1.1 or Table A1.1 of Budget Paper 1 may not sum to the totals of agency programs published in Table 5.1. The difference represents intra-sector eliminations.

(c) The variation is from 2018-19 Revised to the 2019-20 Budget. Discrepancies between totals are due to rounding.

(d) Certain expenditure associated with the construction of projects falls below the capitalisation thresholds and is therefore expensed annually.

(e) Newly established (or consolidated) entity effective 1 July 2019 following machinery of government changes (see Budget Paper 3). As such, 2018-19 financial data is not available and comparisons are not possible.

(f) Where entities are abolished or functions absorbed following machinery of government changes (see Budget Paper 3), comparisons between 2018-19 and 2019-20 are not possible.

(g) Predominately Restart reservation including for Sydney Metro West.

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Department of Customer Service

Major Works

New Works

CORSnet Sustaining Capital	Various	2019	2029	9,810		1,310
Lease Acquisitions between \$250,000 and \$20 million	Various	2019	2020	n.a.		32,667
Total, New Works						33,977

Works in Progress

Accommodation Strategy	Parramatta	2011	2026	36,686	11,670	24,836
Data Centre Consolidation Acceleration Program	Various	2013	2028	23,513	13,360	1,125
Data Conversion and Cleansing	Bathurst	2013	2026	14,485	9,589	2,404
Future Business Development Program	Haymarket	2013	2020	2,062	1,476	270
ICT Development Program	Various	2014	2028	52,235	20,742	3,910
ICT Projects	Various	2004	2028	112,233	67,868	4,428
Implementing ERP System Reform	Haymarket	2017	2020	16,340	16,174	166
Information System Enhancements	Haymarket	2001	2026	180,620	169,446	5,587
Office Refurbishment and Rationalisation	Various	2005	2026	124,913	103,753	10,580
OneGov Digital Services Gateway	Haymarket	2013	2028	14,829	6,373	937
Revenue NSW - Critical System Maintenance	Parramatta	2017	2029	73,724	13,001	6,100
Spatial Data Infrastructure Program	Bathurst	2014	2028	52,431	18,633	3,748
Technology Asset Replacement Program	Parramatta	2014	2029	30,766	11,822	2,368
Titling and Registry Services LPI Concession - Capital Expenditure	Various	2018	2022	25,340		8,826
Total, Works in Progress						75,285

Total, Major Works **109,262**

Total, Minor Works **32,632**

Total, Department of Customer Service **141,894**

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Information and Privacy Commission

Major Works

New Works

Lease Acquisitions between \$250,000 and \$20 million	Sydney	2020	2020	n.a.		1,085
Total, New Works						1,085
Total, Major Works						1,085
Total, Minor Works						211
Total, Information and Privacy Commission						1,296

Service NSW

Major Works

New Works

10 New Service Centres	Various	2019	2023	14,853		2,890
Lease Acquisitions between \$250,000 and \$20 million	Various	2019	2020	n.a.		96
Total, New Works						2,986

Works in Progress

Rural and Regional Network Transition to Service Centres	Various	2017	2020	17,400	15,446	1,954
Site Enhancements and Upgrades	Various	2017	2021	11,100	6,600	4,500
Easy To Do Business Program	Various	2018	2020	29,660	8,098	21,562
Technology Upgrades to Support Increased Scale of Operation	Various	2014	2020	74,625	51,625	12,500
Total, Works in Progress						40,516
Total, Major Works						43,502
Total, Minor Works						1,060
Total, Service NSW						44,562

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Long Service Corporation

Major Works

New Works

Lease Acquisitions between \$250,000 and \$20 million	Gosford	2019	2020	n.a.			809
Total, New Works							809

Works in Progress

Integrated Leave System	Gosford	2016	2020	5,180	456		4,724
Total, Works in Progress							4,724

Total, Major Works

5,533

Total, Minor Works

260

Total, Long Service Corporation

5,793

New South Wales Government Telecommunications Authority

Major Works

New Works

Regional Digital Connectivity	Various	2019	2020	8,500	100		8,400
Total, New Works							8,400

Works in Progress

Critical Communications Enhancement Program	Various	2018	2022	426,900	219,443		150,304
Total, Works in Progress							150,304

Total, Major Works

158,704

Total, Minor Works

10,298

Total, New South Wales Government Telecommunications Authority

169,002

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Independent Pricing and Regulatory Tribunal

Major Works

New Works

Lease Acquisitions between \$250,000 and \$20 million	Haymarket	2020	2020	n.a.		5,759
Total, New Works						5,759

Works in Progress

Licencing Database System: <i>Water Industry Competition Amendment (Review) Act 2014</i>	Haymarket	2017	2020	830	118	712
Total, Works in Progress						712

Total, Major Works **6,471**

Total, Minor Works **253**

Total, Independent Pricing and Regulatory Tribunal **6,724**

The following agencies have a Minor Works Program only

State Insurance Regulatory Authority **5,555**

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Department of Education

Major Works

New Works

Record Investment in NSW School Infrastructure ^(a)		2019	n.a.	917,394		30,470
Total, New Works						30,470

Works in Progress

Ajuga School, Campbell House School and Glenfield Park School Upgrades	Glenfield	2016	2020	24,960	2,443	16,839
Alex Avenue (new primary school)	Schofield	2018	2021	53,523	7,821	45,346
Alexandria Park Community School (new school)	Alexandria	2018	2022	124,724	24,838	40,210
Armidale Secondary College (Armidale and Duval High Schools)	Armidale	2019	2021	121,150	24,307	50,774
Artarmon Public School Upgrade	Artarmon	2015	2019	25,069	23,562	927
Arthur Phillip High School and Parramatta Public School (new schools)	Parramatta	2016	2020	325,000	175,849	104,179
Ashbury Public School Upgrade	Ashbury	n.a.	n.a.	n.a.	n.a.	n.a.
Ashtonfield Public School Upgrade	Ashtonfield	n.a.	n.a.	n.a.	n.a.	n.a.
Auburn North Public School Upgrade	Auburn	2017	2019	11,000	9,751	1,249
Banksia Road Public School Upgrade	Greenacre	n.a.	n.a.	n.a.	n.a.	n.a.
Bankstown North Public School Upgrade	Bankstown	n.a.	n.a.	n.a.	n.a.	n.a.
Bardia Public School Upgrade	Bardia	2015	2019	38,401	38,184	217
Belmont High School Upgrade	Belmont	2017	2020	21,154	9,283	10,148
Bolwarra Public School Upgrade	Bolwarra	2016	2019	12,425	11,192	1,233
Braidwood Central School Upgrade	Braidwood	n.a.	n.a.	n.a.	n.a.	n.a.
Brookvale Public School Upgrade	Brookvale	n.a.	n.a.	n.a.	n.a.	n.a.
Byron Bay Public School Upgrade	Byron Bay	2018	2020	10,000	5,925	4,065
Callaghan College Jesmond Campus Upgrade	Jesmond	2019	2020	18,113	3,775	12,856
Cammeraygal High School Senior Campus (new school)	Crows Nest	2017	2019	24,090	20,678	2,109
Canley Vale High School Upgrade	Canley Vale	2018	2020	18,414	6,997	7,569
Canterbury South Public School Upgrade	Canterbury	n.a.	n.a.	n.a.	n.a.	n.a.
Carlingford Public School Upgrade	Carlingford	2017	2020	20,000	10,585	9,298
Catherine Field (new primary school)	Oran Park	n.a.	n.a.	n.a.	n.a.	n.a.
Cecil Hills Public School Upgrade	Cecil Hills	2017	2020	15,365	8,920	5,504

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000
Department of Education (cont)						
Central Sydney Intensive English High School (Relocation)	Alexandria	2018	2019	30,000	26,171	55
Chatswood Education Precinct (Chatswood Public and High Schools)	Chatswood	n.a.	n.a.	n.a.	n.a.	n.a.
Cherrybrook Technology High School Upgrade	Cherrybrook	2015	2018	10,945	10,915	30
Claremont Meadows Public School Upgrade	Claremont Meadows	2018	2019	10,250	9,591	659
Coffs Harbour Public School Upgrade	Coffs Harbour	2018	2019	5,500	4,390	1,110
Cooler Classrooms	Various	n.a.	n.a.	n.a.	n.a.	n.a.
Croydon Public School Upgrade	Croydon	n.a.	n.a.	n.a.	n.a.	n.a.
Curl Curl North Public School Upgrade	North Curl Curl	2018	2021	41,000	7,344	30,475
Dapto Public School Upgrade	Horsley	n.a.	n.a.	n.a.	n.a.	n.a.
Darlington Public School Upgrade	Chippendale	n.a.	n.a.	n.a.	n.a.	n.a.
Denistone East Public School Upgrade	Denistone East	2018	2020	9,300	6,904	1,832
Epping Public School Upgrade	Epping	2017	2020	20,000	10,436	8,947
Excelsior Public School Upgrade	Castle Hill	2018	2020	15,850	7,263	8,420
Fairvale High School Upgrade	Fairfield West	2018	2020	37,550	6,751	25,540
Farrer Memorial Agricultural High School Upgrade	Calala	2016	2019	11,641	11,288	51
Finigan School of Distance Education (new school)	Crestwood	2016	2019	16,092	15,949	143
Fort Street Public School Upgrade	Millers Point	n.a.	n.a.	n.a.	n.a.	n.a.
Gledswood Hills (new school)	Gledswood Hills	2018	2020	36,263	11,482	24,540
Greenwich Public School Upgrade	Greenwich	2018	2020	26,250	6,680	19,570
Greystanes Public School Upgrade	Greystanes	2018	2020	24,450	10,894	12,336
Gwynneville Public School Upgrade	Gwynneville	2018	2020	13,195	7,156	5,138
Harrington Park Public School Upgrade	Harrington Park	n.a.	n.a.	n.a.	n.a.	n.a.
Homebush West Public School Upgrade	Homebush West	2015	2019	27,428	24,558	2,867
Hunter School of Performing Arts Upgrade	Broadmeadow	2016	2019	12,795	12,660	135
Hurlstone Agricultural High School (new school)	Richmond	n.a.	n.a.	n.a.	n.a.	n.a.
Hurstville Public School Upgrade	Hurstville	n.a.	n.a.	n.a.	n.a.	n.a.
Ingleburn High School Upgrade	Ingleburn	2018	2019	8,850	8,023	827
Inner Sydney High School (new school)	Surry Hills	2016	2020	135,500	27,574	68,840
James Fallon High School Upgrade	North Albury	n.a.	n.a.	n.a.	n.a.	n.a.

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000
Department of Education (cont)						
Jindabyne Central School Upgrade	Jindabyne	n.a.	n.a.	n.a.	n.a.	n.a.
Jordan Springs (new primary school)	Jordon Springs	2018	2020	51,667	10,549	40,717
Karabar High School Upgrade	Karabar	n.a.	n.a.	n.a.	n.a.	n.a.
Kent Road Public School Upgrade	Marsfield	2018	2020	36,923	7,808	26,514
Killara High School Upgrade	East Killara	2018	2020	14,923	3,460	9,674
Killarney Heights Public School Upgrade	Killarney Heights	2018	2020	7,400	2,312	5,088
Kingscliff High School Upgrade	Kingscliff	n.a.	n.a.	n.a.	n.a.	n.a.
Kingscliff Public School Upgrade	Kingscliff	n.a.	n.a.	n.a.	n.a.	n.a.
Kingswood High School Upgrade	Kingswood	2017	2019	7,500	790	6,710
Ku-ring-gai High School Upgrade	North Turramurra	2019	2020	15,136	2,027	12,950
Kyeemagh Public School Upgrade	Kyeemagh	n.a.	n.a.	n.a.	n.a.	n.a.
Lake Cathie Public School Upgrade	Lake Cathie	n.a.	n.a.	n.a.	n.a.	n.a.
Lennox Heads Public School Upgrade	Lennox Head	n.a.	n.a.	n.a.	n.a.	n.a.
Leppington (new primary school)	Willowdale	n.a.	n.a.	n.a.	n.a.	n.a.
Lidcombe Public School Upgrade	Lidcombe	2017	2020	16,000	7,831	8,029
Lindfield Learning Village (new school) Stage 1	Lindfield	2016	2019	57,110	51,692	5,000
Liverpool West Public School Upgrade	Liverpool	n.a.	n.a.	n.a.	n.a.	n.a.
Mainsbridge School (new school through relocation)	Liverpool	n.a.	n.a.	n.a.	n.a.	n.a.
Manly Vale Public School Upgrade	Manly Vale	2014	2019	43,500	40,886	2,614
Marsden Park (new primary school)	Marsden Park	n.a.	n.a.	n.a.	n.a.	n.a.
Marsden Road Public School Upgrade	Liverpool	2018	2020	8,250	6,257	1,559
Meadowbank Education Precinct	Meadowbank	n.a.	n.a.	n.a.	n.a.	n.a.
Merrylands Public School Upgrade	Merrylands	2018	2019	10,400	7,390	3,010
Monaro High School Upgrade	Cooma	n.a.	n.a.	n.a.	n.a.	n.a.
Murrumbidgee Regional High School Upgrade	Griffith	n.a.	n.a.	n.a.	n.a.	n.a.
Murwillumbah East Public School Upgrade	Murwillumbah	n.a.	n.a.	n.a.	n.a.	n.a.
Murwillumbah High School Upgrade	Murwillumbah	n.a.	n.a.	n.a.	n.a.	n.a.
New Environmental Education Centre (Penrith Lakes)	Penrith Lakes	n.a.	n.a.	n.a.	n.a.	n.a.
New Primary School in the Wagga Wagga Electorate	Estella	n.a.	n.a.	n.a.	n.a.	n.a.
Newcastle East Public School Upgrade	The Hill	2018	2020	8,800	4,128	3,414
North Rocks Public School Upgrade	North Rocks	2019	2020	16,536	3,461	12,992

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000
Department of Education (cont)						
New School in Liverpool Electorate	Liverpool	n.a.	n.a.	n.a.	n.a.	n.a.
NSW School of Languages Relocation	Petersham	2017	2018	16,480	15,382	1,098
Nulkaba Public School Upgrade	Nulkaba	2018	2020	14,153	13,242	666
O'Connell Street Public School (new school)	Parramatta	2015	2018	40,360	39,925	435
Old Bar Public School Upgrade	Old Bar	2018	2019	9,000	6,146	2,253
Oran Park (new high school)	Oran Park	2018	2020	92,850	18,509	73,847
Oran Park Public School Upgrade	Oran Park	2017	2020	17,000	8,648	8,237
Parramatta West Public School Upgrade	Parramatta	2018	2020	25,200	5,302	18,007
Pendle Hill High School Upgrade	Toongabbie	n.a.	n.a.	n.a.	n.a.	n.a.
Pendle Hill Public School Upgrade	Pendle Hill	2018	2019	15,000	7,214	7,782
Penrith Public School Upgrade	Penrith	2018	2019	10,100	9,501	599
Penshurst Public School Upgrade	Penshurst	2018	2020	43,480	8,040	27,110
Penshurst West Public School Upgrade	Mortdale	n.a.	n.a.	n.a.	n.a.	n.a.
Picton High School Upgrade	Picton	2019	2022	102,425	22,189	48,167
Pottsville Beach Public School Upgrade	Pottsville	2016	2019	14,500	14,108	265
Prestons Public School Upgrade	Prestons	2017	2020	11,564	2,629	7,970
Quakers Hill East Public School Upgrade	Acacia Gardens	2018	2020	12,000	7,247	3,889
Queanbeyan East Public School Upgrade	Queanbeyan East	2018	2020	9,900	6,357	3,360
Queanbeyan High School Upgrade	Queanbeyan	n.a.	n.a.	n.a.	n.a.	n.a.
Queanbeyan School (new school)	Karabar	n.a.	n.a.	n.a.	n.a.	n.a.
Rainbow Street Public School Upgrade	Randwick	2015	2019	34,429	32,941	1,488
Randwick Public School Upgrade	Randwick	2015	2019	9,930	9,859	71
Richmond High School Upgrade	Richmond	2018	2019	6,600	6,214	386
Riverbank Public School Upgrade	The Ponds	2018	2020	17,755	6,143	11,562
Riverstone High School Upgrade	Riverstone	2018	2020	20,122	10,609	9,243
Rosehill Public School Upgrade	Rosehill	2017	2019	18,000	13,451	4,545
Russell Lea Public School (new school)	Russell Lea	2017	2019	30,000	29,259	382
Rutherford Public School Upgrade	Rutherford	2017	2020	23,000	9,774	10,207
Samuel Gilbert Public School Upgrade	Castle Hill	n.a.	n.a.	n.a.	n.a.	n.a.
Schofields Public School Upgrade	Schofields	2018	2020	32,170	7,702	24,367

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000
Department of Education (cont)						
Selective High School Upgrade in Glenfield	Glenfield	2016	2019	16,553	16,041	512
Smalls Road (new primary school)	Ryde	2018	2020	46,110	17,769	26,764
Speers Point Public School Upgrade	Speers Point	n.a.	n.a.	n.a.	n.a.	n.a.
St Clair High School Upgrade	St Clair	2017	2018	17,495	15,665	1,830
St Ives High School Upgrade	St Ives	n.a.	n.a.	n.a.	n.a.	n.a.
St Ives North Public School Upgrade	St Ives	2019	2020	29,421	5,085	18,496
Sydney Olympic Park (new high school)	Sydney Olympic Park	n.a.	n.a.	n.a.	n.a.	n.a.
Tamworth Public School Upgrade	Tamworth	n.a.	n.a.	n.a.	n.a.	n.a.
Terrigal Public School Upgrade	Terrigal	2018	2019	11,000	6,220	3,449
Tweed Heads South Public School Upgrade	Tweed Heads South	n.a.	n.a.	n.a.	n.a.	n.a.
Tweed River High School Upgrade	Tweed Heads South	n.a.	n.a.	n.a.	n.a.	n.a.
Ultimo Public School (new school)	Ultimo	2014	2020	58,050	24,949	29,662
Waitara Public School Upgrade	Wahroonga	2018	2020	41,134	11,129	28,599
Wamberal Public School Upgrade	Wamberal	2017	2020	20,000	7,823	10,070
Wangi Wangi Public School Upgrade	Wangi Wangi	n.a.	n.a.	n.a.	n.a.	n.a.
Warnervale (new primary school)	Hamlyn Terrace	n.a.	n.a.	n.a.	n.a.	n.a.
Wauchope Public School Upgrade	Wauchope	2018	2019	13,000	6,220	6,607
Wentworth Point Public School (new school)	Wentworth Point	2013	2018	19,181	18,919	262
Wentworthville Public School Upgrade	Wentworthville	n.a.	n.a.	n.a.	n.a.	n.a.
West Ryde Public School Upgrade	West Ryde	2018	2020	15,569	3,445	11,709
Westfields Sports High School Upgrade	Fairfield West	2019	2020	27,398	2,913	19,606
William Stimson Public School Upgrade	Wetherill Park	2017	2020	16,000	9,676	6,324
Willoughby Girls High School Upgrade	Willoughby	2017	2020	17,037	8,813	7,012
Willoughby Public School Upgrade	Willoughby	2017	2020	35,468	10,239	24,351
Wilton Junction (new school)	Wilton	n.a.	n.a.	n.a.	n.a.	n.a.
Wollongong Public School Upgrade	Wollongong	2018	2020	11,000	5,497	4,672
Yagoona Public School Upgrade	Yagoona	2018	2020	16,850	7,571	9,275
Yandelora School (new school)	Narellan	2015	2019	21,944	21,641	303
Yass High School Upgrade	Yass	n.a.	n.a.	n.a.	n.a.	n.a.
Yawarra Community School (new school)	Dubbo	2015	2019	19,492	15,330	3,915

Education Cluster

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Department of Education (cont)

Young High School Upgrade	Young	n.a.	n.a.	n.a.	n.a.	n.a.
Total, Works in Progress						1,654,512
Total, Major Works						1,684,982
Total, Minor Works						557,587
Total, Department of Education						2,242,569

(a) Refer to Box 2.5 for the list of school projects.

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000
TAFE Commission						
Major Works						
New Works						
Bega Specialist Centre (Stage 2)	Bega	2020	2021	n.a.		4,516
Connected Learning Centres Program - Stage 3	Various	2019	2023	61,700		4,000
Western Sydney Construction Hub	Various	2019	2023	79,600		8,000
Meadowbank Education Precinct - TAFE Meadowbank Phase 2.1	Meadowbank	2019	2023	n.a.		11,700
Randwick Carpark	Randwick	2019	2020	3,900		3,900
Student Management Services Data Quality Management	Ultimo	2018	2020	7,500	2,889	4,611
Student Management Services Interdependence Management and Integration	Ultimo	2018	2020	16,300	10,972	5,328
Total, New Works						42,055
Works in Progress						
Connected Learning Centres (Mobile Training Units)	Various	2018	2019	4,763	2,363	2,400
Connected Learning Centres Program - Stage 2 - North Region	Various	2017	2019	21,760	20,260	1,500
Connected Learning Centres Program - Stage 2 - South Region	Various	2017	2019	10,576	10,412	164
Meadowbank - Stage 1	Meadowbank	2018	2019	29,035	27,005	2,030
New England Institute - Gunnedah Campus Trades Refurbishment	Gunnedah	2016	2020	n.a.	371	3,036
North Coast Institute - Coffs Harbour Education Campus, Applied Construction and Plumbing Technologies Hub	Coffs Harbour	2015	2020	10,658	1,390	9,268
Randwick Partnership Development	Randwick	2017	2019	1,269	219	1,050
South Western Sydney Institute - Miller College Carpentry Construction and Electrical Consolidation	Miller	2016	2019	7,684	5,837	1,847
Specialist Centre, Connected Health Hub, Coffs Harbour	Coffs Harbour	2018	2020	3,203	450	2,753
Student Management Services	Ultimo	2016	2020	85,000	61,350	23,650
Total, Works in Progress						47,698
Total, Major Works						89,753
Total, Minor Works						47,464
Total, TAFE Commission						137,217

Education Cluster

Project Description	Location	Start	Complete	Estimated Total Cost	Est. Expend To 30-06-19	Allocation 2019-20
				\$000	\$000	\$000

The following agencies have a Minor Works Program only

NSW Education Standards Authority

2,200

Project Description	Location	Start	Complete ^(a)	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Ministry of Health

Major Works

New Works

Concord Hospital Maternity Services (Ambulatory Care) ^(b)	Concord West	2019	2020	2,200		2,200
Cystic Fibrosis Specialist Service Unit (CFSSU) at Westmead Hospital ^(b)	Westmead	2019	2024	65,000		250
Goulburn Hospital Redevelopment - Additional Funding	Goulburn	2019	2023	30,000		500
Griffith Hospital Redevelopment ^(c)	Griffith	2018	2024	250,000	6,000	14,219
Hornsby Ku-ring-gai Hospital Redevelopment Stage 2 - Additional Funding	Hornsby	2019	2022	65,000		300
IVF Facility Enhancements	Various	2019	2020	1,000		1,000
John Hunter Health and Innovation Precinct	New Lambton Heights	2019	2026	780,000		3,500
Lease Acquisitions between \$250,000 and \$20 million	Various	2019	2019	n.a.		36,016
Liverpool Hospital Car Park	Liverpool	2019	2022	50,000		6,000
Mona Vale Hospital Reconfiguration - Additional Funding	Mona Vale	2019	2021	10,000		6,000
NSW Central Coast Cancer Centre Linear Accelerator ^(b)	Gosford	2019	2020	3,853		3,853
Northern Beaches Hospital Life Cycle Costs	Frenchs Forest	2019	2039	137,513		116
Paediatric Allergy Clinics	Various	2019	2020	600		600
Palliative Care Refurbishment	Various	2019	2023	10,000		1,000
Planning Future New Works (including Sutherland, Sydney Children's Hospitals Network at Randwick and Comprehensive Children's Cancer Centre and Royal Prince Alfred Hospital)	Various	2019	2020	5,000		5,000
Shellharbour Hospital Car Park	Mount Warrigal	2019	2022	23,300		3,000
Statewide Cataract Surgeries Equipment Purchases	Various	2019	2020	1,000		1,000
Statewide Dental Van Program	Various	2019	n.a.	24,419		10,500
Statewide Telestroke Service ^(b)	Various	2019	2020	1,200		1,200
The Children's Hospital at Westmead Stage 2 Redevelopment (includes car park)	Westmead	2019	2027	619,000		8,200
Tumut Hospital Redevelopment	Tumut	2019	2023	50,000		3,500
Wagga Wagga Base Hospital Car Park	Wagga Wagga	2019	2023	30,000		250
Total, New Works						108,204

Project Description	Location	Start	Complete ^(a)	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Ministry of Health (cont)

Works in Progress

Ambulance Infrastructure

Ambulance Fleet Replacement Program - Next Phase	Rozelle	2015	2021	57,135	37,663	9,500
Ambulance Medical Equipment Replacement Program - Next Phase	Rozelle	2015	2021	17,500	11,097	2,500
Critical Communications Enhancement Program - Terminal Refresh and Change Management Costs	Various	2018	2022	36,527	10,652	10,359

HealthOne / Integrated Primary Health Care Centres

HealthOne Strategy	Various	2016	2023	100,000	15,882	28,277
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Information and Communication Strategy New Works

Digital Patient Records	Various	2016	2022	236,236	56,475	42,095
Whole of System Digital Platform	Various	2016	2025	265,353	106,901	50,259

Albury Base Hospital Emergency Department Expansion

Asset Refurbishment / Replacement Strategy (State-wide)	Various	2014	2024	500,000	201,761	70,000
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Bankstown - Lidcombe Emergency Department

Bankstown - Lidcombe Emergency Department	Bankstown	2018	2021	25,000	1,870	11,011
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Blacktown / Mount Druitt Hospitals Redevelopment Stages 1 and 2

Blacktown / Mount Druitt Hospitals Redevelopment Stages 1 and 2	Blacktown	2012	2021	655,187	592,842	34,892
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Bowral Hospital Redevelopment

Bowral Hospital Redevelopment	Bowral	2015	2021	68,663	20,077	42,178
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Bulli Hospital Aged Care Centre of Excellence

Bulli Hospital Aged Care Centre of Excellence	Bulli	2015	2020	37,100	28,084	9,016
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Campbelltown Hospital Car Park

Campbelltown Hospital Car Park	Campbelltown	2017	2020	34,100	19,009	15,091
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Campbelltown Hospital Redevelopment Stage 2, Mental Health and South West Paediatric Service

Campbelltown Hospital Redevelopment Stage 2, Mental Health and South West Paediatric Service	Campbelltown	2017	2024	632,000	36,850	108,262
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Coffs Harbour Hospital Expansion

Coffs Harbour Hospital Expansion	Coffs Harbour	2017	2022	194,000	25,958	52,713
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Concord Hospital (Phase 1A and 1B) Upgrade

Concord Hospital (Phase 1A and 1B) Upgrade	Concord West	2017	2023	341,200	52,055	114,196
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Cooma Hospital Redevelopment

Cooma Hospital Redevelopment	Cooma	2017	2021	18,600	3,586	9,257
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Dubbo Hospital - Stages 1, 2, 3 and 4

Dubbo Hospital - Stages 1, 2, 3 and 4	Dubbo	2011	2022	241,300	163,667	44,201
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Forensic Pathology / Coroner's Court

Forensic Pathology / Coroner's Court	Lidcombe	2016	2020	91,500	90,623	877
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Fussell House - Veterans' Accommodation at Concord Repatriation General Hospital (Concord Hospital) ^(b)

Fussell House - Veterans' Accommodation at Concord Repatriation General Hospital (Concord Hospital) ^(b)	Concord West	2018	2020	6,721	600	6,121
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Gosford Hospital Car Park

Gosford Hospital Car Park	Gosford	2016	2020	39,091	39,032	59
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Project Description	Location	Start	Complete ^(a)	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000
Ministry of Health (cont)						
Gosford Hospital Redevelopment	Gosford	2014	2021	348,001	320,188	24,389
Goulburn Hospital Redevelopment	Goulburn	2017	2022	120,000	27,158	47,337
Grafton Ambulatory Care	Grafton	2015	2021	17,500	7,000	8,989
Hornsby Hospital Redevelopment Stages 1 and 2	Hornsby	2012	2021	320,995	203,463	99,325
Inverell Hospital Redevelopment	Inverell	2017	2022	60,000	17,340	19,833
John Hunter Children's Hospital NICU (Stages 2 and 3)	New Lambton Heights	2016	2021	18,000	14,829	2,804
Lismore Hospital Redevelopment Stage 3A, 3B and 3C	Lismore	2013	2021	312,750	232,507	53,022
Liverpool Health and Academic Precinct	Liverpool	2018	2027	740,000	10,368	41,435
Macksville Hospital Redevelopment	Macksville	2015	2022	73,000	19,541	41,739
Maitland Hospital (new)	Metford	2017	2023	470,000	64,927	54,128
Manning Base Hospital Redevelopment	Taree	2015	2021	40,000	20,082	16,692
Mudgee Hospital Redevelopment	Mudgee	2017	2022	70,700	17,636	46,220
Multipurpose Services (MPS) Strategy Stage 5	Various	2015	2021	304,930	148,098	81,430
Muswellbrook Hospital Redevelopment Stage 2	Muswellbrook	2015	2020	19,975	19,608	367
Nepean Hospital and Integrated Ambulatory Services Redevelopment	Kingswood	2017	2022	550,000	60,022	196,188
New Health Head Office Accommodation ^(d)	St Leonards	2019	2020	60,000		60,000
Northern Beaches - Mona Vale Hospital and Community Health	Frenchs Forest	2013	2020	600,000	581,530	18,440
Own Sourced Local Initiatives - \$120m pa	Various	2018	n.a.	n.a.	n.a.	120,000
Paediatric Amenity Upgrades	Various	2018	2020	2,000	1,750	250
Port Macquarie Hospital Car Park	Port Macquarie	2018	2021	11,500	4,698	6,105
Port Macquarie Mental Health Expansion	Port Macquarie	2016	2020	17,008	16,828	180
Randwick Campus Reconfiguration and Expansion Stage 1	Randwick	2017	2024	720,000	296,290	156,451
Rouse Hill Health Service - Land Acquisition	TBC	2018	2022	75,000	1,851	56,410
Rural Ambulance Infrastructure Reconfiguration	Various	2015	2021	122,121	77,090	31,133
Rural Health Infrastructure Program (includes Tenterfield, Scone, Gloucester, Dungog)	Various	2018	2020	10,000	2,500	7,500
SCHN Westmead Redevelopment Stage 1	Westmead	2017	2021	95,000	20,000	66,713

Project Description	Location	Start	Complete ^(a)	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000
Ministry of Health (cont)						
Shellharbour Hospital Redevelopment Stage 1 ^(e)	Mount Warrigal	2017	2025	378,600	18,430	55,853
Shoalhaven Hospital Car Park	Nowra	2017	2020	10,788	6,615	4,173
St George Hospital Birthing Suite & Theatre Refurbishment	Kogarah	2018	2020	11,500	10,000	1,500
St George Hospital Redevelopment - Acute Services Building	Kogarah	2014	2020	265,500	264,170	1,330
Statewide Mental Health Infrastructure Program	Various	2018	n.a.	700,000	14,680	22,327
Sydney Ambulance Metropolitan Infrastructure Strategy	Various	2014	2022	184,000	154,136	16,398
Tweed Hospital and Integrated Ambulatory Services Redevelopment	Cudgen	2016	2023	582,131	51,241	97,358
Wagga Wagga Base Hospital Redevelopment	Wagga Wagga	2011	2021	431,360	290,205	71,303
Western Cancer Centre Dubbo ^(f)	Dubbo	2018	2021	35,000	3,599	17,284
Westmead Hospital Redevelopment Stage 1 ^(g)	Westmead	2014	2022	832,300	525,555	286,403
Wollongong Hospital Car Park	Wollongong	2012	2020	27,152	26,675	477
Wyong Hospital Carpark	Hamlyn Terrace	2018	2020	10,207	6,763	2,668
Wyong Hospital Redevelopment Stage 1	Hamlyn Terrace	2017	2023	200,000	18,273	60,491
Public Private Partnerships (PPP) - Cyclical Maintenance						
Long Bay Forensic Hospital Cyclical Maintenance	Malabar	2010	2027	25,024	11,808	723
Newcastle Mater Hospital Cyclical Maintenance	Newcastle	2008	2027	56,288	24,488	1,793
Orange Base Hospital Cyclical Maintenance	Orange	2008	2027	117,848	46,926	11,085
Royal North Shore Hospital Cyclical Maintenance	St Leonards	2008	2027	208,402	59,557	8,969
Total, Works in Progress						2,598,079
Total, Major Works						2,706,283
Total, Minor Works						182,256
Total						2,888,539
Less Capital Expensing ^(h)						(148,253)
Total, Ministry of Health						2,740,286

(a) The dates listed are financial completion dates. Depending on the project schedule, physical completion may occur prior.

(b) Project fully funded by the Commonwealth Government.

(c) Existing project included in new works due to the increase in estimated total cost (ETC) announced in the 2019-20 Budget.

(d) Project relates to the Property NSW property development program included in the 2018-19 BP2 Infrastructure Statement.

(e) ETC includes a Commonwealth Government contribution of \$128 million.

(f) ETC includes a Commonwealth Government contribution of \$25 million.

(g) ETC includes a third-party contribution.

(h) Certain expenditure associated with the construction of projects falls below the capitalisation thresholds and is therefore expensed annually.

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Health Care Complaints Commission

Major Works

Works in Progress

Phase 1 and 2 of Level 12 and 13 Castlereagh St Remodelling	Haymarket	2017	2020	1,231	971	260
Total, Works in Progress						260
Total, Major Works						260
Total, Minor Works						65
Total, Health Care Complaints Commission						325

The following agencies have a Minor Works Program only

Mental Health Commission of New South Wales	25
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Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Department of Planning, Industry and Environment

Major Works

New Works

Coffs Harbour Boat Maintenance Facility	Coffs Harbour	2019	2020	2,700		2,700
Critical Infrastructure Upgrades	Various	2019	2020	8,550		8,550
Fire Trails in National Parks	Various	2019	2029	68,392		14,107
Improving Access to National Parks	Various	2019	2023	149,600		25,200
Lease Acquisitions between \$250,000 and \$20 million	Various	2019	2020	n.a.		53,791
Murramarang South Coast Walk	Durras North	2019	2021	3,455		2,047
Port Macquarie Maritime Facility	Port Macquarie	2019	2020	1,800		1,800
Regional Digital Connectivity Program	Various	2019	2023	400,000		90,000
Thredbo Valley Track Extension	Thredbo	2019	2020	7,088		7,088
Tuncurry Slipway Upgrade	Tuncurry	2019	2020	1,000		1,000
Tweed Heads Slipway	Tweed Heads	2019	2020	1,800		1,800
Total, New Works						208,083

Works in Progress

2017 Research and Development Partnership with the Grains Research and Development Corporation	Various	2017	2027	20,000	800	3,200
4PSQ Relocation	Parramatta	2018	2020	66,422	4,800	61,172
Acquisition of Satellite Imagery	Various	2007	2028	86,484	29,492	2,500
Adaptive Reuse of Short Stay Accommodation	Various	2017	2020	2,850	1,850	1,000
Coastal Infrastructure Program 2015-2019	Various	2015	2020	41,400	38,000	3,400
Commemorating the Meeting of Two Cultures at Kamay Botany Bay National Park	Kurnell	2018	2020	37,580	16,281	21,299
Doppler Radar in Central and West NSW	Various	2019	2022	24,400	14,775	1,103
Eden Wave Attenuator Project	Eden	2017	2025	18,437	2,924	15,513
Enhance Our National Parks	Various	2015	2021	4,103	3,854	140
ePlanning Stage 3	Various	2017	2019	11,760	10,688	1,072
Fire Management in National Parks	Various	2008	2026	50,168	41,224	3,697
Game Licensing Unit Business Information System	Orange	2019	2020	1,200	600	600
Great Southern Nature Walk - Wattamolla Visitor Precinct	Royal National Park	2017	2020	3,900	3,650	250

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Department of Planning, Industry and Environment (cont)

ICT Systems Upgrade - Implement New Crown Lands Legislation	Newcastle	2016	2020	7,000	3,424	3,576
Infrastructure Investment in National Parks to Increase NSW Tourism	Various	2018	2025	42,923	1,215	7,841
Land Purchases	Various	2002	2021	153,829	93,405	14,399
Light to Light Great Walk	Green Cape	2019	2021	7,948	3,984	1,539
Marine Estate Management Strategy	Various	2018	2023	12,426	2,800	9,626
Minnamurra Rainforest Centre - Infrastructure and Experience Invigoration	Jamberoo	2017	2020	4,700	4,000	700
National Australian Built Environment Rating System (NABERS)	Various	2014	2021	1,385	985	200
National Parks Digital Strategy	Various	2007	2020	5,600	3,000	900
Offshore Artificial Reef - Long Term Strategy	Various	2018	2020	4,400	1,760	2,640
Orange Accommodation Strategy	Orange	2019	2020	19,940	500	19,440
Port of Eden Breakwater Wharf Extension	Eden	2015	2020	42,000	41,000	1,000
Remote Sensing Water Compliance Support	Parramatta	2018	2021	4,498	527	1,996
Royal Coast Track Improvement	Royal National Park	2016	2020	9,000	7,608	1,392
Saving Our Species-On-Park Threatened Species Infrastructure	Various	2017	2020	2,155	1,955	200
Scientific Equipment	Various	2012	2028	30,000	10,765	1,200
Scientific Service Capacity Maintenance	Various	2011	2028	24,470	15,370	910
Special Infrastructure Contributions Business System Project	Various	2017	2019	8,000	2,592	4,516
Suicide Prevention	Various	2018	2020	775	150	625
Water Monitoring Framework	Various	2015	2020	22,810	8,122	14,688
Water Reform in the Murray Darling Basin	Various	2014	2020	7,393	4,740	2,653
World Class Food and Fibre	Various	2018	2022	50,000	3,000	22,900
Total, Works in Progress						227,887
Total, Major Works						435,970
Total, Minor Works						68,878
Total, Department of Planning, Industry and Environment						504,848

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Environment Protection Authority

Major Works

Works in Progress

Digital Stakeholder Management Solution	Various	2015	2023	7,277	3,437	1,490
IT System for Tracking Perfluorinated Alkylated Substances (PFAS)	Williamstown	2017	2019	1,000	327	673
IT Systems and Equipment for Contaminated Land Management	Haymarket	2017	2019	2,102	1,106	996
Regulatory System Transformation	Sydney	2017	2023	25,638	2,274	6,810
Regulatory and Communication System Enhancement	Various	2013	2022	12,676	9,466	1,558
Total, Works in Progress						11,527
Total, Major Works						11,527
Total, Minor Works						620
Total, Environment Protection Authority						12,147

Royal Botanic Gardens and Domain Trust

Major Works

Works in Progress

Strategic Asset Maintenance Program	Sydney	2017	2024	13,872	1,983	1,649
Australian Institute of Botanic Science	Various	2018	2022	59,478	941	27,206
Total, Works in Progress						28,855
Total, Major Works						28,855
Total, Minor Works						3,708
Total, Royal Botanic Gardens and Domain Trust						32,563

Sydney Olympic Park Authority

Major Works

Works in Progress

Developer Funded Precinct Improvements	Sydney Olympic Park	2006	2028	111,854	74,141	13,742
Total, Works in Progress						13,742
Total, Major Works						13,742
Total, Minor Works						9,845
Total, Sydney Olympic Park Authority						23,587

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Aboriginal Housing Office

Major Works

New Works

Aboriginal Housing - New Supply	Various	2019	2022	18,667		8,870
National Partnership - Remote Indigenous Housing New Supply	Various	2019	2020	2,029		1,696
Total, New Works						10,566

Works in Progress

Aboriginal Housing - New Supply	Various	2014	2028	173,196	58,027	20,345
National Partnership - Remote Indigenous Housing New Supply	Various	2017	2020	10,325	5,521	4,804
Total, Works in Progress						25,149

Total, Major Works 35,715

Total, Minor Works 134

Total, Aboriginal Housing Office 35,849

Centennial Park and Moore Park Trust

Major Works

Works in Progress

General

Learning Centre Facility Enhancement	Centennial Park	2017	2020	3,040	1,340	1,700
Strategic Asset Maintenance Program	Centennial Park	2017	2024	12,982	6,306	1,975

Leisure Facilities

E.S. Marks Safety Upgrade	Moore Park	2015	2020	2,887	269	2,618
Moore Park Golf Entertainment Upgrade	Moore Park	2017	2020	3,521	1,021	2,500

Total, Works in Progress 8,793

Total, Major Works 8,793

Total, Minor Works 2,611

Total, Centennial Park and Moore Park Trust 11,404

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Local Land Services

Major Works

New Works

Lease Acquisitions between \$250,000 and \$20 million	Orange	2019	2020	n.a.		1,425
Total, New Works						1,425

Works in Progress

Biodiversity Reforms	Orange	2017	2020	12,746	5,482	7,264
Future Fund	Orange	2018	2020	9,000	3,500	5,500
Total, Works in Progress						12,764

Total, Major Works **14,189**

Total, Minor Works **2,172**

Total, Local Land Services **16,361**

Planning Ministerial Corporation

Major Works

Works in Progress

Strategic Open Green Space	Various	2018	2023	150,000	25,000	37,500
Total, Works in Progress						37,500

Total, Major Works **37,500**

Total, Minor Works **64,500**

Total, Planning Ministerial Corporation **102,000**

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Property NSW

Major Works

New Works

Building Refurbishment Program	Various	2019	2020	2,750		2,750
Lease Acquisitions between \$250,000 and \$20 million	Various	2019	2020	n.a.		2,825
Total, New Works						5,575

Works in Progress

Building Refurbishment Program	Various	2012	2028	105,388	80,615	17,980
Business Services Program	Sydney	2007	2020	13,385	12,215	585
Total, Works in Progress						18,565

Total, Major Works

24,140

Total, Minor Works

273

Total, Property NSW

24,413

Western Sydney Parklands Trust

Major Works

New Works

NSW Motor Sports Strategy	Eastern Creek	2020	2020	33,400		33,400
Total, New Works						33,400

Works in Progress

Bringelly Road Business Hub	Horningsea Park	2016	2021	19,643	8,662	4,726
Conservation Works	Various	2008	2028	21,610	11,087	960
Eastern Creek Business Hub	Eastern Creek	2012	2020	14,908	6,908	8,000
Fifteenth Avenue Business Hub	West Hoxton	2016	2025	4,463	1,060	1,253
Multipurpose Pathway	Various	2009	2028	24,226	10,750	1,400
Signage and Track Improvements	Various	2009	2024	7,398	6,083	410
Upgrade and Improve Park Facilities	Various	2010	2028	53,958	19,622	4,000
Total, Works in Progress						20,749

Total, Major Works

54,149

Total, Minor Works

1,411

Total, Western Sydney Parklands Trust

55,560

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

The following agencies have a Minor Works Program only

New South Wales Rural Assistance Authority	50
Biodiversity Conservation Trust of NSW	20,011
NSW Food Authority	1,100

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Department of Premier and Cabinet

Major Works

Works in Progress

Counter Terrorism - Martin Place Enhancements	Sydney	2015	2020	2,700	2,600	100
Creative Industries Precinct Ultimo - Planning	Ultimo	2018	2020	5,000	2,000	3,000
Government House Building Works	Sydney	2015	2021	5,273	2,773	2,140
Heritage Information Management System	Various	2015	2020	6,150	4,675	1,475
New Powerhouse Museum in Parramatta	Parramatta	2018	2023	n.a.		167,240
Walsh Bay Arts Precinct Project	Dawes Point	2016	2021	245,058	57,241	113,467
Total, Works in Progress						287,422
Total, Major Works						287,422
Total, Minor Works						7,983
Total, Department of Premier and Cabinet						295,405

Infrastructure NSW

Major Works

New Works

Lease Acquisitions between \$250,000 and \$20 million	Sydney	2019	2019	n.a.		7,245
Total, New Works						7,245
Works in Progress						
Sydney Football Stadium Redevelopment	Moore Park	2018	2022	729,000	n.a.	229,798
Total, Works in Progress						229,798
Total, Major Works						237,043
Total, Infrastructure NSW						237,043

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Art Gallery of New South Wales

Major Works

Works in Progress

Safety Upgrade	Sydney	2014	2020	7,437	6,957	480
Sydney Modern Project - Expansion of the Art Gallery	Sydney	2017	2022	344,317	33,018	142,360
Total, Works in Progress						142,840
Total, Major Works						142,840
Total, Minor Works						5,010
Total, Art Gallery of New South Wales						147,850

Australian Museum

Major Works

Works in Progress

Stage 1 Australian Museum Redevelopment	Darlinghurst	2018	2021	55,548	7,500	41,500
Total, Works in Progress						41,500
Total, Major Works						41,500
Total, Minor Works						11,301
Total, Australian Museum						52,801

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Barangaroo Delivery Authority

Major Works

New Works

Barangaroo South Public Domain - Shelley St	Barangaroo	2019	2020	5,000		5,000
Total, New Works						5,000

Works in Progress

Barangaroo Central - Precinct Planning	Barangaroo	2013	2020	23,182	19,239	3,943
Barangaroo Public Art	Barangaroo	2017	2025	21,625	1,675	2,200
Barangaroo Reserve - Design and Construction	Barangaroo	2009	2020	249,025	246,800	2,225
Hickson Road Upgrade	Sydney	2016	2021	40,000	8,777	2,723
Total, Works in Progress						11,091

Total, Major Works **16,091**

Total, Minor Works **11,748**

Total, Barangaroo Delivery Authority **27,839**

Historic Houses Trust of New South Wales

Major Works

Works in Progress

10-Year Capital Maintenance Program	Various	2016	2026	32,000	14,849	3,020
Total, Works in Progress						3,020

Total, Major Works **3,020**

Total, Minor Works **2,046**

Total, Historic Houses Trust of New South Wales **5,066**

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

State Archives and Records Authority of New South Wales

Major Works

New Works

ICT Infrastructure Replacement Backlog	Caddens	2019	2021	3,465		2,400
Lease Acquisitions between \$250,000 and \$20 million	Caddens	2019	2019	n.a.		354
Total, New Works						2,754

Works in Progress

Critical Fire Protection Upgrade and Site Compliance Program	Caddens	2018	2022	15,000	4,603	3,157
Total, Works in Progress						3,157

Total, Major Works

5,911

Total, Minor Works

1,402

Total, State Archives and Records Authority of New South Wales

7,313

State Library of New South Wales

Major Works

Works in Progress

Digitisation for Regional Delivery Program	Sydney	2012	2022	62,068	43,557	6,711
Total, Works in Progress						6,711

Total, Major Works

6,711

Total, Minor Works

10,858

Total, State Library of New South Wales

17,569

UrbanGrowth NSW Development Corporation

Major Works

New Works

Capital Fitout Costs for Western Sydney Startup Hub	North Parramatta	2020	2020	4,300		4,300
Total, New Works						4,300

Total, Major Works

4,300

Total, UrbanGrowth NSW Development Corporation

4,300

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Audit Office of New South Wales

Major Works

New Works

Lease Acquisitions between \$250,000 and \$20 million	Sydney	2019	2019	n.a.		14,874
Total, New Works						14,874
Total, Major Works						14,874
Total, Minor Works						2,750
Total, Audit Office of New South Wales						17,624

Law Enforcement Conduct Commission

Major Works

New Works

Lease Acquisitions between \$250,000 and \$20 million	Sydney	2019	2019	n.a.		6,066
Total, New Works						6,066
Total, Major Works						6,066
Total, Minor Works						1,216
Total, Law Enforcement Conduct Commission						7,282

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

New South Wales Electoral Commission

Major Works

New Works

Election Systems Upgrade

Local Government Regulation Changes	Various	2019	2020	5,661		5,661
Total, New Works						5,661

Works in Progress

Election Systems Upgrade

Government Data Centres	Various	2018	2021	1,448	628	366
Online Nominations	Various	2018	2020	4,458	2,023	2,435
Funding Disclosure & Compliance Online System	Various	2017	2020	9,838	3,395	6,443
State General Election 2019	Various	2018	2020	1,569	669	900
Total, Works in Progress						10,144

Total, Major Works **15,805**

Total, Minor Works **100**

Total, New South Wales Electoral Commission **15,905**

The following agencies have a Minor Works Program only

Parliamentary Counsel's Office	320
Museum of Applied Arts and Sciences	1,968
Independent Commission Against Corruption	800
Ombudsman's Office	300
Public Service Commission	174

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Department of Family and Community Services and Justice

Major Works

New Works

Electronic Monitoring of Sex Offender Parolees	Parramatta	2019	2020	3,759		3,759
Establishment of the Ageing and Disability Commissioner - Accommodation and ICT Equipment	TBC	2019	2020	745		745
Lease Acquisitions between \$250,000 and \$20 million	Various	2019	2020	n.a.		22,139
Queanbeyan Courthouse Upgrade	Queanbeyan	2019	2021	18,000		9,000
Total, New Works						35,643

Works in Progress

Accommodation (co-location and upgrade)	Various	2017	2021	16,500	11,650	3,000
Civil Justice Initiatives	Sydney	2018	2022	2,930	1,180	670
Criminal Justice Reform	Various	2016	2020	100,158	82,862	17,296
Justice Shared Corporate Services	Sydney	2012	2020	47,370	42,955	4,415
Clarence Correctional Centre	Grafton	2016	2021	798,824	51,392	41,430
NSW Civil and Administrative Tribunal Relocation	Liverpool	2018	2020	2,500	1,824	676
Prison Bed Capacity Program	Various	2015	2021	2,416,051	1,677,796	657,982
Total, Works in Progress						725,469

Total, Major Works

761,112

Total, Minor Works

108,949

Total, Department of Family and Community Services and Justice

870,061

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000
Fire and Rescue NSW						
Major Works						
New Works						
Dungog Land and New Station	Dungog	2019	2022	2,250		550
Fire Station in Lismore	Lismore	2019	2020	350		350
Improvement of Minmi Fire Station Amenities	Minmi	2019	2020	250		250
Improvement of Newcastle Fire Station Privacy and Living Areas	Cooks Hill	2019	2020	850		850
Manly Fire Station Renovation and Restoration	Fairlight	2019	2021	2,900		200
Muswellbrook Land and New Station	Muswellbrook	2019	2022	3,100		550
Total, New Works						2,750
Works in Progress						
Alexandria Fire Station Remediation and Renovation	Alexandria	2016	2021	3,000	505	250
City of Sydney Fire Station Refurbishment	Sydney	2017	2020	5,290	3,010	2,280
Critical Communications Enhancement Program - Stay Safe and Keep Operational	Various	2018	2020	4,878	3,218	1,660
Critical Communications Enhancement Program - Terminal Refresh and Change Management	Various	2018	2022	15,699	14,309	730
Kariong Fire Station Renovation and Extension	Kariong	2017	2020	2,750	1,750	1,000
Parkes Land and New Station	Parkes	2016	2020	2,050	450	1,600
Replacement of Fire Appliances Program	Various	2011	2023	189,792	122,071	16,721
Ryde Land and New Station	Ryde	2018	2022	5,300	120	1,880
South Tamworth Land and New Station	Hillvue	2017	2020	5,384	740	4,644
Total, Works in Progress						30,765
Total, Major Works						33,515
Total, Minor Works						18,354
Total, Fire and Rescue NSW						51,869

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Legal Aid Commission of New South Wales

Major Works

New Works

Lease Acquisitions between \$250,000 and \$20 million	Burwood	2019	2019	n.a.		872
Total, New Works						872
Total, Major Works						872
Total, Minor Works						5,195
Total, Legal Aid Commission of New South Wales						6,067

NSW Police Force

Major Works

New Works

Critical Communications Enhancement Program - Extension to Greater Metropolitan Area	Various	2019	2021	19,120		15,390
Critical Communications Enhancement Program - Terminal Refresh and Change Management Program	Various	2019	2022	11,948		3,466
Electrical Substation at Queanbeyan	Queanbeyan	2019	2020	500		500
Fit-out of Vehicles Associated with an Additional 1,500 Police	Various	2019	2023	8,161		2,659
Lease Acquisitions Between \$250,000 and \$20 Million	Various	2019	2020	n.a.		23,062
MobiPol Devices	Various	2019	2020	1,600		1,600
Police Stations - Building Resilience Program	Parramatta	2018	2020	500	250	250
Police Stations - Installation of Solar Panels	Various	2018	2020	700	350	350
Police Stations - Upgrade to Amenities	Parramatta	2018	2020	500	250	250
Police Stations - Upgrade to LED Lighting	Various	2018	2020	250	125	125
Police Stations - Upgrade to Locker Rooms and Lockers	Various	2018	2020	500	250	250
Property Fit-out and Modifications to Accommodate an Additional 1,500 Police	Various	2019	2023	17,344		4,336
Total, New Works						52,238

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000
NSW Police Force (cont)						
Works in Progress						
Active Armed Offender Training Facility - Goulburn	Goulburn	2017	2020	8,005	4,404	3,601
Bomb Robot Replacement	Alexandria	2018	2020	3,250	3,050	200
Community Portal - Phase 2	Parramatta	2018	2020	7,709	1,947	5,762
Computerised Operational Policing System - Phase 3	Parramatta	2013	2020	39,995	37,409	2,586
Critical Communications Enhancement Program ^(a)	Various	2017	2020	27,500	24,200	3,300
Future Light Helicopter (Po/Air 1, 3 and 4 Replacement)	Various	2018	2021	47,840	44	34,720
Gosford Police Station	Gosford	2018	2020	3,500	1,000	2,500
Integrated Light Armoured Vests	Various	2017	2020	19,600	15,356	4,244
Light Bar Upgrade and Replacement	Various	2018	2020	4,500	2,730	1,770
Marine Vessel Replacement Program	Various	2017	2021	28,950	19,000	7,750
Mount Druitt Police Station	Mount Druitt	2017	2020	24,877	16,617	8,260
Multipurpose Police Station Program	Various	2018	2022	98,860	5,974	37,587
National Facial Biometric Matching Capability Implementation in NSW	Various	2018	2022	1,760	1,100	320
Police Dog Transport Modules	Various	2017	2020	1,364	836	528
Prisoner Transport Modules	Various	2017	2021	5,886	4	4,640
Queanbeyan Police Station	Queanbeyan	2017	2021	31,000	6,957	12,000
Regional Small Police Station Program	Various	2018	2021	15,899	1,587	5,602
Security Upgrade of Police Stations	Various	2016	2020	13,701	10,606	3,095
Specialised Vehicle Replacement	Various	2018	2022	6,750	1,950	1,600
Taree Police Station	Taree	2018	2020	18,000	7,570	10,430
Technology Asset Refresh Program Phase 4	Various	2018	2022	40,000	11,820	9,930
Voice Infrastructure Migration and Data Network Upgrade - Phase 2	Various	2018	2020	10,318	5,243	5,075
Waverley Police Station	Waverley	2018	2021	25,000	871	12,129
Total, Works in Progress						177,629
Total, Major Works						229,867
Total, Minor Works						56,022
Total, NSW Police Force						285,889

(a) Funding to maintain agency's current network while Critical Communications Enhancement Program is implemented.

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Office of Sport

Major Works

New Works

Lease Acquisitions between \$250,000 and \$20 million	Sydney Olympic Park	2019	2020	n.a.		300
Total, New Works						300

Works in Progress

Customer Relation Management and Service Delivery Integration Solution (Ungerboeck System)	Sydney Olympic Park	2018	2020	1,419	794	625
Total, Works in Progress						625

Total, Major Works

925

Total, Minor Works

5,593

Total, Office of Sport

6,518

Office of the NSW Rural Fire Service

Major Works

Works in Progress

Emergency Response Aircraft	Various	2018	2020	6,523	3,225	3,298
Total, Works in Progress						3,298

Total, Major Works

3,298

Total, Minor Works

13,121

Total, Office of the NSW Rural Fire Service

16,419

Office of the NSW State Emergency Service

Major Works

Works in Progress

Critical Communications Enhancement Program - Stay Safe Keep Operational	Wollongong	2018	2020	3,760	1,051	2,709
NSW SES Fleet - (Stage 1)	Various	2018	2028	116,043	4,500	21,046
Total, Works in Progress						23,755

Total, Major Works

23,755

Total, Minor Works

2,242

Total, Office of the NSW State Emergency Service

25,997

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

NSW Trustee and Guardian

Major Works

Works in Progress

Applications Consolidation and Upgrade	Various	2015	2020	2,672	1,672	1,000
Business Intelligence System	Various	2011	2020	924	624	300
Client Management System	Various	2010	2020	15,581	14,267	1,314
O'Connell Street Office Upgrade	Sydney	2012	2020	9,830	2,130	7,700
Records Management System	Various	2012	2020	1,811	1,211	600
SAP Financial System	Various	2015	2020	3,829	2,732	1,097
Total, Works in Progress						12,011
Total, Major Works						12,011
Total, Minor Works						1,950
Total, NSW Trustee and Guardian						13,961

Office of the Children's Guardian

Major Works

New Works

Implement Information Technology Systems Recommendations from Royal Commission Into Institutional Responses to Child Sexual Abuse	Redfern	2019	2020	900		900
NDIS Worker Check IT System	Redfern	2018	2020	4,300	525	3,775
Office Fit Out	Redfern	2018	2020	1,800	1,300	500
Total, New Works						5,175
Total, Major Works						5,175
Total, Minor Works						189
Total, Office of the Children's Guardian						5,364

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

The following agencies have a Minor Works Program only

Crown Solicitor's Office	665
New South Wales Crime Commission	932
Multicultural NSW	300
Judicial Commission of New South Wales	150
Office of the Director of Public Prosecutions	3,308

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Transport for NSW

Major Works ^{(a)(b)}

Works in Progress

Established Sydney Roads

Campbell Road and Euston Road Upgrades	Alexandria	2020	323,000	307,185	15,814
Heathcote Road, Infantry Parade, Hammondville to The Avenue, Voyager Point	Holsworthy	2022	n.a.	11,447	7,500
Heathcote Road, Woronora River Bridge (Planning)	Engadine	n.a.	n.a.	2,634	1,200
Henry Lawson Drive Upgrade (Planning)	Milperra	n.a.	n.a.	2,921	2,416
King Georges Road, Stoney Creek Road to Connells Point Road (State and Federal Funded)	Beverly Hills - South Hurstville	n.a.	n.a.	3,380	16,000
Mona Vale Road, Manor Road to Foley Street	Mona Vale	2022	n.a.	27,637	40,000
Mona Vale Road, McCarrs Creek Road to Powder Works Road (Planning)	Ingleside	n.a.	n.a.	16,524	4,900
New Hawkesbury River crossing at Richmond (Planning) (State and Federal Funded)	Richmond	n.a.	n.a.	2,303	2,009
Northern Beaches Hospital, Road Connectivity and Network Enhancements	Frenchs Forest	2020	700,000	609,157	72,932
Pitt Town Bypass (Planning)	Pitt Town	n.a.	n.a.	8,251	4,708
Prospect Highway, Reservoir Road to St Martins Crescent	Prospect	2022	n.a.	11,791	15,000
Sydney Airport East, Wentworth Avenue Extension and Joyce Drive Widening (State and Federal Funded)	Mascot	2019	170,000	144,409	19,848
Sydney Airport North, O'Riordan Street Widening	Mascot	2021	132,000	67,468	17,408
Windsor Bridge over Hawkesbury River Replacement	Windsor	2021	137,000	78,043	31,407

Easing Sydney's Congestion

B-Line	Newport - Wynyard	2019	512,000	439,236	51,000
Bus Priority Infrastructure (including Bus Rapid Transit Planning)	Various	n.a.	n.a.	143,047	20,000
Gateway to the South Pinch Points	Various	2021	300,000	106,511	68,488
Intelligent Congestion Management Program (Stage 1)	Various	n.a.	n.a.	25,487	2,755

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Transport for NSW (cont)

Intelligent Congestion Management Program (Stage 2)	Various		n.a.	n.a.	53,433	45,000
Pinch Points and Clearways	Various		n.a.	n.a.	143,904	93,554
Light Rail						
CBD and South East Light Rail ^(c)	Circular Quay to Randwick-Kingsford		2020	n.a.	492,122	1,968,019
Parramatta Light Rail Stage 1	Westmead - Carlingford		2023	2,400,000	543,728	561,000
Parramatta Light Rail Stage 2 (Planning)	Rydalmere - Sydney Olympic Park		n.a.	n.a.	20,000	2,000
Interchanges and Accessibility						
Circular Quay Precinct Renewal (Planning)	Sydney		n.a.	n.a.	30,844	6,000
Macquarie University Station Transport Interchange (Planning and Preconstruction) (State and Federal Funded)	Macquarie Park		n.a.	n.a.	1,830	25,000
Transport Access Program - Commuter Wharf Upgrades	Various		n.a.	n.a.	200,811	29,000
Transport Access Program - Council Assets	Various		n.a.	n.a.	71,140	7,000
Sydney Motorways						
F6 Extension Stage 1 (Planning and Preconstruction)	Arncliffe - Kogarah		n.a.	n.a.	86,414	74,080
M4 Motorway, Hill Road Westbound Off Ramp (Planning)	Lidcombe		n.a.	n.a.	13,274	6,467
M4 Smart Motorway	Various		2020	600,000	380,706	107,444
NorthConnex, M1 to M2 Motorway Link (State, Federal and Private Sector Funded) ^(d)	Various		2020	3,000,000	123,740	4,143
Smart Motorways (Planning)	Various		n.a.	n.a.	11,661	2,225
Sydney Gateway	Mascot		n.a.	n.a.	88,037	281,204
WestConnex (State and Federal Funded) ^(e)	Various		2023	16,800,000	1,861,384	1,560,027
Western Harbour Tunnel and Beaches Link (Planning and Preconstruction)	Various		n.a.	n.a.	549,512	165,323
Western Sydney Infrastructure Plan						
Bringelly Road Upgrade (State and Federal Funded)	Leppington		2020	509,000	404,232	61,507
M12 Motorway, M7 to The Northern Road (Planning and Preconstruction) (State and Federal Funded)	Badgerys Creek		n.a.	n.a.	85,538	145,254

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Transport for NSW (cont)

The Northern Road Upgrade (State and Federal Funded)	Narellan - Penrith		2022	1,600,000	677,736	404,379
Western Sydney Growth Roads						
Appin Road Improvements (Federal Funded)	Appin		n.a.	n.a.	4,047	4,207
Campbelltown Road Upgrade Stage 1	Edmondson Park		2020	76,000	45,122	27,439
Mamre Road, M4 Motorway to Erskine Park Road (Planning)	St Clair		n.a.	n.a.	0	3,000
Memorial Avenue, Old Windsor Road to Windsor Road	Kellyville		2022	n.a.	51,182	12,300
Mulgoa Road Upgrade (State and Federal Funded)	Penrith - Glenmore Park		n.a.	n.a.	37,435	71,250
Spring Farm Parkway (Planning)	Menangle Park		n.a.	n.a.	5,595	705
The Horsley Drive, M7 Motorway to Cowpasture Road (Planning and Preconstruction) (State and Federal Funded)	Horsley Park		n.a.	n.a.	3,000	30,500
Western Sydney Long Term Strategic Transport Corridor Preservation	Various		n.a.	n.a.	25,000	50,000
Central Coast Roads						
Empire Bay Drive, The Scenic Road and Cochrone Street Intersection Upgrade	Kincumber		2019	20,000	10,616	6,479
Manns Road, Central Coast Highway to Narara Creek Road (Planning)	West Gosford - Narara		n.a.	n.a.	5,907	2,700
Pacific Highway and Manns Road, Narara Creek Road to Parsons Road (Planning)	Narara - Lisarow		n.a.	n.a.	23,185	956
Pacific Highway, Parsons Road to Ourimbah Street	Lisarow		2023	178,000	29,969	33,886
Pacific Highway, Wyong Town Centre (Planning)	Wyong		n.a.	n.a.	29,024	2,500
Pacific Motorway Widening and Reconstruction, Wyong Road to Doyalson Link Road (State and Federal Funded)	Tuggerah - Kiar		2020	245,000	144,377	72,931
Pacific Motorway Widening, Kariong Interchange to Somersby Interchange (State and Federal Funded)	Kariong - Somersby		2020	113,000	75,310	31,700
Great Western Highway and Bells Line of Road						
Bells Line of Road (Chifley Road) Improvements	Bell - Lithgow		2021	n.a.	13,132	11,827
Katoomba to Lithgow Upgrade (Planning)	Katoomba - Lithgow		n.a.	n.a.	2,200	10,000

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Transport for NSW (cont)

Katoomba to Mount Victoria Safety Works (State and Federal Funded)	Blackheath, Mount Victoria		2020	n.a.	64,047	7,790
Kelso to Raglan Upgrade	Bathurst		n.a.	n.a.	840	19,160
Hunter Roads						
Hunter Pinch Points	Various		n.a.	23,500	7,803	6,144
Nelson Bay Road Improvements	Williamstown		n.a.	n.a.	7,563	37,300
Newcastle Inner City Bypass, Rankin Park to Jesmond (Planning and Preconstruction)	Lambton		n.a.	n.a.	32,494	8,484
Pacific Motorway, Extension to Raymond Terrace (Planning) (State and Federal Funded)	Hexham		n.a.	n.a.	33,548	5,999
New England Highway						
New England Highway, Belford to Golden Highway Upgrade (Planning)	Belford		n.a.	n.a.	9,498	1,920
New England Highway, Bolivia Hill Upgrade (State and Federal Funded)	Bolivia		2021	80,000	30,959	30,362
New England Highway, Gowrie Gates, Widen Rail Underpass ^(f)	Singleton		2020	29,000	11,505	2,540
New England Highway, Muswellbrook Bypass (Planning)	Muswellbrook		n.a.	n.a.	4,910	4,000
New England Highway, Scone Bypass (State and Federal Funded)	Scone		2020	137,000	90,681	28,702
New England Highway, Singleton Bypass (Planning)	Singleton		n.a.	n.a.	10,303	2,747
New England Highway, Tenterfield Heavy Vehicle Bypass (Planning) (Federal Funded)	Tenterfield		n.a.	n.a.	7,426	2,095
Newell Highway						
Newell Highway Flood Mitigation Works	Various		n.a.	n.a.	0	5,000
Newell Highway Heavy Vehicle Pavement Upgrades (Planning)	Various		n.a.	n.a.	8,027	3,403
Newell Highway, Improvements through Coonabarabran (Planning)	Coonabarabran		n.a.	n.a.	2,796	3,284
Newell Highway, Mungle Back Creek to Boggabilla Heavy Duty Pavement (State and Federal Funded)	Boggabilla		2021	122,000	32,712	54,292
Newell Highway, New Dubbo Bridge (Planning and Preconstruction)	Dubbo		n.a.	n.a.	9,818	25,882
Newell Highway, Overtaking Lanes	Various		2023	210,000	63,949	52,405
Newell Highway, Parkes Bypass (Planning) (State and Federal Funded)	Parkes		n.a.	n.a.	8,463	5,800

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Transport for NSW (cont)

Pacific Highway

Coffs Harbour Bypass (Planning and Preconstruction) (State and Federal Funded)	Coffs Harbour		n.a.	n.a.	93,106	23,364
Woolgoolga to Ballina (State and Federal Funded)	Grafton, Maclean	2020		4,945,000	3,921,978	792,336

Princes Highway

Albion Park Rail Bypass	Yallah - Oak Flats	2022		630,000	173,764	168,546
Batemans Bay Bridge Replacement	Batemans Bay	2023		274,000	74,833	88,000
Berry to Bomaderry Upgrade	Berry - Bomaderry	2022		450,000	145,610	150,108
Nowra Bridge Replacement over the Shoalhaven River (State and Federal Funded)	Nowra		n.a.	n.a.	22,236	29,504
Princes Highway Upgrade Program (Planning) (State and Federal Funded)	Nowra - Victorian Border		n.a.	n.a.	0	7,100
Princes Motorway (M1) Improvements, Bulli Tops to Picton Road (Planning) (State and Federal Funded)	Cataract		n.a.	n.a.	8,554	5,000

Regional and Freight Rail

Fast Rail (Planning) (State and Federal Funded)	Various		n.a.	n.a.	8,650	10,100
Fixing Country Rail Program	Various		n.a.	n.a.	30,494	119,000
Lower Hunter Freight Corridor (Planning and Preservation)	Hexham - Fassifern		n.a.	n.a.	2,277	19,000
Main Western Rail Line Capacity Enhancements - Stage 1	Lithgow - Dubbo		n.a.	n.a.	21,320	20,000

Regional NSW Major Road and Bridge Upgrades

Barton Highway Improvements (State and Federal Funded)	ACT - Hume Highway		n.a.	n.a.	20,936	59,351
Bruxner Highway, Replacement Bridge over Clarence River	Tabulam	2020		48,000	35,355	9,868
Cobb Highway, New Murray River Bridge (NSW Contribution) ⁽⁹⁾	Moama - Echuca	2021		87,000	11,682	35,851
Ellerton Drive Extension, Queanbeyan Bypass (State, Federal and Local Government Funded)	Queanbeyan	2020		86,000	54,789	31,004
Golden Highway Safety and Productivity Works (State and Federal Funded)	Various	2021		133,000	77,298	47,170
Gunnedah Second Road over Rail Bridge	Gunnedah	2021		61,000	18,322	19,612

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000
Transport for NSW (cont)						
Hume Highway Heavy Duty Pavement Upgrade (State and Federal Funded)	Marulan		n.a.	n.a.	3,395	5,801
Kings Highway, Nelligen Bridge Replacement	Nelligen		n.a.	n.a.	13,575	13,000
Monaro Highway Overtaking Lanes and Safety Improvements	Williamsdale - Cooma		n.a.	n.a.	7,797	2,870
Oxley Highway Safety and Realignment Works	Various	2019		50,000	43,235	6,766
Regional NSW Bridge Upgrades	Various		n.a.	n.a.	85,330	55,026
Silver City and Cobb Highway Seal Extension	Various	2023		210,000	82,849	44,269
Summerland Way, Additional Clarence River Crossing	Grafton	2019		240,000	202,603	25,683
Other Major Programs						
Active Transport	Various		n.a.	n.a.	147,424	16,827
New Buses to Cater for NSW Services 2019-20 ^(h)	Various	2020		181,000	n.a.	181,000
Road Safety	Various		n.a.	n.a.	477,949	142,600
Total, Works in Progress						8,750,456
Total, Major Works						8,750,456
Minor Works						
Capital Maintenance						667,877
Lease Acquisitions						20,118
Other Works						1,161,107
Total, Minor Works						1,849,102
Total, Transport for NSW						10,599,558

(a) Estimated total cost (ETC) is the announced project cost.

(b) Start dates are not shown since each project is an amalgamation of individual works. ETC and completion dates are not available (n.a.) at this stage for some projects as they are in the planning phase. Completion dates refer to when the project is operational or opened. Further works may be undertaken and costs incurred after the completion date.

(c) CBD and South East Light Rail: The 2019-20 allocation and expenditure to 30 June 2019 excludes the contribution from the City of Sydney and financing costs for the Public Private Partnership.

(d) The estimated expenditure to 30 June 2019 and the 2019-20 allocation do not include contributions related to private financing.

(e) Note that \$800 million of the WestConnex ETC is allocated toward the delivery of Sydney Gateway.

(f) ETC includes expenditure by the Australian Rail Track Corporation. The 2019-20 allocation is the Roads and Maritime Services contribution only.

(g) ETC represents the NSW Contribution to the project. The 2019-20 allocation is the Roads and Maritime Services contribution only.

(h) Represents a rolling annual program.

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Sydney Metro

Major Works

Works in Progress

Sydney Metro City and Southwest	Chatswood - Bankstown	2014	2024	n.a.	6,115,296	1,200,000
North South Metro Rail Link (Planning and Preconstruction) (State and Federal Funded)	St Marys - Bringelly	2018	2026	n.a.	42,000	206,800
Sydney Metro West (Planning and Preconstruction) ^(a)	Parramatta - Sydney CBD	2017	n.a.	n.a.	90,124	56,000
Total, Works in Progress						1,462,800
Total, Major Works						1,462,800
Total, Minor Works						42,118
Total, Sydney Metro						1,504,918

(a) Total of \$6.4 billion in funding over the next four years

The following agencies have a Minor Works Program only

Office of Transport Safety Investigations	113
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Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

The Treasury

Major Works

New Works

Treasury Strategic Projects	Sydney	2019	2020	3,710		3,710
Total, New Works						3,710

Works in Progress

Financial Management Transformation Optimisation	Sydney	2017	2020	8,900	6,110	2,790
Total, Works in Progress						2,790

Total, Major Works

6,500

Total, Minor Works

1,300

Total, The Treasury

7,800

The following agencies have a Minor Works Program only

NSW Self Insurance Corporation	170
Destination NSW	160
Workers' Compensation (Dust Diseases) Authority	40

The Legislature

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

The Legislature

Major Works

New Works

Asset Replacement for Parliament	Sydney	2019	2020	1,000		1,000
Infrastructure Upgrades at Parliament House	Sydney	2019	2021	3,788		2,458
Lease Acquisitions between \$250,000 and \$20 million	Various	2019	2020	n.a.		6,719
Workplace Health and Safety Upgrades to Members Electorate Offices	Various	2019	2020	550		550
Total, New Works						10,727

Works in Progress

Parliament House Ceiling and Building Services Replacement	Sydney	2016	2023	20,100	6,402	7,128
Parliament House Emergency Ventilation Compliance	Sydney	2016	2020	2,341	2,101	240
Parliament House Tower Block Membrane Replacement	Sydney	2016	2020	4,285	2,214	2,071
Strategic Security Measures	Sydney	2017	2020	3,000	1,553	1,447
Total, Works in Progress						10,886

Total, Major Works **21,613**

Total, Minor Works **2,927**

Total, The Legislature **24,540**

6. PUBLIC NON-FINANCIAL CORPORATIONS PROJECTS

6.1 Public non-financial corporations projects

Transport

Rail Corporation New South Wales (Transport Asset Holding Entity)	6 - 3
NSW Trains	6 - 4
Sydney Trains	6 - 4
State Transit Authority of New South Wales	6 - 4
Sydney Ferries	6 - 4

Water

Hunter Water Corporation	6 - 5
Sydney Water Corporation	6 - 5
Water NSW	6 - 7

Ports

Newcastle Port Corporation (trading as Port Authority of NSW)	6 - 8
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Housing

New South Wales Land and Housing Corporation	6 - 9
Teacher Housing Authority of New South Wales	6 - 9

Property

Place Management NSW	6 - 10
Sydney Opera House Trust	6 - 10
Venues NSW	6 - 11
Forestry Corporation of New South Wales	6 - 11
Landcom	6 - 11
Sydney Cricket and Sports Ground Trust	6 - 11

Other

Waste Assets Management Corporation	6 - 12
Zoological Parks Board of New South Wales	6 - 12

Electricity

Essential Energy	6 - 13
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Table 6.1: Capital investment by public non-financial corporations

Agency	Capital Expenditure			
	2018-19 Budget ^(a)	2018-19 Revised ^(a)	2019-20 Budget ^(a)	Variation ^(b)
	\$m	\$m	\$m	\$m
Transport				
Rail Corporation New South Wales (Transport Asset Holding Entity) ^(c)	2,611.7	2,084.3	2,951.4	867.1
Sydney Trains	16.6	40.9	9.9	(31.0)
Sydney Motorway Corporation Pty Ltd and its subsidiaries ^(d)	1,700.7	462.7	...	(462.7)
State Transit Authority of New South Wales	6.0	6.0	0.4	(5.6)
Sydney Ferries ^(e)	2.2	4.4	18.6	14.2
NSW Trains	5.8	5.9	12.2	6.3
Water				
Hunter Water Corporation	123.8	130.0	187.7	57.7
Sydney Water Corporation	878.4	931.8	941.0	9.2
Water NSW	318.7	287.0	231.8	(55.2)
Ports				
Newcastle Port Corporation (trading as Port Authority of NSW)	49.1	20.9	60.8	39.9
Housing				
New South Wales Land and Housing Corporation	536.3	346.8	364.5	17.7
Teacher Housing Authority of New South Wales	7.5	5.9	5.2	(0.7)
Property				
Place Management NSW	33.9	20.9	23.2	2.3
Sydney Cricket and Sports Ground Trust	31.3	32.3	5.0	(27.3)
Sydney Opera House Trust	44.9	37.1	80.0	42.9
Venues NSW	226.3	175.9	24.3	(151.6)
Forestry Corporation of New South Wales	10.0	23.8	29.3	5.6
Landcom (trading as UrbanGrowth NSW)	3.9	6.3	4.6	(1.7)
Other				
Waste Asset Management Corporation	1.0	(1.1)	2.1	3.1
Zoological Parks Board of New South Wales	74.5	63.8	49.8	(14.0)
Electricity				
Essential Energy	521.3	476.4	482.9	6.5
Total ^(f)	7,204.1	5,161.9	5,484.6	322.7

(a) The difference between total investment in Table 6.1 and the total of agency programs in the project list represents the capitalising of interest costs.

(b) The variation is from 2018-19 Revised to the 2019-20 Budget. Discrepancies between totals are due to rounding.

(c) In 2019-20, construction of the New Intercity Fleet program will ramp up, funding for the Transport Access Program will be accelerated in response to the election commitment to deliver 68 train station upgrades from 1 July 2019 and the Country Rail Network program will be transferred from TfNSW to RailCorp.

(d) 51 per cent of the Sydney Motorway Corporation was sold during 2018-19.

(e) Capital expenditure on fleet refurbishment delivered by Harbour City Ferries has not been included.

(f) Public Non-Financial Corporations investment published in Table A1.9 of Budget Paper 1 may not sum to the totals of agency programs published in Table 6.1. The difference represents intra-sector eliminations.

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Rail Corporation New South Wales

Major Works ^(a)

New Works

Commuter Car Parking Program (State and Federal Funded)	Various	2019	n.a.	n.a.	15,200	25,000
Fast Rail (Planning and Preconstruction)	Various	2019	2023	295,000		93,000
Total, New Works						118,000

Works in Progress

Automatic Train Protection	Various	2008	n.a.	n.a.	578,074	145,000
Central Walk ^(b)	Sydney	2017	2022	n.a.	212,611	105,000
More Trains, More Services	Various	2016	n.a.	n.a.	1,307,867	643,000
New Intercity Fleet	Various	2014	2024	2,880,000	857,290	812,000
Power Supply ^(c)	Various	2004	n.a.	n.a.	1,006,052	6,000
Regional Rail Fleet Program ^(d)	Various	2017	n.a.	1,260,000	51,809	38,000
Transport Access Program ^(e)	Various	2011	n.a.	n.a.	1,233,673	298,000
Total, Works in Progress						2,047,000

Total, Major Works **2,165,000**

Total, Minor Works **786,408**

Total, Rail Corporation New South Wales **2,951,408**

(a) Estimated total cost (ETC) is the announced project cost.

(b) Being built in conjunction with Sydney Metro City and Southwest at Central Station.

(c) Represents a portfolio of power related projects at various stages of delivery and pre-tender.

(d) ETC excludes financing cost for Public Private Partnership.

(e) Includes a number of projects which commenced prior to 2011-12 and are now included in the larger Transport Access Program.

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

NSW Trains

Major Works

Works in Progress

Lease Acquisitions between \$250,000 and \$20 million	Various	2019	2019	n.a.		11,714
Total, Works in Progress						11,714
Total, Major Works						11,714
Total, Minor Works						450
Total, NSW Trains						12,164

The following agencies have a Minor Works Program only

Sydney Trains	9,946
State Transit Authority of New South Wales	416
Sydney Ferries	24,894

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Hunter Water Corporation

Major Works

New Works

Enhancement of Wastewater Infrastructure	Various	2019	2025	47,309	167	718
Enhancement of Water and Sewerage Infrastructure	Various	2019	2024	26,491		513
Total, New Works						1,231

Works in Progress

Enhancement of Wastewater Infrastructure	Various	2015	2030	202,312	15,267	67,594
Enhancement of Water Infrastructure	Various	2016	2032	68,428	43,096	7,171
Enhancement of Water and Sewerage Infrastructure	Various	2015	2029	129,369	4,658	19,292
Other Business Projects	Various	2009	2021	52,919	35,921	16,858
Total, Works in Progress						110,915

Total, Major Works 112,146

Total, Minor Works 71,673

Total, Hunter Water Corporation 183,819

Sydney Water Corporation

Major Works

New Works

Cronulla Wastewater Treatment Plant Upgrade	Greenhills Beach	2019	2023	59,627	7,760	6,300
Greater Parramatta Olympic Peninsula	Various	2019	2025	89,100	2,100	2,500
Northern Suburbs Ocean Outfall Sewer Desilt and Rehabilitation Package B, C and D	Various	2019	2024	148,500	183	32,200
Richmond Water Recycling Plant - North Richmond Wastewater Treatment Plant Consolidation	Various	2019	2023	101,130	479	2,012
Rouse Hill Recycled Water Plant Liquid Amplification and Sludge Transfer Phase 2	Rouse Hill	2021	2025	181,000	471	2,400
Total, New Works						45,412

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Sydney Water Corporation (cont)

Works in Progress

Business Experience Platform (BxP)	Various	2015	2022	86,601	17,859	49,200
Critical Watermain Program	Various	1998	2029	904,000	431,343	30,981
Customer Experience Platform (CxP)	Various	2014	2020	202,600	173,653	28,947
Growth Works to Service Urban Development	Various	1995	2029	6,000,000	1,782,523	202,068
Information Technology Projects	Various	2001	2028	1,344,500	664,622	15,778
Lease Acquisition - Motor Vehicles	Various	2019	2029	73,203		7,260
Maintain Water Distribution Systems	Various	1995	2029	3,444,873	1,674,864	59,248
Maintenance Plant Renewals	Various	2001	2029	95,715	60,148	2,563
North Head Wastewater Treatment Plant Biosolids Amplification	Manly	2019	2022	94,000	8,494	35,903
Property Management and Acquisition	Various	2001	2029	671,611	514,217	13,323
Quakers Hill Wastewater Treatment Plant Renewal	Quakers Hill	2016	2021	312,000	131,554	140,000
Recycled Water Projects	Various	2014	2022	47,032	2,072	10,219
Riverstone Wastewater Treatment Plant Upgrade Phase 2	Riverstone	2020	2025	92,100	30	800
Sewage Overflow Abatement	Various	1995	2029	2,003,700	1,142,616	42,820
Sewer Network Reliability Upgrades	Various	1995	2029	2,934,500	1,382,362	34,080
Stormwater Asset Renewals	Various	2008	2029	660,000	296,646	17,828
Upgrade Reliability of Sewage Treatment Plants	Various	1995	2029	2,195,500	1,079,710	89,151
Upper Parramatta Source Control Project Stage 1 (of 3) (Wet Weather Overflow Abatement Program)	Various	2018	2025	21,200	1,012	6,200
Water Meter Replacement Program	Various	1995	2029	299,000	169,095	12,904
West Camden Waste Water Treatment Plant Upgrade Stage 3	Grasmere	2018	2023	195,200	6,850	15,000
Total, Works in Progress						814,273
Total, Major Works						859,685
Total, Sydney Water Corporation						859,685

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Water NSW

Major Works

New Works

Greater Sydney Augmentation and Resilience	Various	2018	2023	348,851	7,441	68,431
Warragamba E-flows Construction	Warragamba	2018	2025	122,166	1,823	5,264
Total, New Works						73,695

Works in Progress

Blue Mountains System Upgrade	Katoomba	2016	2022	5,671	1,003	4,038
Broken Hill Pipeline ^(a)	Broken Hill	2017	2019	378,212	378,172	40
Catchments Upgrade	Various	1998	2029	28,649	5,424	5,399
General Upgrades	Various	1999	2029	831,618	162,962	75,595
Integrated Surveillance Monitoring, Automation and Remote Telemetry	Dubbo	2010	2024	31,442	14,439	1,461
Keepit Dam Upgrade	Keepit	1994	2021	113,064	108,079	4,522
Prospect Reservoir Upgrade	Prospect	1998	2022	22,164	21,550	119
Shoalhaven System Upgrade	Various	1998	2021	8,513	4,323	3,230
Upper Canal Upgrade	Various	1998	2020	52,137	49,761	2,376
Warragamba Dam General Upgrade	Warragamba	1997	2029	166,512	3,530	5,939
Warragamba Pipelines Upgrade	Warragamba	1998	2023	64,000	7,761	15,797
Total, Works in Progress						118,516

Total, Major Works

192,211

Total, Minor Works

39,547

Total, Water NSW

231,758

(a) The Broken Hill Pipeline project is forecast to cost \$449.3 million. The capital expenditure figure of \$378.2 million excludes the capital spend on water and electricity assets to be transferred to Essential Energy.

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Newcastle Port Corporation (trading as Port Authority of NSW)

Major Works

New Works

Eden Welcome Centre	Eden	2019	2020	n.a.		n.a.
Glebe Island - Utilities and Ancillary Items	Rozelle	2019	2020	n.a.		n.a.
Glebe Island - Wharf Works	Rozelle	2019	2029	n.a.		n.a.
Glebe Island Roads Refurbishment	Rozelle	2019	2020	n.a.		n.a.
Overseas Passenger Terminal Plant Replacement	The Rocks	2017	2029	n.a.		n.a.
Total, New Works						12,860
Works in Progress						
Fire Fighting Capability Platform	Millers Point	2019	2021	n.a.		n.a.
Glebe Island - Multi-User Facility	Rozelle	2019	2020	n.a.	1,600	n.a.
Glebe Island - Wharf 8 Augmentation	Rozelle	2009	2025	n.a.	935	n.a.
Overseas Passenger Terminal Gangway Replacement	The Rocks	2017	2019	13,960	10,686	3,274
Total, Works in Progress						27,429
Total, Major Works						40,289
Total, Minor Works						20,462
Total, Newcastle Port Corporation (trading as Port Authority of NSW)						60,751

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

New South Wales Land and Housing Corporation

Major Works

New Works

Office Accommodation and Administrative Assets	Various	2019	2020	2,647		2,647
Social Housing - Asset Improvement	Various	2019	2020	131,110		131,110
Social Housing - New Supply	Various	2019	2023	27,869		21,284

Total, New Works						155,041
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Works in Progress

Social Housing - New Supply	Various	2017	2029	2,043,180	467,495	174,289
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Total, Works in Progress						174,289
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Total, Major Works						329,330
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Total, Minor Works						35,131
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Total, New South Wales Land and Housing Corporation						364,461
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Teacher Housing Authority of New South Wales

Major Works

New Works

New Houses to Meet Demand Growth	Various	2019	2022	6,250		4,300
THA Website Upgrade	The Rocks	2019	2020	500		500

Total, New Works						4,800
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Total, Major Works						4,800
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Total, Minor Works						428
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Total, Teacher Housing Authority of New South Wales						5,228
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Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Place Management NSW

Major Works

Works in Progress

Darling Harbour Public Domain Upgrade	Sydney	2012	2029	115,552	10,687	9,869
Pymont Bridge Restoration	Sydney	2016	2021	11,799	7,165	3,634
The Rocks Public Domain Upgrade	The Rocks	2012	2029	109,008	5,148	9,651
Total, Works in Progress						23,154
Total, Major Works						23,154
Total, Place Management NSW						23,154

Sydney Opera House Trust

Major Works

New Works

Stage 1 Renewal - Concert Hall asbestos management	Sydney	2019	2019	5,500		5,500
Total, New Works						5,500
Works in Progress						
Hostile Vehicle Mitigation Project	Sydney	2018	2020	8,445	4,250	4,195
Security Systems Upgrade	Sydney	2018	2020	27,759	601	27,158
Sydney Opera House Stage 1 Renewal	Sydney	2017	2022	202,000	52,500	35,100
Sydney Opera House Tours Digital Venue (White Box)	Sydney	2019	2020	3,858	371	3,487
Total, Works in Progress						69,940
Total, Major Works						75,440
Total, Minor Works						4,588
Total, Sydney Opera House Trust						80,028

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Venues NSW

Major Works

New Works

BankWest Stadium Enhancements ^(a)	Parramatta	2019	2020	16,400	2,000	14,400
Total, New Works						14,400

Works in Progress

WIN Stadium Northern Grandstand and Newcastle Stadium Works	Various	2017	2028	18,142	11,531	611
Total, Works in Progress						611

Total, Major Works **15,011**

Total, Minor Works **9,261**

Total, Venues NSW **24,272**

(a) These works are to be funded through Commonwealth funding for the previous Pirtek Stadium Upgrade Project, and do not form part of the NSW Government's contribution to the Western Sydney Stadium project.

Forestry Corporation of New South Wales

Major Works

Works in Progress

Land Purchase	Various	2016	2029	102,251	31,251	7,000
Total, Works in Progress						7,000

Total, Major Works **7,000**

Total, Minor Works **22,323**

Total, Forestry Corporation of New South Wales **29,323**

The following agencies have a Minor Works Program only

Landcom **4,566**

Sydney Cricket and Sports Ground Trust **5,000**

Other

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Waste Assets Management Corporation

Major Works

New Works

Eastern Creek Rehabilitation Redevelopment	Eastern Creek	2019	2020	2,000		2,000
Total, New Works						2,000

Works in Progress

Plant and Equipment Replacement	Eastern Creek	2011	2020	5,702	5,642	60
Total, Works in Progress						60

Total, Major Works

2,060

Total, Waste Assets Management Corporation

2,060

Zoological Parks Board of New South Wales

Major Works

Works in Progress

Taronga Wildlife Retreat	Mosman	2015	2019	47,489	42,457	5,032
Taronga Zoo - Construction and Restoration Projects	Mosman	2001	2028	326,165	252,190	3,075
Visitor Experience - Taronga Western Plains Zoo	Dubbo	2014	2025	49,141	21,212	17,625
Visitor Experience - Taronga Zoo	Mosman	2014	2025	119,304	43,400	21,327
Western Plains Zoo - Construction and Restoration Projects	Dubbo	2001	2028	37,844	35,344	250
Total, Works in Progress						47,309

Total, Major Works

47,309

Total, Minor Works

2,500

Total, Zoological Parks Board of New South Wales

49,809

Project Description	Location	Start	Complete	Estimated	Est. Expend	Allocation
				Total Cost	To 30-06-19	2019-20
				\$000	\$000	\$000

Essential Energy

Major Works

New Works

Menindee to Sunset Strip Small Pipeline and Pumping Station	Menindee	2019	2023	5,275		411
Stephens Creek Reservoir Pipeline	Broken Hill	2019	2023	27,129		548
Total, New Works						959

Works in Progress

Office Refurbishment	Port Macquarie	2018	2020	12,000	4,867	7,133
Reservoir Tank Replacement	Broken Hill	2018	2021	3,927	108	1,567
Substation Circuit Breakers Install	Wagga Wagga	2016	2020	3,525	1,433	2,092
Tharbogang to Nericon Subtransmission Line	Tharbogang	2018	2021	7,357	59	3,137
Waste Water Treatment Plant Replacement	Broken Hill	2018	2023	35,575	677	411
Water Treatment Plant Replacement	Menindee	2018	2021	6,089	406	4,686
Water Treatment Plant Works	Broken Hill	2018	2023	5,806	406	273
Total, Works in Progress						19,299

Total, Major Works 20,258

Total, Minor Works 462,651

Total, Essential Energy 482,909

A. RESTART NSW RECONCILIATION

A.1 Restart NSW reconciliation

Tables A.1 and A.2 provide a reconciliation of the movements in Restart NSW commitments and reservations, including the Rebuilding NSW plan, between the 2018-19 Budget, 2018-19 Half-Yearly Review and the 2019-20 Budget.

Table A.1: Restart NSW commitments reconciliation as at the 2019-20 Budget

	Commitments \$m
Total commitments as at the 2018-19 Budget	22,422.4
Additional commitments from the 2018-19 Budget to the 2018-19 Half-Yearly Review	
New Intercity Fleet (previously Next Generation Rail Fleet)	180.0
Regional Road Freight Corridor	143.9
Regional Growth: Economic Activation Fund - Growing Local Economies	84.2
Lismore Hospital Redevelopment	79.4
Housing Acceleration Fund (HAF 5)	57.8
North South Metro Rail Link	50.0
Regional Growth: Economic Activation Fund - World Class Food and Fibre	40.0
Dubbo Base Hospital Redevelopment	36.8
Fixing Country Roads program	20.2
Redevelopment of Circular Quay	18.5
Safe and Secure Water Program	11.9
NSW Cycling Infrastructure Initiative	11.4
Future Focused Schools	8.2
Regional Growth Roads	6.0
Water Security for Regions Program	5.3
Traffic Management Upgrades	5.0
Bridges for the Bush	4.0
Regional Growth: Economic Activation Fund - Resources for Regions	0.4
Change in commitments from the 2018-19 Budget to the 2018-19 Half-Yearly Review	763.0
Total commitments as at the 2018-19 Half-Yearly Review	23,185.3

Table A.1: Restart NSW commitments reconciliation as at the 2019-20 Budget (cont)

	Commitments \$m
Total commitments as at the 2018-19 Half-Yearly Review	23,185.3
Additional commitments from the 2018-19 Half-Yearly Review to the 2019-20 Budget	
Safe and Secure Water Program ^(a)	527.7
Hospitals Growth program ^(b)	320.0
Regional Road Freight Corridor	210.0
Fixing Country Roads program	118.2
Future Focused Schools	103.7
Regional Growth: Economic Activation Fund - Growing Local Economies	89.0
Western Sydney Roads for Western Sydney Airport	82.6
Fixing Country Rail	73.4
Regional Growth: Environment and Tourism Fund	26.1
Regional Growth: Economic Activation Fund - Resources for Regions	26.0
Regional Growth: Economic Activation Fund - Doppler Radar Network	24.4
Bridges for the Bush	6.0
Culture and Arts	5.5
Water Security for Regions Program	3.5
Regional Growth Roads	2.7
Bus Priority Infrastructure (including B-Line)	0.1
Change in commitments from the 2018-19 Half-Yearly Review to the 2019-20 Budget	1,618.9
Change in commitments from the 2018-19 Budget to the 2019-20 Budget	2,710.1
Total commitments as at the 2019-20 Budget	24,804.2

(a) This Safe and Secure Water Program is partially funded from the Consolidated Fund (\$527.1 million) to enable the funding of crucial water infrastructure based on community needs (see Box 3.3).

(b) This includes \$20.0 million which relates to an increase in the proportion of Restart funding for the project with an equivalent reduction in funding from the Consolidated Fund.

Table A.2: Restart NSW reservations reconciliation as at the 2019-20 Budget

	Reservations \$m
Total reservations as at the 2018-19 Budget	10,446.4
Additional reservations from the 2018-19 Budget to the 2019-20 Half-Yearly Review	
Redevelopment of Circular Quay ^(a)	181.5
Regional Growth: Economic Activation Fund - Resources for Regions	(0.4)
Bridges for the Bush	(4.0)
Traffic Management Upgrades	(5.0)
Water Security for Regions Program	(5.3)
Regional Growth Roads	(6.0)
Future Focused Schools	(8.2)
NSW Cycling Infrastructure Initiative	(11.4)
Kids Inclusive Playspace program	(20.0)
Fixing Country Roads program	(20.2)
Dubbo Base Hospital Redevelopment	(36.8)
North South Metro Rail Link	(50.0)
Housing Acceleration Fund (HAF 5)	(57.8)
Western City Liveability Program	(60.0)
Lismore Hospital Redevelopment	(79.4)
Greater Sydney Sports Facility Fund	(100.0)
Regional Growth: Economic Activation Fund - Growing Local Economies	(124.2)
Regional Road Freight Corridor	(143.9)
Safe and Secure Water Program	(539.5)
Change in reservations from the 2018-19 Budget to the 2018-19 Half-Yearly Review	(1,090.6)
Total reservations as at the 2018-19 Half-Yearly Review	9,355.8
Additional reservations from the 2018-19 Half-Yearly Review to the 2019-20 Budget	
Denmark Link Road	44.0
Bus Priority Infrastructure (including B-Line)	(0.1)
Regional Growth Roads	(2.7)
Water Security for Regions Program	(3.5)
Culture and Arts	(5.5)
Bridges for the Bush	(6.0)
Regional Growth: Economic Activation Fund - Other Significant Infrastructure	(19.8)
Regional Growth: Economic Activation Fund - Doppler Radar Network	(24.4)
Regional Growth: Economic Activation Fund - Resources for Regions	(26.0)
Regional Growth: Environment and Tourism Fund	(26.1)
Fixing Country Rail	(73.4)
Western Sydney Roads for Western Sydney Airport	(82.6)
Regional Growth: Economic Activation Fund - Growing Local Economies	(89.1)
Future Focused Schools	(103.7)
Fixing Country Roads program	(118.2)
Regional Road Freight Corridor	(210.0)
Hospitals Growth program	(300.0)
Change in reservations from the 2018-19 Half-Yearly Review to the 2019-20 Budget	(1,047.2)
Change in reservations from the 2018-19 Budget to the 2019-20 Budget	(2,138.4)
Total reservations as at the 2019-20 Budget	8,308.6

(a) This reservation was approved for \$200.0 million during the 2018-19 budget year, of which, \$18.5 million has been approved as a commitment.

B. REBUILDING NSW PLAN

B.1 Rebuilding NSW plan

The \$20 billion Rebuilding NSW plan is summarised in Table B.1 below. Table B.1 details the commitments and reservations under the Rebuilding NSW plan, as at the 2019-20 Budget. The Rebuilding NSW plan forms part of the Restart NSW Fund.

Table B.1: Rebuilding NSW plan as at the 2019-20 Budget

Priority Areas	Project/Program	Total Funding	Commitments	Reservations
		\$m	\$m	\$m ^(a)
Urban public transport	Sydney Metro City and Southwest	7,000.0	7,000.0	0.0
	More Trains, More Services	1,000.0	1,000.0	0.0
	Parramatta Light Rail	600.0	600.0	0.0
	Bus Priority Infrastructure (including B-Line)	300.0	290.5	9.5
Urban roads	Western Harbour Tunnel and F6	1,100.0	623.0	477.0
	Pinch Points and Clearways	400.0	396.0	4.0
	Smart Motorways	400.0	385.0	15.0
	Gateway to the South	300.0	295.0	5.0
	Traffic Management Upgrades	200.0	189.0	11.0
Regional transport	Regional Road Freight Corridor	2,000.0	1,316.6	683.4
	Regional Growth Roads	1,000.0	986.0	14.0
	Fixing Country Roads program	500.0	312.9	187.1
	Fixing Country Rail	400.0	222.8	177.2
	Bridges for the Bush	200.0	133.3	66.7
Water security	Safe and Secure Water Program ^(b)	1,000.0	1,000.0	0.0
Education	Future Focused Schools	700.0	544.0	156.0
	Regional Schools Renewal Program	300.0	119.2	180.8
Health	Hospitals Growth program ^(c)	600.0	300.0	300.0
	Regional Multipurpose Services (MPS) health facilities	300.0	300.0	0.0
	Primary and Integrated Care Strategy	100.0	100.0	0.0
Culture and Sport	Culture and Arts	600.0	590.0	10.0
	Sports Stadia	600.0	380.5	219.5
	Regional Growth: Environment and Tourism Fund	300.0	168.4	131.6
Other opportunities	Corridor Identification and Reservation	100.0	67.5	32.5
Total as at the 2019-20 Budget		20,000.0	17,319.8	2,680.2

(a) Restart NSW reservations for the Rebuilding NSW plan include funds reserved to replace advances from the Consolidated Fund.

(b) The Safe and Secure Water Program is partially funded from the Consolidated Fund (\$527.1 million) to enable the funding of crucial water infrastructure based on community needs (see Box 3.3).

(c) This includes \$20.0 million which relates to an increase in the proportion of Restart funding for the program with an equivalent reduction in funding from the Consolidated Fund.

GLOSSARY

2019 Pre-election Budget Update	The Pre-election Budget Update was released by the Treasury Secretary on 5 March 2019. As required under the <i>Parliamentary Budget Officer Act 2010</i> , the Pre-election Budget Update provided an update to the State's economic and fiscal outlook following the release of the 2018-19 Half-yearly Review.
ABS Government Finance Statistics GFS Manual (ABS GFS)	The ABS publication Australian System of Government Finance Statistics: Concepts, Sources and Methods as updated from time to time.
Appropriation	The authority given to by Parliament for the expenditure of monies from the consolidated fund for the annual services of Government and the Legislature. This authority is given to Ministers by the annual Appropriation Act.
Capital Allocation 2019-20	The amount of project expenditure approved in the 2019-20 Budget.
Capital expenditure	This is expenditure relating to the acquisition or enhancement of property, plant and equipment (including land and buildings, plant and equipment and infrastructure systems) and intangibles (including computer software and easements). Capital expenditure also includes assets acquired using finance leases.
Capital grants	Amounts paid or received for capital purposes for which no economic benefits of equal value are receivable or payable in return.
Cluster	NSW Government entities have been consolidated into clusters reflecting broad policy areas of Government. These clusters are not legal entities. They are administrative arrangements that bring together a group of different legal and administrative entities.
Cluster grants	This represents the appropriation passed on by the principal agencies to the other government agencies within the cluster to fund their services.
Commitments* (Restart NSW)	Inflows that are committed to be spent on an individual project. A Restart NSW commitment can only be recognised once the Treasurer has accepted a specific funding recommendation from Infrastructure NSW for an individual project, as required by the <i>Restart NSW Fund Act 2011</i> (Restart Act).
Consolidated Fund	The fund is established under s39 of the <i>Constitution Act 1902</i> to collect public monies collected on behalf of the State.
Crown Entity	Includes the Crown Finance Entity and the Consolidated Fund.
Crown Finance Entity	The Crown Finance Entity acts as the residual entity for NSW whole-of-government transactions that are not the responsibility of any other state public sector agency. Major assets reported by the Crown Finance Entity include investments for the NSW Infrastructure Future Fund and Social Affordable Housing Fund.
Current grants	Amounts paid or received for current purposes for which no economic benefits of equal value are receivable or payable in return.
Estimated total cost (ETC)	Represents the current cost estimate of planning, procuring and delivering the infrastructure/project/asset. The ETC may change as more detailed planning is undertaken and further information on market conditions becomes available. Due to commercial sensitivities, the ETC for some major works is not included.
<i>Fiscal Responsibility Act 2012</i> (FRA) Act	The Act sets out both medium-term and long-term fiscal targets and principles providing a framework for budgeting in New South Wales.
Forward estimates	Refers to the period from 2020-21 to 2022-23.
General government sector (GGS)	This is an ABS classification of agencies that provide public services (such as health, education and police), or perform a regulatory function. General government agencies are funded in the main by taxation (directly or indirectly).

government / Government	<p>'government' refers to the institution of government and is used as a pronoun in these budget papers (e.g. government department).</p> <p>The 'Government' refers to the present Government constituted by the Executive.</p>
Government finance statistics (GFS)	A system of financial reporting developed by the International Monetary Fund and used by the Australian Bureau of Statistics to classify the financial transactions of governments and measure their impact on the rest of the economy.
<i>Government Sector Finance Act 2018</i>	<p>The <i>Government Sector Finance Act 2018</i> creates the financial management framework for the government sector in New South Wales that promotes and supports sound financial management, budgeting, performance, financial risk management, transparency and accountability in the government sector. This Act will eventually replace four other Acts.</p> <ul style="list-style-type: none"> • The GSF Act replaced the Public Authorities (Financial Arrangements) Act 1987 from 1 December 2018. • The GSF Act is proposed to replace the Annual Reports (Departments) Act 1985 and Annual Reports (Statutory Bodies) Act 1984 from 1 July 2020. <p>The <i>Public Finance and Audit Act 1983</i> is proposed to be renamed the <i>Government Sector Audit Act 1983</i> from 1 July 2020 once all provisions other than those dealing with the Auditor-General, audit matters and the Public Accounts Committee have been omitted and replaced by the GSF Act..</p>
Gross state product (GSP)	The total market value of final goods and services produced within a state.
Half-Yearly Review	Required under legislation, the Half-Yearly Review provides an update to the economic and financial assumptions released in the Budget.
Inflows* (Restart NSW)	Funds deposited into Restart NSW, including proceeds from asset recycling transactions, Commonwealth Government Asset Recycling Initiative payments, proceeds from Waratah Bonds, windfall tax revenue, and investment earnings, which are then invested into Rebuilding NSW and other Restart NSW projects.
Machinery of Government (MoG)	MoG changes vary in scope and can involve: the abolition or creation of new government entities; the merger or absorption of entities; and small or large transfers of policy, program or service delivery responsibilities to other entities.
Major works	Refers to projects with an estimated total cost of \$250,000 or above, subdivided into new projects (approved to begin in 2019-20) and works in progress (commenced before 2019-20 but not yet completed).
Minor works	Refers to projects with an estimated total cost below \$250,000, such as minor plant and equipment or annual provisions for replacements.
National Agreement (please also see National Specific Purpose Payments)	National Agreements define the objectives, outcomes, outputs and performance indicators, and clarify the roles and responsibilities that guide the Commonwealth and the States in the delivery of services across a particular sector. The sectors include; Health, Education, Skills and Workforce, Disability and Indigenous.
National Partnership Payment (NPP)	A Commonwealth Government grant to States and Territories to support the delivery of specified outputs or projects, to facilitate reforms or to reward the delivery of nationally significant reforms. Each NPP is supported by a National Partnership Agreement which defines mutually agreed objectives, outputs and performance benchmarks.
National Specific Purpose Payments (SPP)	A Commonwealth Government grant made to the States and Territories under the associated National Agreement. These grants must be spent in the key service delivery sector (Health, Education, Skills and Workforce, Disability and Indigenous) for which it is provided. States are free to allocate the funds within that sector to achieve the mutually agreed objectives specified in the associated National Agreement.
Net acquisition of non-financial assets	This is purchases (or acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in inventories and other movements in non-financial assets. Purchases and sales (or net acquisitions) of non-financial assets generally include accrued expenses and payables for capital items. Other movement in non-financial assets include non-cash capital grant revenue/expenses such as developer contribution assets.

Net debt	Net debt equals the sum of financial liabilities (deposits held, advances received, loans and other borrowings) less the sum of financial assets (cash and deposits, advances paid and investments, loans and placements).
Net lending/(borrowing)	This is the financing requirement of government, calculated as the net operating balance less the net acquisition of non-financial assets. It also equals transactions in financial assets less transactions in liabilities. A positive result reflects a net lending position and a negative result reflects a net borrowing position.
Nominal dollars/prices	This shows the dollars of the relevant period. No adjustment is made each time period for inflation.
Non-financial public sector (NFPS)	This is a sub-sector formed by the consolidation of the general government sector and public non-financial corporations (PNFC) sector.
Program group	A group of aligned activities aimed at delivering an agreed outcome. These activities may be performed by more than one agency.
<i>Public Finance and Audit Act 1983</i>	An Act to make provision with respect to the administration and audit of public finances and for other purposes.
Public Private Partnerships (PPP)	The creation of an infrastructure asset through private sector financing and private ownership for a concession period (usually long term). The Government may contribute to the project by providing land or capital works, through risk sharing, revenue diversion or purchase of the agreed services.
Public financial corporations (PFC)	An ABS classification of agencies that have one, or more, of the following functions: <ul style="list-style-type: none"> • that of a central bank • the acceptance of demand, time or savings deposits or • the authority to incur liabilities and acquire financial assets in the market on their own account.
Public non-financial corporations (PNFC)	Government controlled agencies where user charges represent a significant proportion of revenue and the agencies operate within a broadly commercial orientation.
Reservations* (Restart NSW)	Inflows that are reserved with a view to a future commitment. A Restart NSW reservation can only become a commitment once the Treasurer has accepted a specific Infrastructure NSW recommendation for each individual project.
Restart NSW	A fund established by the NSW Government in 2011. Funds deposited into Restart NSW come from asset recycling transactions, Commonwealth Government asset recycling initiative payments, proceeds from Waratah Bonds, windfall tax revenue and investment earnings.
Rebuilding NSW	The NSW Government's 10-year plan to invest \$20 billion in new infrastructure funded by electricity network transactions, Commonwealth Government asset recycling initiative payments, and investment earnings. Proceeds are first deposited into Restart NSW before being invested into Rebuilding NSW projects.
Services	These are the 'end products' or direct services that are delivered to clients or recipients, the broader community or another government agency. They are expected to contribute to Government priorities.
State Owned Corporation (SOC)	Government entities (mostly PNFCs) which have been established with a governance structure mirroring as far as possible that of a publicly listed company. NSW state owned corporations are scheduled under the <i>State Owned Corporations Act 1989</i> (Schedule 5).
State Outcomes	The outcomes which the government is seeking to achieve for the people of New South Wales.
Total state sector	This represents all agencies and corporations owned and controlled by the NSW Government. It comprises the general government, public non-financial corporations and public financial corporations.

* terms used when referring to the Restart NSW and Rebuilding NSW programs

To gain a better understanding of the terminology and key aggregates used in these budget papers, a glossary of terms can be found in Note 37 of the Report on State Finances 2017-18.

Budget Statement

2019-20



Budget Paper No. 1

Circulated by The Hon. Dominic Perrottet MP, Treasurer

STATEMENT OF THE SECRETARY

The 2019-20 Budget Papers are prepared in accordance with the requirements of the *Public Finance and Audit Act 1983*, the *Government Sector Finance Act 2018* and the *Fiscal Responsibility Act 2012*.

The 2019-20 Budget continues the State's focus on strong financial management, balance sheet optimisation and outcome budgeting. The information in Budget Paper No. 3 *Budget Estimates* is organised around 38 State Outcomes, including the presentation of key financial data.

The Budget reflects Machinery of Government changes announced in April 2019. The financial statements in Budget Paper No. 3 *Budget Estimates* incorporate the Administrative Arrangements that commence on 1 July 2019. The suite of 38 state outcomes also align with the new arrangements going forward, superseding the 46 outcomes in last year's Budget.

Best available information

The Estimated Financial Statements have been prepared to reflect best estimates of existing operations, the impact of new Government policy decisions, and year-end projections provided by agencies based on end-April data. They have also been prepared to take into account other economic and financial data available to Treasury up to 12 June 2019, including Commonwealth Government funding decisions announced in the 2019-20 Commonwealth Budget.

Any estimates or assumptions made in calculating revenues, expenses, other economic flows, assets or liabilities are based on the latest information available at the time. Assumptions are detailed in Appendix A2 of this budget paper, under the headings *Material Economic and Other Assumptions* and *Summary of Other Key Assumptions*.

Professional judgement

The prospective nature of the Estimated Financial Statements means it is necessary to apply professional judgement in their preparation. That judgement includes an informed assessment of the most likely economic and financial outcomes including spending and revenue profiles. Differences between underlying assumptions and eventual outcomes can reflect the reality of an uncertain operating environment and the impact of many variables over which the Government has little or no control.

In my opinion, the Estimated Financial Statements have been properly prepared in accordance with the Statement of Significant Accounting Policies and Forecast Assumptions and the methodologies used to determine those assumptions are reasonable.



Michael Pratt AM
Secretary, NSW Treasury
18 June 2019

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ABOUT THIS BUDGET PAPER

Purpose and scope

Budget Paper No. 1 *Budget Statement* provides information on the State finances in aggregate. The objectives of this paper are to:

- inform citizens of the State's fiscal position and the Government's fiscal strategy
- meet requirements under s.27AA of the *Public Finance and Audit Act 1983*, which prescribes the content of the budget papers, including providing four-year projections of all major economic and financial variables, revised estimates for the preceding budget year and explanations of any significant variations
- meet requirements under s.8 of the *Fiscal Responsibility Act 2012*, including providing a statement of the Government's fiscal strategy, a report on performance against the fiscal objectives, targets and principles contained in the Act and an assessment of the impact of any budget measures on the State's long-term fiscal gap
- enable interstate comparisons by reporting in line with the Australian Bureau of Statistics Government Finance Statistics framework.

The scope of the Budget is the general government sector. However, this budget paper also includes Estimated Financial Statements for the public non-financial corporations (PNFC) and the public financial corporations (PFC) sectors. The statements provide a comprehensive picture of the State's fiscal position and strategy.

In this Budget, the Government has identified a number of priority projects for which it has reserved Restart NSW funding. The budget estimates include the estimated direct budget impact of spending funds reserved in Restart NSW. Funding has been reserved with a view to future Restart NSW commitments being made. Restart NSW commitments can only be made following completion of project development and assurance processes, including final business case approval.

Where reference is made to revised forecasts, unless otherwise stated, the comparison is made to the 2019 Pre-election Budget Update – released on Tuesday, 5 March 2019. The exception is Chapter 8 Commercial Performance in the Broader Public Sector. As the Pre-election Budget Update only updated fiscal information for the general government sector, any reference to revised forecasts in that chapter are to the 2018-19 Half-Yearly Review.

Changes to cluster and agency arrangements

Following the Government's re-election, a number of Orders were gazetted for Administrative Arrangement Changes. These Orders established new Departments, abolished some existing Departments and transferred functions across Agencies. The Ministerial changes order commenced on 2 April 2019 and the public service agencies order commences on 1 July 2019.

While the administrative changes affect the presentation of other Budget Papers, they do not materially impact the presentation of the consolidated financial aggregates as presented in Budget Paper No.1 *Budget Statement*.

For more detailed explanations of the changes, refer to About this Budget Paper in Budget Paper No. 3 *Budget Estimates*.

Reporting of Budget data

The Estimated Financial Statements in these budget papers are prepared on an accrual basis of accounting, in accordance with Australian Accounting Standards, the Uniform Presentation Framework and the principles and rules contained in the Australia Bureau of Statistics, Australian System of Government Finance Statistics: Concepts, Sources and Methods 2015 (Cat. No. 5514) (ABS-GFS Manual).

Aggregated financial data is presented on an eliminated basis – that is, intra government transactions between entities are eliminated.

From 1 July 2019, the State applies AASB 15 *Revenue from Contracts with Customers* (AASB 15), AASB 1058 *Income of Not-for-Profit Entities* (AASB 1058) and AASB 16 *Leases* (AASB 16). The new accounting standards have been applied to 2019-20 estimates and forward estimates in the Estimated Financial Statements (see Appendix A1). The revised estimates for 2018-19 do not reflect the impact of the changes to the accounting standards.

Notes

- The budget year refers to 2019-20, while the forward estimates period refers to 2020-21, 2021-22 and 2022-23. Figures in tables, charts and text may have been rounded. Discrepancies between totals and the sum of components reflect rounding:
 - estimates under \$100,000 are rounded to the nearest thousand
 - estimates midway between rounding points are rounded up
 - percentages are based on the underlying unrounded values.
- For the budget result, parentheses indicate a deficit, while no sign indicates a surplus.
- One billion equals one thousand million.
- The following notations are used:
 - n.a. means data is not available
 - N/A means not applicable
 - no. means number
 - 0 means not zero, but rounded to zero
 - ... means zero
 - '000 means thousand
 - \$m means millions of dollars
 - \$b means billions of dollars.
- Differences between harmonised government finance statistics (GFS) and generally accepted accounting principles (GAAP) information, as shown in the budget papers, and pure GFS information, as reported by the Australian Bureau of Statistics, are known as convergence differences. Such differences are not departures from Accounting Standards but merely variations in measurement or treatments between GAAP and GFS frameworks. Details of these main convergence differences between GAAP and GFS are explained in Appendix A.
- Unless otherwise indicated, the data source for tables and charts is NSW Treasury.

1. BUDGET OVERVIEW

1.1 Delivering on our promises, maintaining budget discipline

After being re-elected for a third term in March 2019, the NSW Government is getting on with the job of building a better New South Wales for communities across the State.

The 2019-20 Budget continues the Government's legacy of strong financial management, delivering its election commitments, making unprecedented investments in frontline services and infrastructure, easing the cost of living for families and cutting taxes. At the same time, the Government is also laying the foundations for a stronger economic and financial future.

The Budget delivers sustainable operating surpluses – averaging \$1.7 billion per annum over the next four years. New South Wales continues to have the lowest net debt in Australia, projected to be negative \$8.8 billion at June 2019. The State is now one of only five sub-national jurisdictions around the world to have the highest possible credit rating, rated triple-A by both major credit ratings agencies.

Families and communities across New South Wales are seeing tangible benefits following eight years of Government fiscal discipline, as the proceeds of the Government's successful asset recycling program bear fruit in the form of new transformational infrastructure like North West Metro, which opened in May this year. The 2019-20 Budget builds on this momentum by projecting the largest infrastructure program in the State's history at \$93.0 billion over the next four years.

This once-in-a-generation infrastructure program includes continued construction of new and upgraded schools and hospitals on a historic scale. The Government is also making record levels of investment in rural and regional areas, including replacing country bridges, repairing local roads and investing in regional water security, to create new and better economic opportunities in our regions.

Through careful management and ongoing discipline, the infrastructure program is being rolled out without burdening future generations with excessive debt, while also steadily increasing the value of the overall asset base owned by the people of New South Wales. The State's net worth has surpassed a quarter of a trillion dollars, the highest of any Australian state, and continues to grow towards one third of a trillion dollars by June 2023.

This Budget also ensures the people of New South Wales will benefit from exceptional services, no matter where they live or what their circumstances. A massive increase in frontline personnel includes 4,600 extra teachers, 5,000 extra nurses and midwives and 1,500 more police.

This Budget delivers much needed drought assistance to help communities across regional New South Wales.

Households will benefit from more cost saving measures like doubling the \$100 Active Kids Rebate voucher and the new \$50 weekly Opal Travel cap. The Government's commitment to reducing the cost of living means the Budget invests in better services and world-class infrastructure without increasing taxes or imposing new fees or charges.

Despite a period of exceptional growth, the New South Wales economy is not immune to the global and local headwinds affecting the nation as a whole. A moderating housing market has resulted in revisions to revenue forecasts, as has the recent announcement by the Commonwealth Government of reductions in forecast GST receipts. Significant drought conditions continue to impact the State, especially regional communities. This Budget responds to these fiscal pressures by maintaining responsible levels of public expenditure and reinforcing the State's strong fiscal foundations to ensure New South Wales remains well placed to manage future economic headwinds and revenue volatility.

This Budget further advances expenditure and balance sheet reforms already underway, while also opening new avenues of economic and revenue reform. In doing so, the Government continues to lay foundations for a stronger future for our State and its people.

This Budget introduces a four pillar strategy to ensure a sustainable fiscal and economic future for New South Wales:

- the NSW Economic Blueprint – a roadmap to deliver the next wave of state economic growth, identifying emerging opportunities and a pathway to capitalise on them
- the NSW Generations Fund (NGF) – an innovative approach to balance sheet reform that helps maintain debt at sustainable levels consistent with a triple-A credit rating and helps lower the debt burden for future generations
- a Review of Federal Financial Relations from a state perspective – an independent panel will provide the people of our State with options to give New South Wales more autonomy and flexibility in federal financial relations, while making the State's taxes lower, simpler and fairer
- driving outcome budgeting across Government – outcome budgeting widens the spotlight during decision making. It is not just the finances that matter, but how success will be tracked and how citizens will be kept informed throughout delivery.

1.2 Economic outlook – returning to trend by 2020-21

The New South Wales economy has shown exceptional strength in recent years. It has outperformed – both in the number of jobs created and in the State's contribution to national growth since 2013-14. Solid economic fundamentals and a wave of policy stimulus should see the State's economy continue to perform well, despite near-term challenges.

New South Wales has had the lowest unemployment rate of all the states over the last 12 months and employment growth has stayed well above average. These conditions have facilitated the State's highest ever workforce participation rate, particularly boosted by female participation.

However, some risks (especially those related to the global and national economy) have either intensified in recent months or are starting to be realised. Solid conditions in the labour market and the Government's record infrastructure program means the New South Wales economy is in an advantageous position to manage headwinds to growth.

For the financial year about to end (2018-19) and the year ahead (2019-20) growth in real gross state product is expected to dip slightly below trend, at 2¼ per cent per annum. However, there is a stronger outlook further ahead (see Chart 1.1)¹. Government initiatives are making a valuable contribution to this comparatively strong outlook, supporting jobs and helping to partially offset headwinds from the household sector.

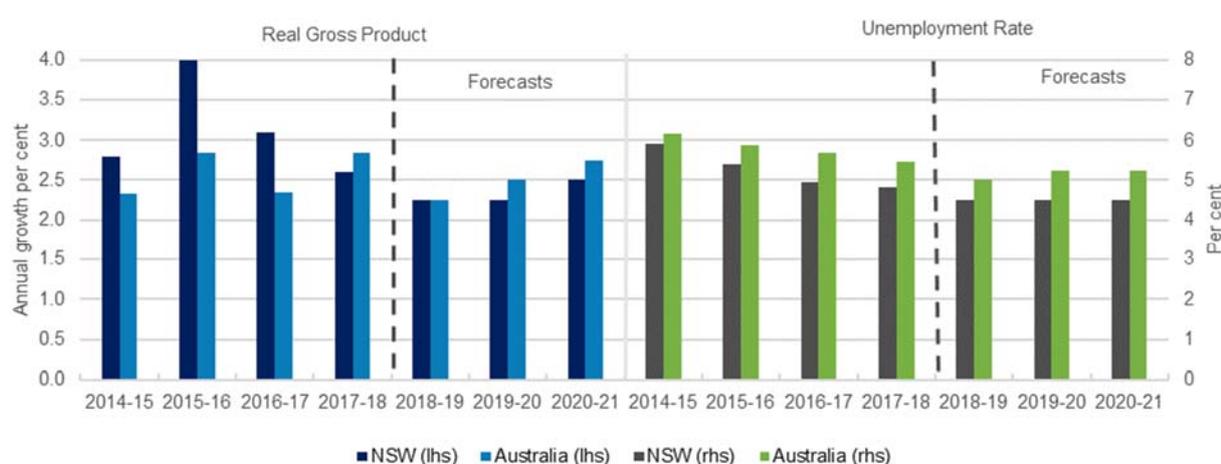
¹ Trend economic growth is projected at 2½ per cent a year over the medium term driven by the supply capacity of the economy.

Underpinned by the Government's record infrastructure program, public investment is expected to contribute ½ a percentage point a year to economic growth this year and over the next two years, which is around five times its historical average.

Conditions in the household sector are expected to improve by mid-2020, particularly as stimulus measures (including income tax cuts and lower interest rates), stronger wages growth and improved housing market conditions drive a consumer-led recovery. When added to a recovery in the rural sector, strength in the non-residential construction sector and above-trend population growth, the economy is forecast to experience a return to trend growth by 2020-21.

Following a period of near-term weakness, external demand conditions are expected to improve as the national and global economies strengthen. This will help to stimulate demand for the State's exports and provide a more favourable environment for local businesses to hire and invest.

Chart 1.1: Economic growth returning to trend and the labour market to remain tight



Source: ABS 5220.0, 6202.0 and NSW Treasury

1.3 Strong fiscal discipline without raising taxes

The 2019-20 Budget is underpinned by strong financial management and fiscal responsibility. It forecasts average budget surpluses of \$1.7 billion over the budget and forward estimates.

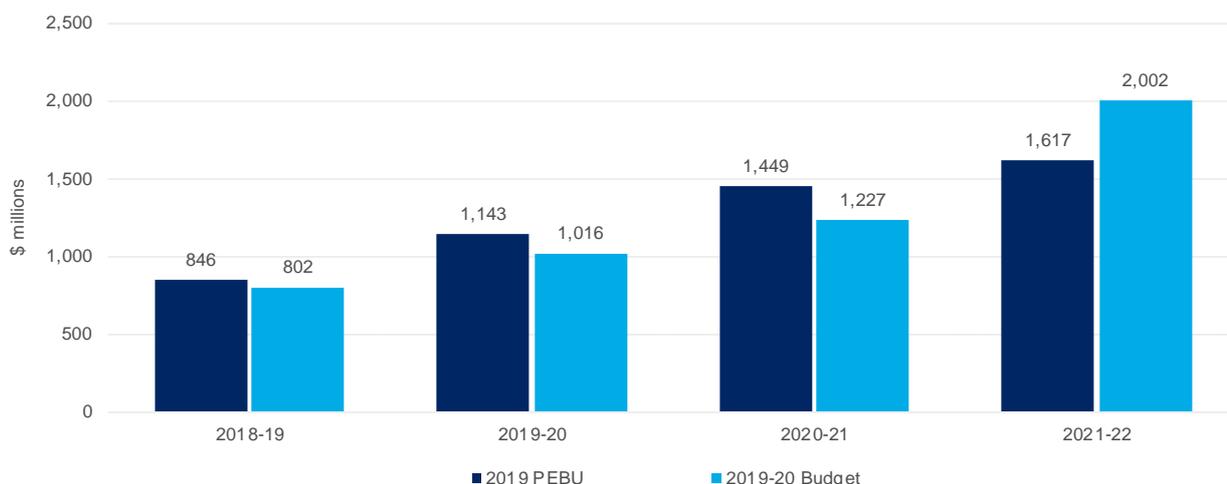
Table 1.1: Key general government sector 2019-20 Budget aggregates

	2018-19 Revised	2019-20 Budget	2020-21 Forward Estimates	2021-22 Forward Estimates	2022-23 Forward Estimates
Budget Result (\$m)	802	1,016	1,227	2,002	2,599
Per cent of GSP	0.1	0.2	0.2	0.3	0.3
Capital expenditure (\$m)	17,864	22,345	17,750	17,247	14,349
Per cent of GSP	2.9	3.4	2.6	2.4	1.9
Net debt (\$m)	(8,818)	12,354	22,973	32,884	38,640
Per cent of GSP	(1.4)	1.9	3.4	4.6	5.2
Net worth (\$m)	262,022	266,946	280,816	293,500	311,013
Per cent of GSP	41.8	41.1	41.4	41.3	41.7

Budget surpluses are being maintained despite the State facing revenue pressures. This Budget sees the Government continue to manage transfer duty pressures, with a further write-down of \$232 million over the four years to 2021-22, having already written down more than \$10 billion since the 2017-18 Budget.

The impact of these transfer duty revisions has been compounded by revisions to the State's GST revenue, which has been revised down by \$2.3 billion across the four years to 2021-22 since the 2019 Pre-election Budget Update. This was largely a result of the 2019-20 Commonwealth Budget and its revision of the forecast national GST pool.

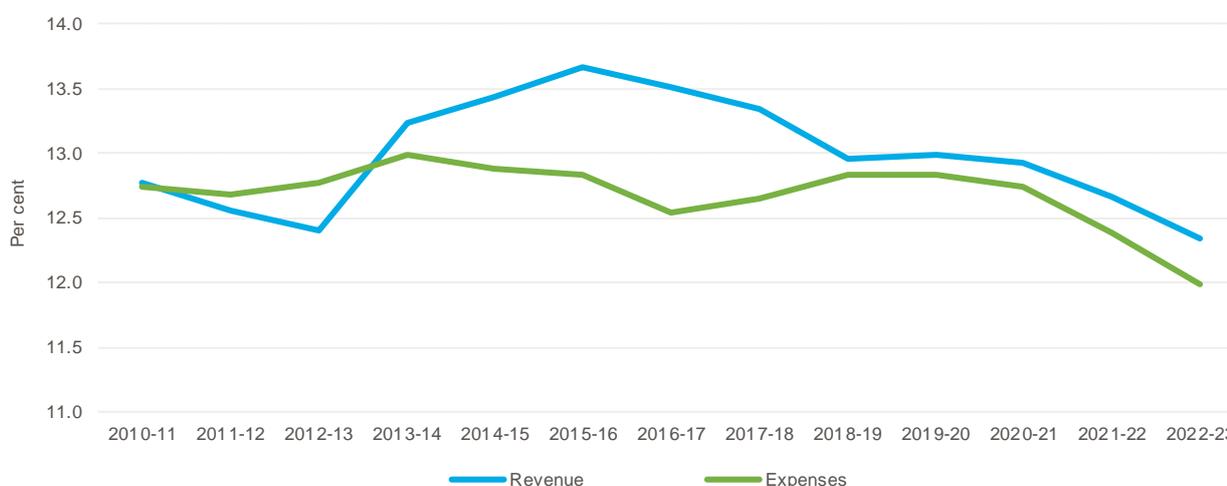
Chart 1.2: Budget result: 2019-20 Budget compared to the 2019 Pre-election Budget Update



Despite these fiscal challenges, the 2019-20 Budget delivers the NSW Government's election commitments. The investment in this Budget spans health, education, transport, drought relief and cost of living relief – all done without raising any State taxes.

Much of this investment will be in front-line services, with more teachers, police and nurses added to improve services. Meanwhile, this Budget continues the Government's focus on efficient use of taxpayer resources. This discipline will enable the Government to keep expenses in line with expected revenue (see Chart 1.3).

Chart 1.3: General government revenues and expenses as a share of GSP



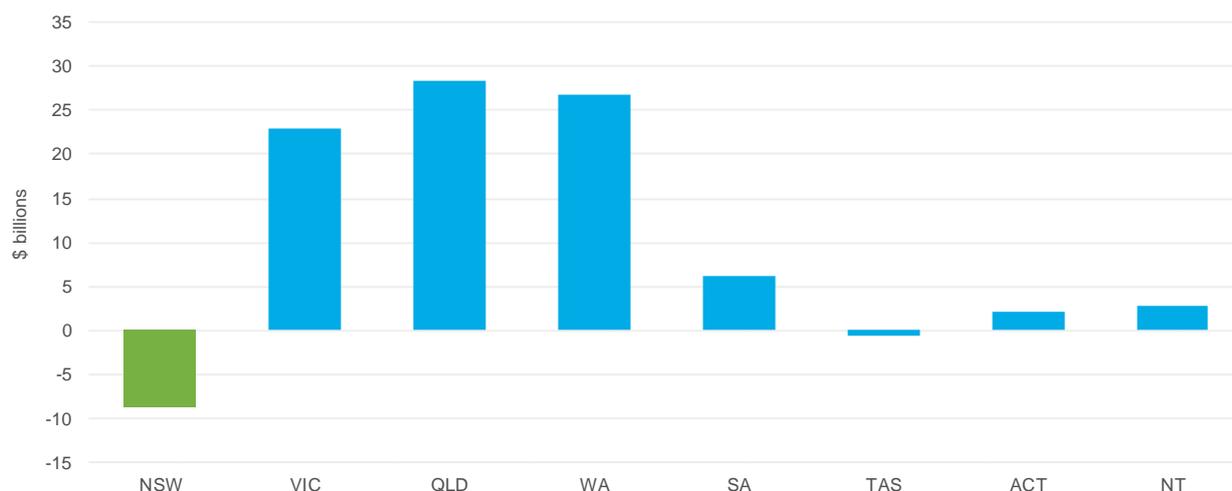
This Budget continues the Government's record investment in infrastructure which will allow people to get home to their families sooner, while also providing state of the art hospitals and schools. This has been supported by the Government's successful asset recycling strategy, which has funded much needed infrastructure across metropolitan and regional New South Wales, with many projects reaching completion and delivering benefits to the community.

Through its sound financial management, the Government is on track to deliver ongoing budget surpluses, a once-in-a-generation infrastructure program and sustainable debt levels.

The State's balance sheet is strong. A fourth consecutive year of negative net debt (negative \$8.8 billion) is projected for June 2019. This result is \$852 million better than projected in the 2019 Pre-election Budget Update, driven by better than anticipated financial asset returns. From 1 July 2019 the new Australian accounting standard, AASB 16 *Leases*, comes into effect. It impacts all Australian Governments and will negatively impact the State's net debt by \$3.2 billion at June 2023 – see Box 6.1 in Chapter 6 for more detail.

New South Wales' net debt at June 2019 is the lowest of all states and territories (see Chart 1.4). Across the four years to June 2023, net debt is forecast to increase as the Government continues its record infrastructure program. However, by using asset recycling proceeds and budget surpluses to fund investment, the Government is able to ensure its borrowings remain at sustainable levels.

Chart 1.4: *General government net debt compared to other States and Territories, as at June 2019^{(a)(b)}*



(a) Queensland's reported net debt is adjusted for its superannuation asset treatment, making comparisons consistent across all jurisdictions.

(b) South Australia shown as at 2018-19 Mid-Year Budget Review, all other jurisdictions are shown as at 2019-20 Budget.

The State's net worth is forecast to reach \$311.0 billion by the end of June 2023 driven by balance sheet reform and the use of budget surpluses and asset recycling to fund new infrastructure investment.

1.4 The NSW Generations Fund

As the Government invests the proceeds of asset recycling into its record infrastructure program, it is also setting the State up for the future with the NGF.

One year on – the NSW Generations Fund is up and running

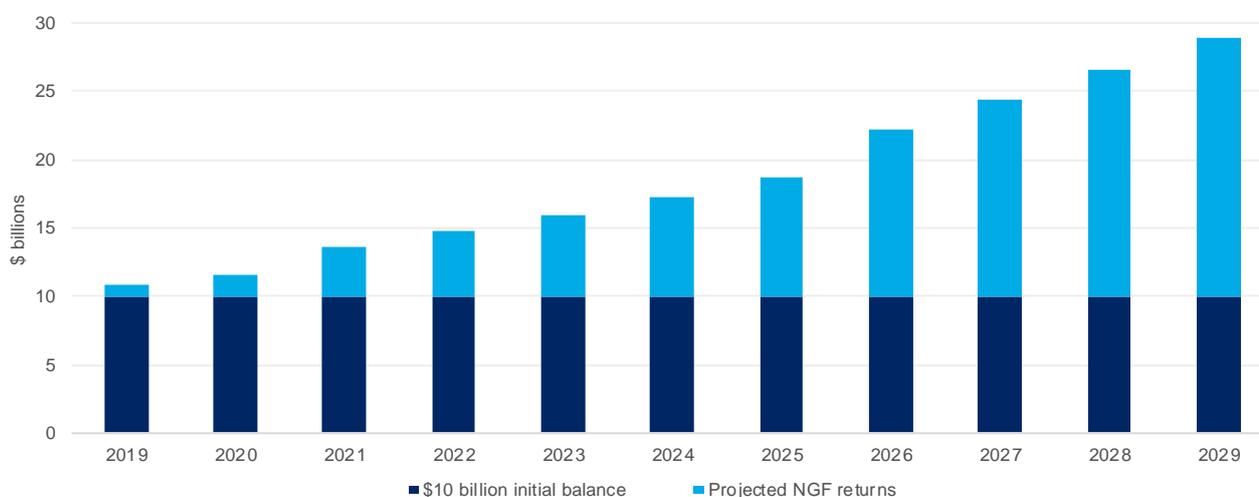
In late 2018, the State deposited \$10 billion into the NGF. The NGF Board convened for the first time in August 2018 and has overseen formation of the NGF's investment strategy and initial deployment into financial markets by the State's funds management arm, NSW Treasury Corporation (TCorp).

The NGF's investment strategy (i.e. the mix of assets it is invested in) is aligned to its long-term investment objective of returns of 4.5 per cent above inflation. Guided by the NGF Board, the Fund has invested in a diverse range of assets including domestic and international equities, bonds, property and infrastructure assets.

Investment performance has been well above expectations, resulting in a fund value of \$10.8 billion five months in. The NGF is projected to grow to more than \$28 billion by June 2029, helping further strengthen the State's balance sheet (see Chart 1.5).

The *NSW Generations Funds Act 2018* safeguards these assets for debt retirement. Both major credit ratings agencies (Moody's and S&P Global) have confirmed their recognition of the NGF as an offset to the State's debt. This allows the NGF to support the triple-A credit rating in a way that the State's other investment funds cannot.

Chart 1.5: The projected NGF balance is growing over the next 10 years ^(a)



(a) Projected NGF returns also include distributions from NGF equity interests.

As the NGF grows, it also delivers for today's communities through the My Community Project initiative. Over 1,850 applications have been received, with community members able to vote online for their preferred project from July this year. This innovative approach will allow communities to have a direct say in the projects that get delivered in their local area.

1.5 Delivering the Government's priorities for everyone

The 2019-20 Budget delivers on the Government's priorities, including its suite of election commitments. This is the budget that brings everything together and focuses on delivering for everyone in the community, whether you're a commuter on your way home from work, a family with school-aged children, a farmer in regional or rural New South Wales, a business owner, or someone who needs a helping hand.

Building a better New South Wales

The 2019-20 Budget continues the Government's program to build a better New South Wales. The Government's election commitments deliver new rail and road that will make it easier for people to get to their homes and their families. To support the State's economy and to provide the best possible services to the people of New South Wales, the Government is also embarking on a record investment program in schools and hospitals.

- **Sydney Metro City and Southwest** is planned to open in 2024 with twin 15.5 kilometre tunnels from Chatswood to Sydenham. It will deliver high-frequency services to new metro stations at Crows Nest, Victoria Cross, Barangaroo, Martin Place, Pitt Street and Waterloo. It will also deliver connections to the existing rail network.
- **Sydney Metro West** will be a game-changer for Western Sydney, doubling rail capacity through an underground metro railway line and providing a faster, easier and more reliable journey between Sydney CBD and Greater Parramatta (through Olympic Park and the Bays Precinct) with a journey time of around 20 minutes. It will begin construction in 2020 with services scheduled to start in the second half of the 2020s.
- **North South Metro Rail Link - Stage 1** will connect passengers and employees from St Marys (connecting to the existing T1 Western train line) to the Western Sydney Aerotropolis via Western Sydney International (Nancy-Bird Walton) Airport. This will provide a fast, continuous service with fully-automated driverless trains like the rest of the Sydney Metro system. The Commonwealth and New South Wales governments have a shared objective of having the metro operational in 2026 when the Western Sydney Airport is scheduled to open.

The Government is building world-class education infrastructure. In this Budget, the Government's total investment in school infrastructure is \$6.7 billion over the next four years. This includes \$917.4 million to **build eight new schools** and significantly **upgrade a further 32 schools**. In addition, the Government is providing \$500 million over four years to support non-government schools to build, extend or upgrade their facilities.

Vocational education and training infrastructure is getting much-needed investment with:

- \$79.6 million over four years to deliver the **new TAFE Western Sydney Construction Hub** located close to the Western Sydney Airport
- a further \$61.7 million over four years to **construct eight new TAFE Connected Learning Centres** in rural and regional locations.

This Budget continues the Government's commitment to providing a world-class healthcare system to everyone in New South Wales. Over \$10 billion is being invested over the next four years in health infrastructure to continue current works and commence upgrading and building a further 29 hospital and health facility projects. Within the next four years, this will enable:

- **delivery of new hospitals** at Tweed, Maitland, Macksville and Mudgee as well as commencement of works at Bankstown-Lidcombe and Eurobodalla
- **completion of hospital upgrades** at Blacktown / Mt Druitt, Concord, Dubbo, Manning, Nepean, Wagga Wagga, Westmead and Wyong

- **commencement of hospital upgrades** at Ryde, Shoalhaven and St George
- acceleration of work at Nepean, Randwick, Tweed and Westmead
- completion of the Rural Ambulance Infrastructure Reconfiguration program, the Sydney Ambulance Metropolitan Infrastructure Strategy and the regional Multipurpose Services Strategy.

This Budget invests in the planning and delivery of **new urban road projects** across Sydney, the Central Coast and the Lower Hunter and in measures to reduce congestion and improve safety. This Budget provides a \$695 million commitment for technology upgrades to reduce congestion, as well as a \$450 million commitment to address a further 12 pinch points at intersections along major arterial roads and regional links around Sydney. The Budget also includes further investment in Western Sydney roads, including upgrades to Mamre Road and Mulgoa Road.

This Budget also invests \$500 million for **Fixing Country Bridges** and \$500 million for the **Fixing Local Roads Program**. This supports regional councils with repairing, maintaining and sealing council roads.

Delivering for people in the bush

The Government understands the significant impact the drought has had on our rural and regional communities. This Budget has increased the total investment in drought support to over \$1.8 billion. This includes:

- an additional \$350 million added to the **Farm Innovation Fund**, bringing the Fund to \$1.0 billion, which provides concessional interest rate loans to primary producers to support farming communities affected by the drought
- an additional \$185 million to continue existing **drought assistance programs**, including transport rebates for fodder, stock and water (\$70 million), one-year relief from Local Land Services annual rates (\$50 million) and Farm Innovation Fund loan interest relief (\$10 million)
- a reservation of \$170 million for a special purpose **Drought Stimulus Package** to undertake water security measures, including new groundwater supply at Dubbo, augmenting supply to Coonabarabran and construction of new supply at Nyngan.

Additional water security funding provided in this Budget includes:

- \$45 million to **waive fixed charges for water licence holders** and **provide emergency water carting to secure town water supplies**, as part of the Government's drought assistance program
- \$32 million over three years to investigate the augmentation of the **Wyangala Dam**
- \$5.1 million to further **enhance water regulation** through the recently established Natural Resources Access Regulator
- \$2.9 million to continue implementation of **enhancements to dam safety**
- \$13 million over four years to **rehabilitate high priority free flowing bores and drains in the Great Artesian Basin** to enhance reliability of water supply to reduce the impact of drought.

Digital connectivity is critical for everyone in our regions, whether it's farmers and businesses or individuals accessing education or social networks. This Budget is allocating \$518.8 million over four years for the **Regional Digital Connectivity Program** to provide mobile black spot towers and data centres to improve internet connectivity and reliability in the State's regions.

Delivering world-class services

The Government is committed to delivering world-class services to everyone across New South Wales. The 2019-20 Budget provides for more teachers, nurses, police officers and other front-line staff to make this commitment a reality. This includes:

- **4,600 extra teachers** across government schools in New South Wales over the next four years to meet population growth and provide more targeted support to the students that need it most, delivering the highest number of teachers in government schools in the State's history
- **5,000 nurses and midwives** including mental health and palliative care nurses, as part of a \$2.8 billion initiative to recruit 8,300 frontline health staff over the next four years, with 45 per cent in regional New South Wales, which also includes:
 - 1,060 medical staff (e.g. doctors, psychiatrists and specialists) to enhance response times for patients waiting in emergency departments, for elective surgery and for psychiatric care
 - 880 allied health staff including pharmacists, social workers, physiotherapists, occupational therapists and psychologists
 - 1,360 hospital support staff.
- **1,500 more police** to deliver on the Government's commitment to invest in increasing the State's crime fighting capability and keep the community safe (\$583.6 million over four years)
- To help parents of school-aged children, an **investment in before and after school care** (\$120 million over four years) to make it available to all parents with children at public primary schools by 2021
- To keep our children safe, \$18.5 million for **300 new school crossing supervisors** across NSW primary schools by 2022. There are currently 1,200 supervisors at around 800 crossings funded by the Government, and 69 schools have already been identified as eligible for one of the new crossing supervisors
- Extending the **Local Landcare Coordinator Initiative** with \$22.4 million over four years, which will see a continuation of an ongoing partnership between Local Land Services and Landcare NSW, supporting ongoing sustainability and oversight of Landcare NSW
- On the back of the success of making Service NSW a world-leading one-stop shop for government services, an additional **ten new Service NSW centres** will be rolled out across Metropolitan Sydney (\$55 million expenses and \$15 million capital over four years) as will **four one-stop shop Service NSW buses** to service communities throughout the State.

Making it easier to do business

It is critical for the State's success that New South Wales is the place where businesses want to set up and thrive.

- The Government is continuing to implement payroll tax cuts, **progressively raising the payroll tax threshold** to \$1.0 million by 2021-22, providing tax relief for those small to medium sized businesses.
- To enable businesses to reduce red tape and opt in to communications about policy or regulatory changes affecting their industry, the **Easy to do Business program** (\$27 million expenses and \$22 million capital in 2019-20) will provide a concierge service and interface with local councils and government bodies for small businesses in five sectors (cafes,

housing construction, clothing retail, printing and road freight) to reduce the time it takes to either open or expand a small business.

- In February 2019 the Government launched a major **procurement policy to help small, medium and regional enterprises** to do business with Government. The policy encourages Government agencies to prioritise small and medium businesses when considering suppliers.
- From 1 July 2019 payroll tax changes make it **easier to do business and cut red tape**. Monthly payroll tax returns are replaced with single annual returns for businesses with payroll tax liabilities up to \$20,000 per annum. Pre-set monthly payments will also be available for businesses with liabilities between \$20,000 and \$150,000 per annum.
- The **Energy Switch program** has been extended to small businesses, helping them gain access to lower cost energy providers.

Helping families with the cost of living

The Government understands the impact of cost of living pressures on households across the State. Since the 2017-18 Budget, this Government has provided numerous measures and rebates to assist in easing the cost of living. This Budget continues that momentum.

- On the back of the success of the **Active Kids program**, the Government will expand the number of Active Kids vouchers from one to two \$100 vouchers per child each year to encourage children's participation in organised sport and physical activity outside school hours (\$291.1 million over the next four years).
- The **Creative Kids program** will continue, providing parents and guardians with a \$100 Creative Kids voucher each year to help with the cost of their school-aged kids' participation in creative and cultural activities (\$92.1 million in 2019-20).
- The Government is **reducing early childhood costs** with universal access to two years of early childhood education through the Start Strong program, supporting preschool education in both community preschools and long day care centres across New South Wales (\$526.7 million in 2019-20). This continues the commitment made in the 2018-19 Budget, with funding support to be provided for all three-year olds in community preschools from 1 January 2019.
- The Government is also providing **free dental care for primary school kids** (\$70 million over four years), providing access to dental checks and basic dental care for up to 136,000 primary school children each year through 35 new free mobile dental clinics for primary school children in Western Sydney, the Mid North Coast and the Central Coast.
- We will provide new parents with the **NSW Baby Bundle** containing welcome essential items to assist in their child's early health and development (\$7.9 million in 2019-20).
- The Government will **expand the Toll Relief program** from 1 July 2019 to assist with the motor registration costs of toll road users. Eligibility will be extended so that drivers spending \$15 a week or more will receive 50 per cent off their motor vehicle registration for one vehicle. This brings the total toll relief program to \$385 million over three years.
- This Budget announces a **new energy rebate for independent retirees** (\$42.1 million over four years). This is in addition to the total \$1.1 billion over four years for energy rebate programs that support low income households to manage rising costs of energy.
- Seniors across regional New South Wales will become eligible for the **Regional Seniors Transport Card** providing \$250 per year in 2020 and 2021 towards fuel, taxi travel or NSW TrainLink tickets for aged pensioners living in regional New South Wales (\$90 million over three years).

- To support people in gaining vocational education qualifications, this Budget provides an **additional 100,000 fee-free TAFE and VET courses**, including 70,000 fee-free courses for young job-seekers combining work and study through a traineeship, and 30,000 free TAFE places for mature-aged workers seeking to retrain or re-enter the workforce (\$71 million over four years).
- The Government is delivering on its election commitment to **reduce the weekly Opal Travel cap** (\$69.6 million over four years). From 1 July 2019, approximately 55,000 commuters will benefit with savings of up to \$686 a year by reducing the Opal Travel cap to \$50 per week for adults and \$25 per week for child/youth and concession travel on all train, bus, ferry and light rail services.
- From 1 July 2019, all New South Wales home buyers will benefit with the **annual indexation of transfer duty thresholds** to the Sydney Consumer Price Index. This is estimated to save homebuyers around \$330 on an average-priced dwelling purchased by 2021-22.

Helping the most vulnerable

This Budget continues the focus on helping those in our communities who are most in need.

- It continues the Government's commitment to a **halve street homelessness** by 2025.
- The Government will support Foodbank NSW and ACT Limited with \$8 million over four years to expand the **School Breakfast 4 Health Program** to a further 500 schools.
- Mental health in schools is a serious issue for our community. This Budget includes funding for:
 - an **additional 100 school counsellors or psychologists**, 350 student support officers, as well as dedicated services for rural and remote students (\$88.4 million over four years) to ensure public high school students across the State have access to mental health and wellbeing support
 - **funding for Lifeline and Kids Helpline** (\$23.5 million over four years) to expand capacity
 - funding for **towards zero suicides initiatives** across New South Wales (\$19.7 million in 2019-20).
- This Budget continues support for **world-class medical research** with \$15 million over five years to support research associated with spinal cord injuries.

2. THE ECONOMY

- New South Wales has recorded impressive economic growth in recent years. The economy grew by an above-trend rate averaging around 3 per cent a year over the four years to 2017-18, and experienced the fastest per capita growth of any state.
- While economic growth has moderated over the last year, this is likely to be temporary. Solid fundamentals, led by exceptionally strong labour market conditions, and a wave of policy stimulus are expected to see a return to trend growth in 2020-21 (see Table 2.1 for economic forecasts).
- A slowing housing market and soft income growth have dictated much of the moderation in economic growth. Severe drought conditions have also weighed on the rural sector.
- The household sector should start to improve from around mid-2020, as stimulus measures (including personal income tax cuts and lower interest rates), stronger wages growth and improved housing market conditions prompt a consumer-led recovery.
- The State's labour market continues to experience healthy momentum, with employment growth of 3¼ per cent forecast for 2018-19. This has facilitated a record workforce participation rate and drove the trend unemployment rate to close to its lowest level in over four decades. Solid economic growth is expected to sustain this strength in labour market conditions. Employment growth is forecast to be around 1¼ to 1½ per cent, reflecting improved productivity, while the unemployment rate is expected to stabilise at around 4½ per cent over the next two years.
- Wage pressures are finally gaining some traction. A firming national labour market and an eventual rise in inflationary pressures should foster a modest rise in wages growth to 2¾ per cent by 2020-21.
- The near-term growth outlook has softened for the national and global economies, but both are expected to improve over the forecast horizon. The anticipated recovery should stimulate demand for export-oriented firms, providing a more favourable environment for broader business hiring and investment.

Table 2.1: *Economic performance and outlook^(a)*

New South Wales	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Outcomes	Forecasts	Forecasts	Forecasts	Projections	Projections
Real state final demand	3.4	2½ (2¾)	2½ (2¾)	2½	-	-
Real gross state product	2.6	2¼ (2½)	2¼ (2½)	2½	2½	2½
Employment	3.2	3¼ (2¾)	1½	1¼	1¼	1¼
Unemployment rate ^(b)	4.8	4½	4½	4½	4½	4½
Sydney consumer price index	2.0	1¾	2	2 (2¼)	2¼ (2½)	2½
Wage price index	2.1	2½	2½ (2¾)	2¾ (3)	3	3
Nominal gross state product	4.5	3½ (4¼)	3¾ (4)	4½ (4¾)	4¾ (5)	5
Population ^(c)	1.5	1.7 (1.5)	1.6 (1.5)	1.5	1.5 (1.4)	1.5

(a) Per cent change, annual average unless otherwise stated. 2019 Pre-election Budget Update forecasts in parenthesis if different.

(b) Annual average, per cent.

(c) Per cent change through the year to 30 June. Forecasts are rounded to the nearest 0.1 percentage points.

Sources: ABS 5206.0, 5220.0, 6202.0, 6401.0, 6345.0, 3101.0 and NSW Treasury

2.1 Policy stimulus to facilitate a lift in economic growth

The New South Wales economy has shown exceptional strength in recent years. It has outperformed – both in the number of jobs created and in the State’s contribution to national growth since 2013-14. Solid economic fundamentals, the Government’s record infrastructure program, and a wave of policy stimulus should see the state’s economy continue to perform well, despite near-term challenges.

While economic growth has eased this year, segments of the economy are resilient, particularly in the labour market where the unemployment rate remains low.

Soft household income growth, a slowing housing market and drought conditions have been the catalyst for a shift in momentum for the economy. As a result, growth in the New South Wales economy for 2018-19 and 2019-20 is forecast to be slightly below trend.

A large public infrastructure program, rising commercial building activity and a solid export sector have underpinned the State’s resilience and are expected to partially offset the weakness in the household sector.

Labour market conditions are exceptionally strong. Employment growth has stayed well above average and job vacancies are at elevated levels (see Chart 2.2), prompting an ‘encouraged worker effect’ that has seen the workforce participation rate hit record highs - led by females (see Box 2.1). Spare capacity in the local labour market remains tight. The trend unemployment rate in New South Wales is near a four decade low, and continues to be the lowest of all the states (see Charts 2.1). However, wage pressures have remained subdued, which is a consistent theme across many developed economies.

In the context of limited inflationary pressures and sub-trend national economic growth, the Reserve Bank of Australia’s (RBA) decision to cut interest rates in June reflected its intention to make faster progress in reducing the unemployment rate and lifting inflation back to within their target range. This cut to the cash rate, and market expectations for a further cut, will provide support to the economy, particularly in the consumer and housing sectors.

Lower interest rates are expected to support a stabilisation in housing market conditions from late-2019. However, current weakness in household consumption is not expected to abate until around mid-2020, as an increase in the low and middle income tax offset and stronger wages growth also start to drive a consumer-led recovery. Meanwhile, dwelling investment is forecast to detract ½ a percentage point from economic growth in 2019-20 and ¼ of a percentage point in 2020-21.

Chart 2.1: New South Wales boasts the lowest trend unemployment rate^(a)



(a) Lowest of the states. Seasonally adjusted as at April 2019.

Source: ABS 6202.0 and NSW Treasury

Chart 2.2: Job vacancies at an all time high, suggesting strong labour demand^(a)



(a) Job vacancies derived between May-09 to Nov-09.

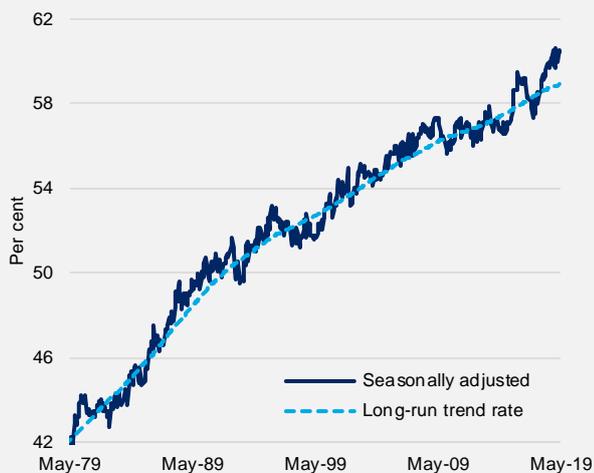
Source: ABS 6202.0, 6354.0 and NSW Treasury

Box 2.1: Strong female employment growth driving workforce participation

Favourable labour market conditions are encouraging entrants into the labour force, with women leading the way.

The female workforce participation rate has exceeded its structural long-run trend since late-2017 (see Chart 2.3). Female employment has grown at an annual average rate of 3.5 per cent over the two years to May 2019, compared to 2.7 per cent for the Rest of Australia.

Chart 2.3: Rising female participation^(a)



(a) The long-run trend rate is based on underlying participation rate trends by five-year age cohort.

Source: ABS 6202.0 and NSW Treasury

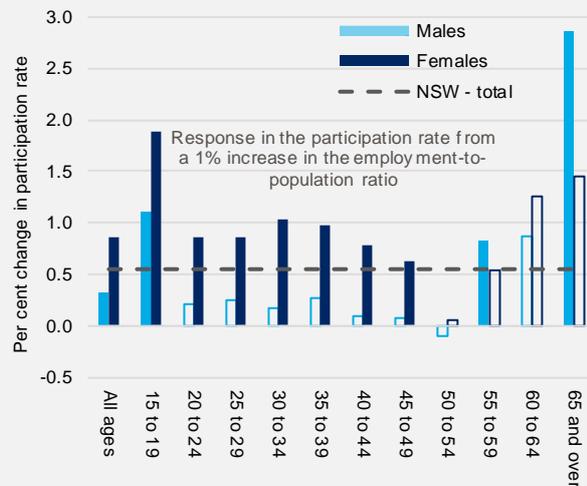
NSW Treasury research indicates that women in New South Wales are more responsive than men to changes in labour demand, particularly the 15 to 49 age group (see Chart 2.4). This broadly aligns with the change in participation rates over the last two years, with females showing the largest increase, particularly those aged 20 to 39.

The size of the cyclical component behind the increase in the participation rate gives an indication of labour market flexibility and spare capacity. By adjusting to the recent strength in labour demand, the rise in female labour supply has been an effective buffer against labour shortages.

More broadly, with the unemployment rate around estimates of full-employment, this is a sign that the New South Wales economy is providing opportunities for those who want to enter the labour force.

Achieving better outcomes for individuals with gainful employment leads to improved social outcomes, including a pathway out of poverty and reduced crime, and supports the State's economic growth.

Chart 2.4: Females more responsive to changes in labour demand^(a)



(a) Non-shaded bars indicate coefficients are insignificant at the 10 per cent threshold.

Source: ABS 6291.0.55.001 and NSW Treasury

Over the long run, the female participation rate has trended upwards. This reflects structural factors such as greater workplace flexibility, access to paid parental leave and child care, a lower fertility rate, higher education levels and the shift in demand to more labour-intensive service industries. These include industries that tend to employ a higher proportion of females, including education and health, with participation in the latter seeing added support from the National Disability Insurance Scheme more recently.

A sustained increase in female participation has been a key driver in the rise of the State's productive capacity and living standards, along with productivity and population growth.

Non-residential construction activity is expected to partially offset falls in dwelling construction over the next two years. The public sector will be a major driver, assisted by the State's record \$93.0 billion capital spending program over the next four years. This investment should bolster employment growth and improve productivity growth in the longer term.

The combined impact of recovering household consumption, smaller declines in housing construction activity and ongoing strength in the non-residential construction sector are expected to nudge economic growth back to trend from 2020-21. An expected recovery from drought and ongoing above-trend population growth will provide additional support.

External demand conditions should improve as the national and global economies strengthen. Greater economic integration with Asia, solid growth potential for our major trading partners, a lower Australian dollar and elevated commodity prices are all encouraging for the longer-term outlook (see Chapter 4 economic blueprint).

2.2 New South Wales, the jobs capital of Australia

Strong employment growth, a record participation rate and full-employment

Over the past year, the labour market has achieved a trifecta of strong employment growth, a record high workforce participation rate and close to the lowest trend unemployment rate in four decades. Employment growth is expected to be elevated at around 3¼ per cent in 2018-19, double its long-run average, despite softening economic activity.

Job vacancies have reached an all-time high, reflecting the strong demand for labour. Consequently, the unemployment rate has drifted lower to 4½ per cent, around estimates for full-employment. However, the underemployment rate remains elevated, suggesting a willingness to work more hours and potentially some skills mismatch.

Other leading indicators of labour demand, such as job advertisements and business surveys of hiring intentions, are mixed and overall suggest employment growth may moderate in the near-term. This has occurred in the construction industry, where labour demand has softened as conditions in the housing market have weakened. That said, the construction industry remains the State's second-largest employer of full-time workers, and the expected pickup in non-residential construction will likely provide some offset.

2.3 Public and business investment to support the construction sector

Dwelling construction eases amid slowing housing market conditions

Dwelling investment has been an important driver of the State's economic growth in recent years. However, dwelling construction has likely passed its peak for this cycle, with activity currently 9 per cent below its mid-2018 record high. That said, dwelling construction in the past year has remained near decade highs when measured as a share of state final demand.

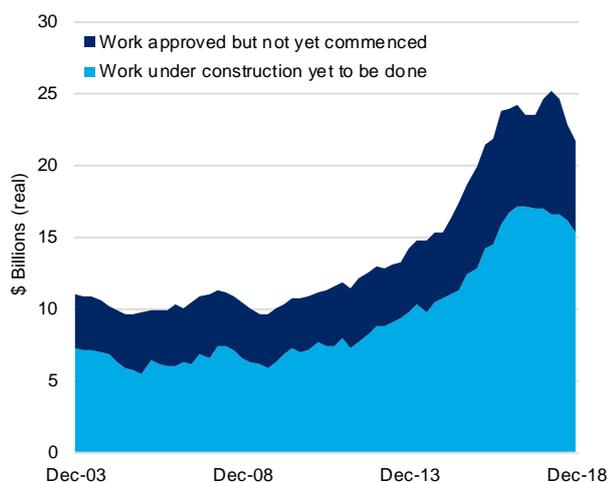
Declining house prices (see Box 2.2) and lower transaction volumes have had an impact on building approvals and commencements, although an elevated pipeline of dwellings under construction should allow for an orderly slowdown in activity in the near-term (see Chart 2.5).

The flow of new residential projects being approved has declined and the stock of projects waiting for approval has also fallen. This suggests a lower level of activity once the existing pipeline is worked through. Developer sentiment has fallen in line with house prices and other impediments, including stricter pre-sale and credit requirements. Given these conditions, approvals are expected to fall further, especially for apartments (see Chart 2.6)

Dwelling commencements have also fallen. Apartment commencements, which make up the largest share of the pipeline, fell 22 per cent in the final quarter of 2018 (see Chart 2.6).

Expectations for ongoing strong population growth and a stabilisation in house prices from late-2019 should encourage the commencement of more projects. How conditions in the housing market evolve over the next 12 months will be important for dwelling investment and household consumption.

Chart 2.5: Large pipeline of work to support near-term housing activity



Source: ABS 8752.0 and NSW Treasury

Chart 2.6: Commencements suggest bigger drop in construction activity looming



Source: ABS 8755.0, 8752.0, 8731.0 and NSW Treasury

Record public investment to partially offset housing construction weakness

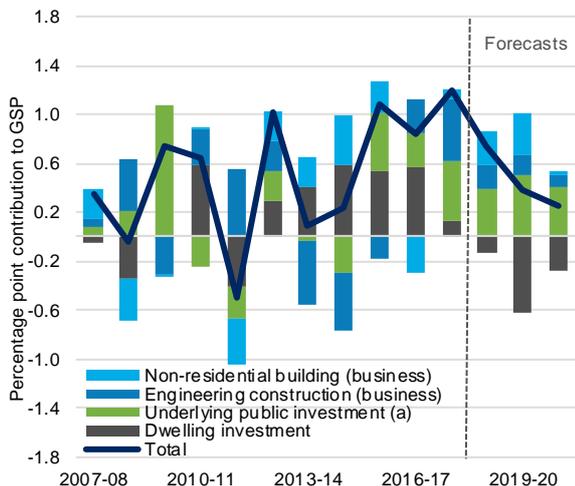
Public demand has been a source of strength for the economy, accounting for almost three-quarters of the growth in state final demand over the past year.

Government consumption has been a key driver, supported by the expansion of State front line services and the Commonwealth's rollout of the National Disability Insurance Scheme. This has added to employment, with industries that deliver social services contributing around a quarter of the growth in employment over the past three years.

The Government's infrastructure program is also doing the heavy lifting on the investment front, partly offsetting the drag from housing construction (see Chart 2.9). Public investment is expected to contribute ½ a percentage point per year to economic growth over the next two years, around five times its historical average. This should bolster employment in construction and its supporting services, including engineers and project managers, though the scale of the program could add to pressures on available capacity to deliver projects.

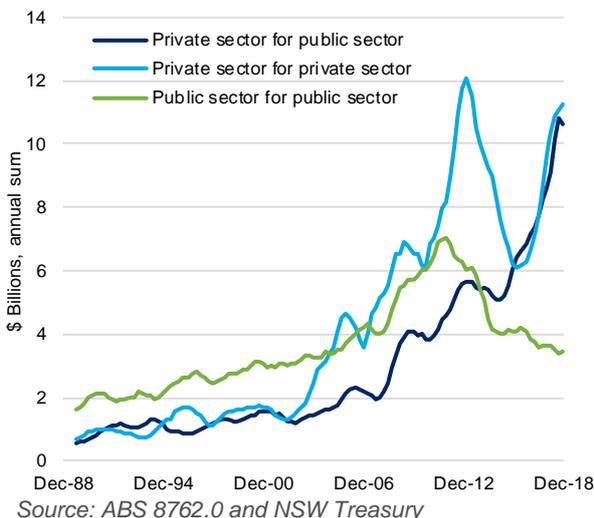
In addition to the direct contribution during the construction phase, investment in transport, education and health-related infrastructure, in the long term, should significantly improve the productive capacity of the economy. These investments will reduce travel times and provide new and upgraded facilities and technologies for students and patients.

Chart 2.7: Non-residential construction to partially offset dwellings drag



Source: ABS 5206.0 and NSW Treasury

Chart 2.8: Private sector delivering a large share of publicly-led infrastructure



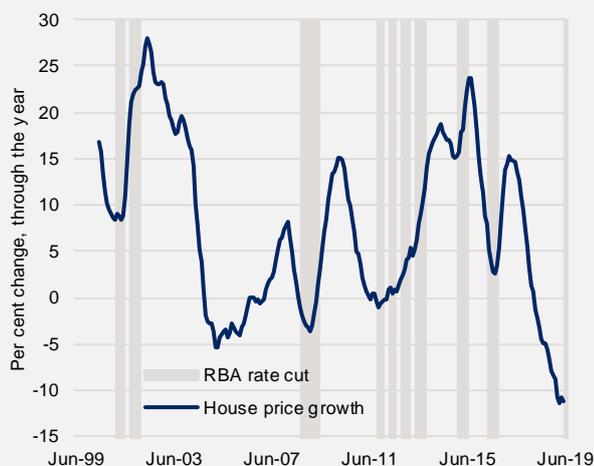
Source: ABS 8762.0 and NSW Treasury

Businesses are directly benefiting from this strong investment in public infrastructure. Almost 60 per cent of the engineering work done in New South Wales over the past year was commissioned by the public sector, with over 75 per cent of that delivered by the private sector (see Chart 2.8). This has contributed to elevated levels of capacity utilisation among businesses and should flow into other investment, such as capital expenditure on equipment.

Box 2.2: Housing market to see some relief

Sydney house prices have continued to decline from their peak in mid-2017. In May 2019, median house prices were 14 per cent below their peak, marking the largest nominal decline since the early 1980s¹.

Chart 2.9: Interest rate cuts should support a stabilisation in house prices



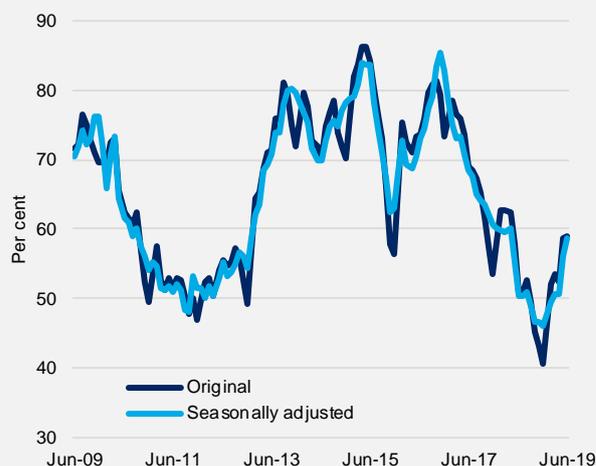
Source: CoreLogic, RBA and NSW Treasury

Sydney rents fell for only the second time on record in the March quarter 2019. The Sydney rental vacancy rate has also been steadily increasing to around 3.5 per cent, which is a level consistent with further downward pressure on rental price growth.

Housing finance commitments have also been weak, but there are some recent positives in the housing market which point to a stabilisation from late-2019.

The pace of house price declines appear to have moderated in April and May 2019. At the same time, auction clearance rates have shown a marked improvement from the very low rates seen earlier this year (see Chart 2.10). Albeit, the volume of auctions are still well below that of previous years.

Chart 2.10: Auction clearance rates have shown some improvement^(a)



(a) Excludes January where insufficient data available. Source: CoreLogic and NSW Treasury

The outcome of the Federal election and recent (and prospective) RBA interest rate cuts appear to have lifted housing market sentiment. The election outcome has removed the uncertainty around changes to negative gearing and capital gains tax discounts.

The Federal government's First Home Loan Deposit Scheme should compliment the state's First Home Owner Grant and First Home Buyers Assistance scheme.

Further, the Australia Prudential Regulation Authority has begun consulting on the possibility of loosening minimum debt serviceability requirements. If implemented, this would increase the borrowing capacity of many buyers.

These recent developments have helped partially offset downside risks to the housing market and increased the likelihood of house prices stabilising from late-2019.

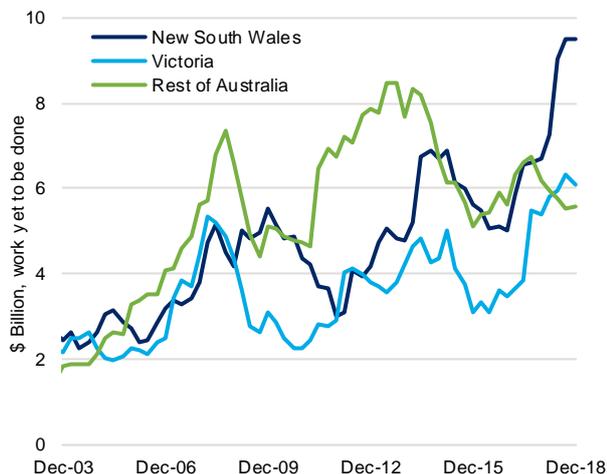
Strong fundamentals continue to support business investment

The solid run in business investment is expected to continue, providing a major driver of economic growth. While some broad leading indicators, such as surveyed business conditions and investment intentions, have eased over the past year in line with weaker demand, they remain around average levels. Furthermore, the pipeline of infrastructure and non-residential building projects is elevated and fundamental drivers in several sectors indicate a favourable investment environment.

¹ Consistent house price data are only available since the early 1980s.

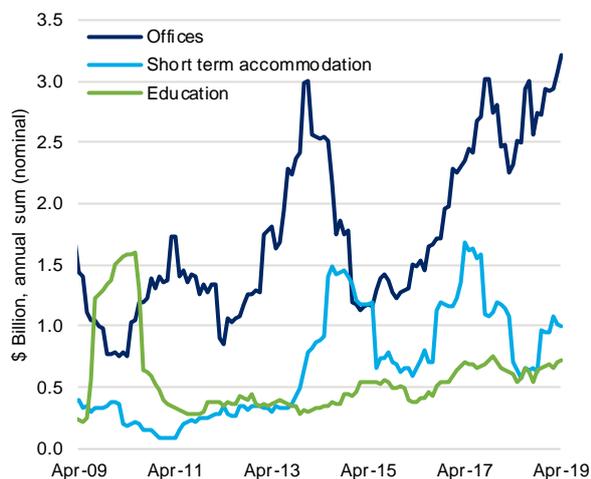
Non-residential building, led by the commercial sector (particularly office buildings), is expected to be the standout performer, underpinned by a record pipeline of projects and strong fundamentals (see Chart 2.11). Office approvals in the past year were at record levels (see Chart 2.12), consistent with low office vacancy rates, high commercial property prices and rents, and strong employment growth in the services sector. Short-term accommodation and education approvals have also risen, supported by solid exports of services.

Chart 2.11: Record pipeline of private non-residential building



Source: ABS 8752.0 and NSW Treasury

Chart 2.12: Private non-residential building approvals remain elevated



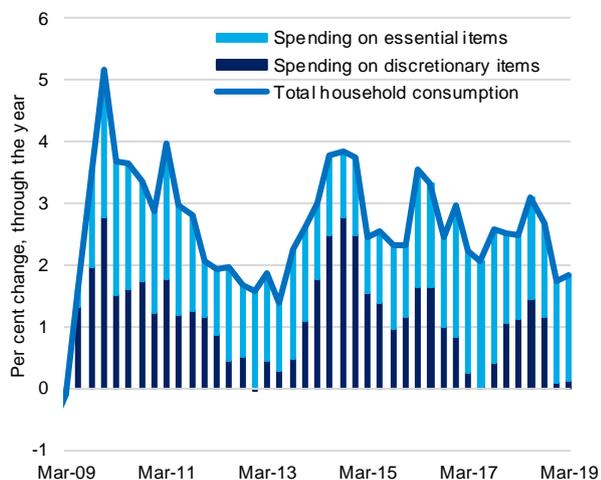
Source: ABS 8731.0 and NSW Treasury

2.4 Faster income growth expected to lead consumer recovery

Household spending has pulled back

Household consumption growth has slowed over the past year, following a significant squeeze on household wealth and weakness in income growth. Consumers initially displayed resilience to weakening housing market conditions. The impact of declining house prices and housing transactions materialised in the second half of 2018, however, and has continued into 2019. Household consumption grew by just 1.8 per cent through the year to the March quarter 2019.

Chart 2.13: Household discretionary consumption has pulled-back^(a)



Source: ABS 5206.0 and NSW Treasury

(a) Discretionary spending: tobacco, alcohol, clothing, furnishings, vehicles, recreation and culture, hotels, cafes and restaurants.

Chart 2.14: Falling house prices are weighing on consumer spending



Source: CoreLogic, ABS 5206.0 and NSW Treasury

There has been a noticeable slowdown in discretionary spending since mid-last year (see Chart 2.13). This is consistent with discretionary spending being more sensitive to changes in wealth and housing transactions. Partly offsetting this slowdown has been continued demand for essential goods and services.

While consumer spending is significantly more responsive to changes in income compared with changes in wealth, the magnitude of the declines in house prices appears to have impacted consumer spending (see Chart 2.14) more than was previously anticipated.

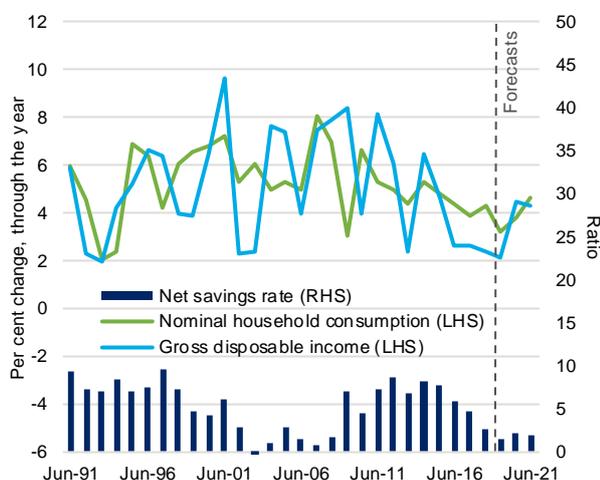
Policy stimulus and wages growth should lift consumption going forward

In recent years, consumers have supported their spending in the face of subdued income growth, by lowering their savings rate (see Chart 2.15). This has been facilitated by large increases in household wealth as the value of assets, such as housing, experienced robust growth. With house prices falling, consumer spending will have to rely more on future growth in household disposable income.

Fiscal and monetary policy stimulus should help to invigorate household disposable incomes in the near-to-medium term. The Commonwealth Government’s low-and-medium-income tax offset will provide a lift to disposable income in 2019-20. Easing monetary policy will also provide a boost by lowering households’ interest payments, though the impact is partially offset by those households reliant on interest income.

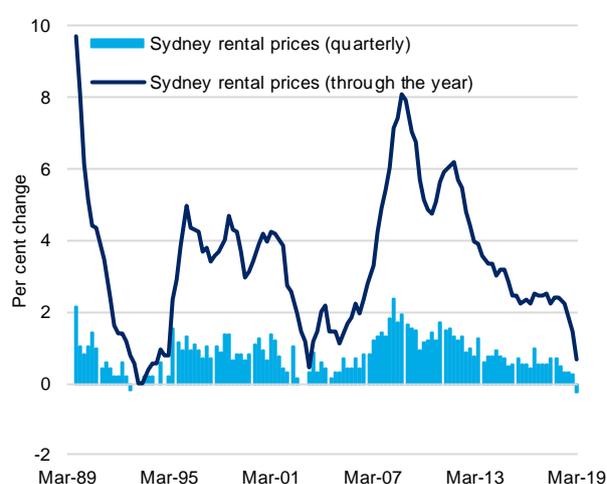
National labour market conditions are expected to facilitate a gradual increase in wages growth, which will help to slowly lift income growth in the out years. This should provide a backstop for household spending at a time when support to growth from policy stimulus will begin to wane.

Chart 2.15: Household spending has been rising faster than incomes



Source: ABS 5220.0 and NSW Treasury

Chart 2.16: Housing costs have become a material drag on inflation



Source: ABS 6401.0 and NSW Treasury

Stronger income growth and a stabilisation in housing market conditions should see consumption growth improve in 2020-21, becoming a key driver in returning economic growth to a trend rate.

Box 2.3: The State's role in boosting productivity

Productivity is the most important determinant of improvements in living standards and underpins growth in wages and household incomes. Productivity grows when the value of the economy's output grows by more than the inputs.

Labour productivity, defined as total output in the economy per hour worked, is the most commonly used productivity measure.

There are several drivers of labour productivity, including:

- improved skills for workers
- increased capital input – investment in assets and technology
- innovation and technological change – so people and assets work smarter together, which increases multifactor productivity (MFP).

Weak productivity growth has been a problem for many advanced economies over recent decades, including Australia, and New South Wales has been no exception to the trend.

Chart 2.17 shows the contributions of increased capital and labour inputs, multi factor productivity, and changes in the terms of trade to growth in per capita income. Labour productivity growth averaged 2.8 per cent annually in New South Wales between 1994-95 and 1998-99, but slowed to an average of 0.8 per cent between 2003-04 and 2011-12, and has averaged 0.9 per cent annually since 2011-12.

Despite weakening labour productivity growth in the 2000s, living standards were bolstered by a surge in our terms of trade between 2003-04 and 2011-12, linked to the mining boom. This allowed for higher wages, and cheaper imports. However, the terms of trade have now receded, and wage growth has declined since around 2012.

The economy also faces the demographic challenge of an ageing population, which will likely lead to a fall in the labour force participation rate over the next few decades. As a result, we will need to increase productivity growth to sustain robust growth in per capita incomes.

The Government established the NSW Productivity Commission in 2018 and appointed Peter Achterstraat as the Productivity Commissioner.

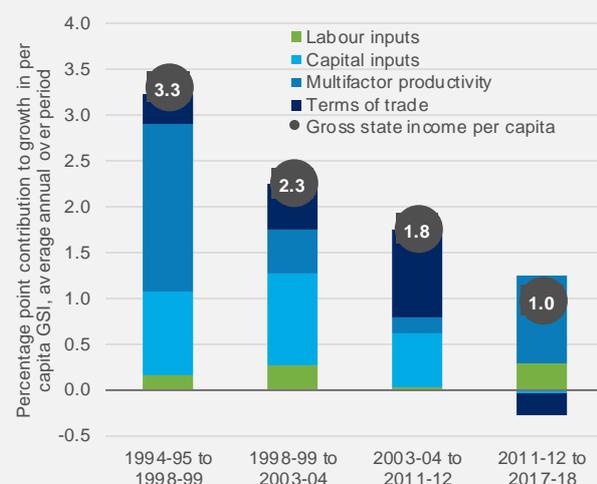
The Commission has already made some progress on the Government's goal of making it easier to do business in New South Wales by saving business owners' time and money through the introduction of a streamlined payroll tax system. From 1 July 2019, payroll tax will become a set-and-forget affair for thousands of businesses, rather than a monthly hassle.

The Productivity Commission is currently developing a Productivity White Paper, which will identify reform priorities for the economy to support business investment and innovation, create quality jobs, and attract businesses and skilled migrants.

Many key productivity levers sit with states, including planning regulation, economic infrastructure, energy and water policy, vocational skills development, and state taxes.

The Government is prioritising increasing productivity growth, because we know that it is crucial to a strong economy, which shares the benefits of growth throughout our community and ensures high living standards for future generations.

Chart 2.17: Higher productivity growth is the key to driving per capita income growth



Source: ABS 5220.0, 6202.0, 6291.0.55.003, 5260.0.55.002.
Note: 'Productivity cycles', as defined by the ABS.

Improving labour market to spur faster wages growth and inflation

Wages growth is expected to make a modest comeback over the next two years, providing a basis for higher household income growth and inflation. This improvement is consistent with solid labour market conditions (nationally and locally), fewer wage freezes, larger bonus payments, higher advertised salaries and improving productivity growth (see Box 2.3).

The wage price index has seen a gradual trend upwards. Private sector wages maintained a growth rate of 2.3 per cent through the year to the March quarter 2019, the equal fastest rate in four-and-a-half years. Job level micro-data reveals that a higher share of employees have received wage increases after an extended period of wage freezes. This has supported much of the pick-up in aggregate wages growth over the past two years.

The national unemployment rate should trend lower again once the national economy regains some momentum in 2020-21. This reduced labour market spare capacity is forecast to continue spurring faster wages growth, with the wage price index forecast to rise 2¾ per cent in 2020-21 (revised from 3 per cent at the 2019 Pre-election Budget Update).

The expectation remains for inflation to rise in line with faster wages growth and a lower Australian dollar, albeit gradually. Multiple factors, however, have constrained inflation recently. A large fall in petrol prices at the end of 2018 and the first quarterly fall in Sydney rents since 1992 (see Chart 2.16) saw headline inflation fall in the March quarter 2019. Elevated housing rental vacancy rates and falling advertised rental prices, suggest rental price growth will likely remain weak for some time. This slowdown in rents, as well as government cost-of-living initiatives and intense retail competition will likely see further downward pressure on inflation, improving consumers' purchasing power.

2.5 Solid export demand despite global and national challenges

Near-term outlook for the national and global economies has weakened

The International Monetary Fund (IMF) has cut its outlook for global growth to 3.3 per cent in 2019 (from 3.9 per cent in April 2018), the lowest rate since the Global Financial Crisis, with around three quarters of the world's economies projected to slow. This comes amid a challenging environment of trade tensions, geopolitical uncertainty and tightening financial conditions in emerging markets. Stuttering global trade growth has implications for the State's key commodity and service exports.

More positively, global growth is expected to rise towards the end of 2019, helped by the expectation of a more accommodative monetary policy stance in major economies. It also reflects China's ramp up of stimulus to counteract the negative impact of its escalating trade tensions with the United States. Global growth is projected to tick up to around 3.6 per cent in 2020, before stabilising at around this trend rate.

Closer to home, subdued national economic conditions will also be less supportive for New South Wales businesses, while drought conditions will continue to weigh on the rural sector.

Overseas export growth has remained strong this year, despite the State facing severe drought conditions. A rebound in resource exports and strong growth in advanced manufactured goods and service exports have offset significant declines in rural exports. Rural export volumes are expected to decline by a fifth in 2018-19 and remain below 2017-18 levels over the next two years (see Chart 2.18). The severity of the drought has led the Commonwealth Department of Agriculture to approve overseas wheat importation for the first time since 2007.

Longer-term export drivers remain favourable, particularly for services

While the growth in service exports has been robust, more timely indicators suggest it may not have fully escaped the recent shift in global economic conditions. Growth in student enrolments has slowed modestly (see Chart 2.19). A more acute slump can be seen in overseas visitor arrivals, where growth has slowed. This slowdown in international students and visitors is broad-based across most countries, but with a material slowdown from China.

Chart 2.18: Agricultural exports hit by persistent drought conditions

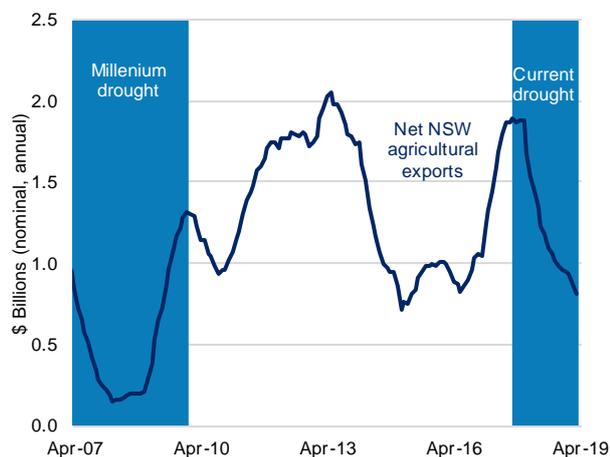
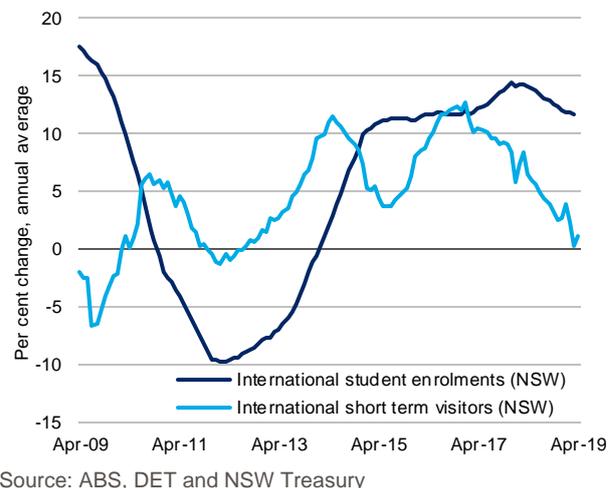


Chart 2.19: Education and tourism temporarily slowing



Growth in services exports is expected to moderate in the near-term, but then rebound along with improving economic conditions for our major export partners. A lower exchange rate will provide support, while the long-term growth drivers, such as growing demand from an emerging Asian middle class will help to fuel export growth for many years.

How global demand for New South Wales service exports evolves over the next few years will have significant implications for the broader state economy. The service sector has not only been a direct driver of economic growth, but a critical force behind employment and business investment, particularly for sectors like education, short-term accommodation and recreation and entertainment.

2.6 Risks to the economic outlook

Trade tensions between the United States and China appear to be more entrenched and likely to persist. The recent escalation of trade tensions are not incorporated in the current IMF forecasts for global growth, and therefore are a clear downside risk. That said, if global trade differences are resolved expediently, there should be some upside to global growth.

Adding to the trade risks is the possibility that China may seek to head-off a ballooning current account deficit by curtailing imports such as outbound tourism and international education. A development that could have significant implications for the New South Wales economy. However, China still has many other options for addressing its external balance. Additionally, any unexpected policy stimulus designed to revitalise growth in the Chinese economy, will help bolster demand for commodity exports, and support national income growth.

Domestic risks remain focused around conditions in the housing market, slowing construction activity and a cautious consumer that has not seen substantive real wages growth in some time (Appendix F provides a sensitivity analysis of the economic impacts from a negative house price shock). The response of households to lower interest rate expectations and any change to lending standards, could be either larger or smaller than currently expected.

A weaker-than-anticipated wage recovery, driven by an unexpected rise in the unemployment rate, and a sharper deterioration in housing activity, could exacerbate the slowdown in household consumption. That said, there is potential for wages and workforce participation to surprise to the upside (see Appendix F), particularly as spare capacity in the national labour market begins to tighten and inflationary pressures start to build.

Persistent drought conditions are another source of uncertainty, although the unpredictability of weather patterns means a risk to either the upside (a quicker-than-expected recovery) or the downside if dry conditions continue to impact crops and livestock.

3. FISCAL STRATEGY AND OUTLOOK

- The 2019-20 Budget continues the Government's track record of responsible financial management.
- Across the four years to 2022-23, the 2019-20 Budget is projecting average budget surpluses of \$1.7 billion.
- This strong fiscal position enables the Government to deliver its election commitments alongside a general government infrastructure program of \$71.7 billion across the budget and forward estimates.
- The investment in services and infrastructure will have long term economic benefits whilst also meeting the needs of a growing population.
- This budget continues efforts to moderate expense growth to align with revenue growth, with measures to reduce expenditure that leverage recent machinery of government changes.
- The Budget's strong fiscal position has been achieved without raising taxes. This has enabled the Government to reinvest in communities and help families with the cost of living.
- For the fourth consecutive year, New South Wales is projected to end the financial year with negative net debt – projected to be negative \$8.8 billion at 30 June 2019.
- The State's strong fiscal position reflects the Government's ongoing commitment to deliver the investment that communities need while keeping debt sustainable and maintaining a triple-A credit rating.

3.1 Strong fiscal discipline today, delivering for tomorrow

This Budget demonstrates the Government's ongoing commitment to responsible financial management. At the same time, New South Wales is investing in services and infrastructure which has only been made possible by:

- maintaining surpluses, without unnecessarily raising taxes
- funding capital expenditure through budget surpluses and asset recycling proceeds as much as possible
- maintaining sustainable debt levels consistent with a triple-A credit rating (see Box 3.1), and
- growing the NSW Generations Fund (NGF), the State's dedicated debt retirement fund.

The *Fiscal Responsibility Act 2012* (FRA) provides a fiscal anchor for the Government with the legislated requirement to maintain a triple-A credit rating. New South Wales is the only jurisdiction to legislate this requirement, making it unique amongst Australian and international jurisdictions. The FRA includes legislated fiscal targets and principles of sound financial management to support the triple-A objective¹ (see Table 3.1 and Appendix E).

The Government believes maintaining the State's triple-A credit rating is important during uncertain economic times. Not only does it keep interest costs for the State as low as possible, it is a signal of fiscal discipline and economic strength. Yield spreads between triple-A and lower-rated government bonds can widen significantly during periods of economic stress, leading to higher costs of borrowing for non-triple-A rated governments. Additionally, a triple-A rating allows the State to maintain access to wholesale funding markets during times of market stress.

Table 3.1: *Fiscal objective and targets*

Requirements of the <i>Fiscal Responsibility Act 2012</i>	Target met?	Explanation
Objective: Maintain the triple-A credit rating		
S&P Global	✓	Reaffirmed AAA with a stable outlook in September 2018
Moody's	✓	Reaffirmed Aaa with a stable outlook in September 2018
Target 1: Annual expense growth less than the long-term average revenue growth	✓	Annual expense growth is less than long-term average revenue growth (5.6 per cent) across all five years
Target 2: Elimination of the State's unfunded superannuation liability by 2030	✓	NSW is on track to fully fund its superannuation liabilities by 2030 as per the triennial review completed in October 2018

The State's dedicated \$10.8 billion debt retirement fund, the NGF, further supports the State's triple-A credit rating, allowing debt to be maintained at sustainable levels over the long term – see section 1.4 in Chapter 1 for more details.

Box 3.1: New South Wales is part of the world-class triple-A club

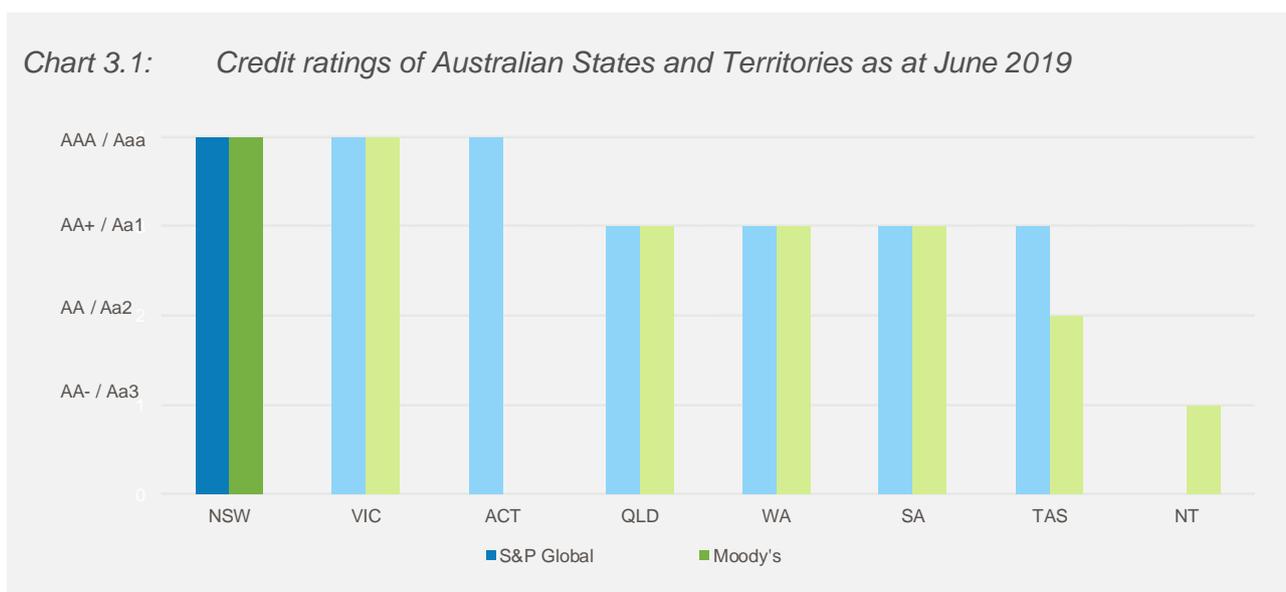
Both major global credit rating agencies, Moody's and S&P Global, re-affirmed the State's triple-A credit rating in September 2018. Once again New South Wales has been determined to have the lowest possible risk of defaulting on its debt – synonymous with very strong fiscal and economic health.

New South Wales is one of only two Australian states (see Chart 3.1) and one of five international sub-sovereigns rated triple-A by both major credit rating agencies².

A triple-A credit rating reflects an independent assessment of a strong fiscal and economic position, a solid institutional and governance framework, and sustainable debt levels. Triple-A rated jurisdictions are generally able to borrow at lower interest rates given their strength and stability relative to lower-rated governments.

¹ The principles of sound financial management are: responsible and sustainable spending, taxation and infrastructure investment; effective financial management, including sound policies and processes; and achieving intergenerational equity.

² This excludes the United States where states are assessed under a different methodology.



3.2 Fiscal discipline is the cornerstone of New South Wales' Budget

Due to tightening economic and revenue conditions, the Government has maintained a strong focus on expense discipline.

A budget surplus of \$802 million is expected in 2018-19. The Government is projecting to deliver surpluses across the four years to 2022-23 (see Table 3.2) which average \$1.7 billion per year.

Maintaining budget surpluses is important as this helps fund infrastructure (keeping debt at sustainable levels) and provides a buffer in times of economic uncertainty to allow the Government to respond to fiscal shocks or other unforeseen events (e.g. drought).

Table 3.2: General government sector budget result aggregates

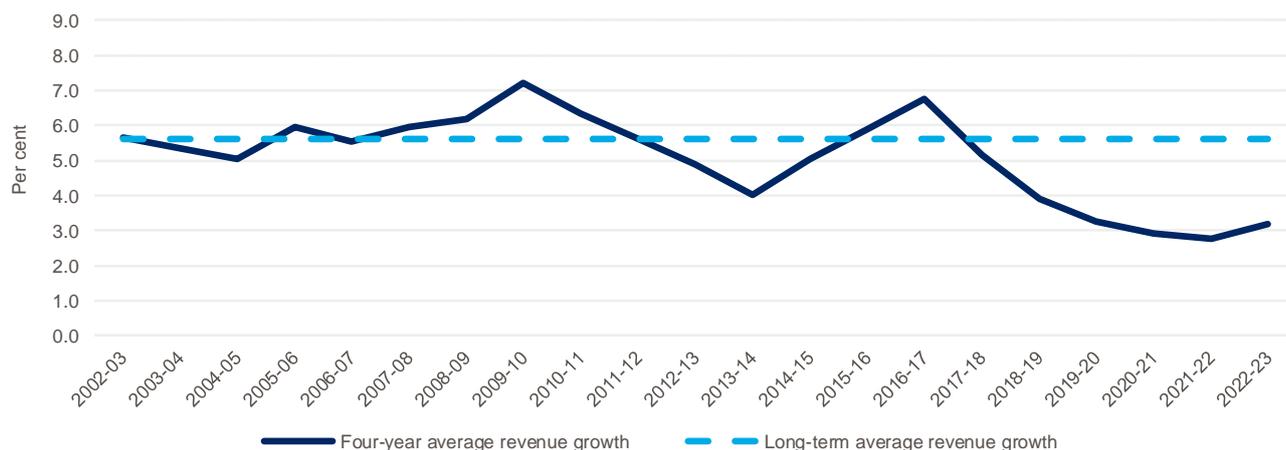
	2018-19 Revised	2019-20 Budget	2020-21	2021-22 Forward Estimates	2022-23
Revenue (\$m)	81,128	84,316	87,632	90,018	92,009
Revenue growth (per cent p.a.)	0.6	3.9	3.9	2.7	2.2
Expenses (\$m)	80,326	83,300	86,405	88,016	89,410
Expense growth (per cent p.a.)	5.0	3.7	3.7	1.9	1.6
Budget Result (\$m)	802	1,016	1,227	2,002	2,599
Per cent of GSP	0.1	0.2	0.2	0.3	0.3

A solid revenue base with emerging pressures

The State's revenue position remains strong. However, revisions to stamp duty and GST revenue have put pressure on revenue growth, with marginally lower revenue in 2018-19 than previously forecast.

Revenue growth is forecast to average 2.8 per cent over the four years to 2021-22 (see Chart 3.2), which is higher than the 2.7 per cent forecast at the 2019 Pre-election Budget Update. This is primarily due to an increase in sales of goods and services, and revised returns on financial asset investments. Further detail on revenue can be found in Chapter 4.

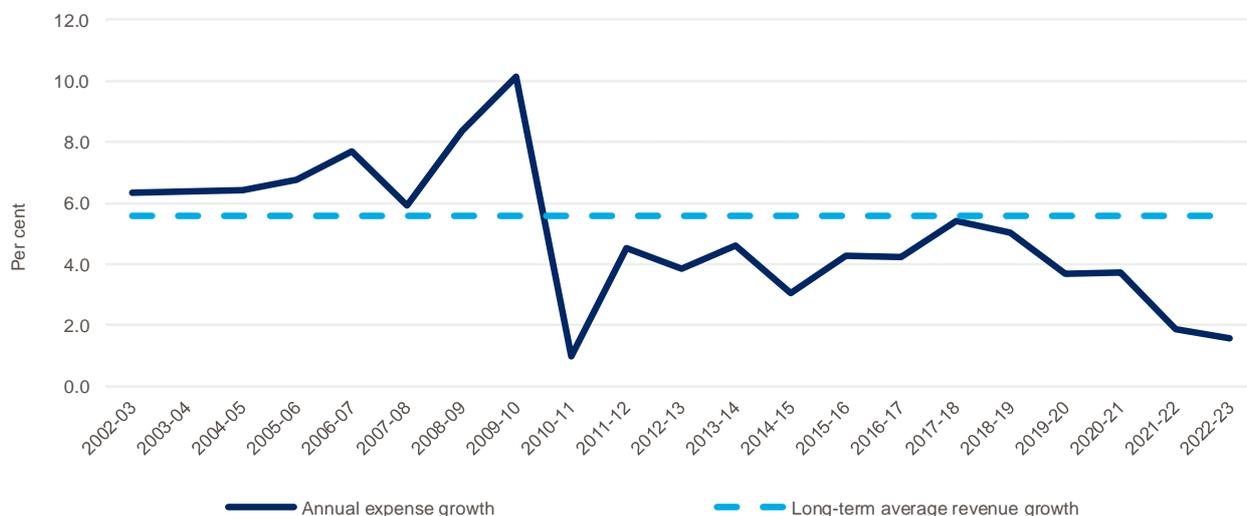
Chart 3.2: Four-year average revenue growth compared to long-term revenue growth



Maintaining tight control of expenses

In 2019-20, the annual expense growth rate is projected to be 3.7 per cent, which is below the long-term average rate of revenue growth (5.6 per cent) as required by the FRA (see Chart 3.3). As revenue growth continues to diverge further from the long-term rate, the importance of maintaining tight control on expenses grows. The Government’s disciplined approach to financial management and continued achievement of its FRA targets are helping manage expenses.

Chart 3.3: Annual expense growth



Expense growth is expected to be 5.0 per cent in 2018-19, in line with the projection at the 2019 Pre-election Budget Update. This result has been achieved despite increased expenses flowing from the latest revaluation of NSW Self Insurance Corporation’s (SICorp) scheme liabilities. This has been partially offset by a more efficient use of existing resources, providing more streamlined service delivery and reflecting recent machinery of government changes.

Changes in the budget result since 2018-19 Budget

Since the 2018-19 Budget and 2019 Pre-election Budget Update there have been a number of movements in expenses and revenue that have impacted the budget result.

The projected budget surpluses in the near term to 2020-21 have been revised down since the 2019 Pre-election Budget Update, primarily due to a write-down in Commonwealth GST receipts, lower transfer duty forecasts and reduced revenue from fines (see Table 4.3 in Chapter 4).

Table 3.3: Reconciliation of 2019-20 Budget to 2018-19 Budget^(a)

	2018-19 Revised	2019-20 Budget	2020-21 Forward Estimates	2021-22
	\$m	\$m	\$m	\$m
Budget result: 2018-19 Budget	1,425	1,528	1,412	1,855
Changes from 2018-19 Budget to 2019 Pre-election Budget Update				
Policy measures				
Revenues	(79)	572	871	335
Expenses	(454)	(688)	(919)	(802)
Total policy measures	(533)	(116)	(48)	(467)
Parameter and other budget variations				
Revenues	264	175	509	587
Expenses	(310)	(443)	(424)	(357)
Total of parameter and other budget variations	(46)	(268)	85	230
Total policy measures, parameter and other budget variations	(579)	(384)	37	(237)
Budget result: 2019 Pre-election Budget Update	846	1,143	1,449	1,617
Changes from 2019 Pre-election Budget Update to 2019-20 Budget				
Policy measures				
Revenues	...	263	830	590
Expenses	11	(452)	(207)	202
Total policy measures	11	(188)	623	792
Parameter and other budget variations				
Revenues	(138)	(402)	(306)	(162)
Expenses	83	464	(538)	(244)
Total of parameter and other budget variations	(55)	61	(845)	(406)
Total policy measures, parameter and other budget variations	(44)	(127)	(221)	386
Budget result: 2019-20 Budget	802	1,016	1,227	2,002

(a) Positive amounts reflect a positive impact on the budget result e.g. an increase in revenue or a decrease in expenses.

NSW infrastructure program delivers for the next decade

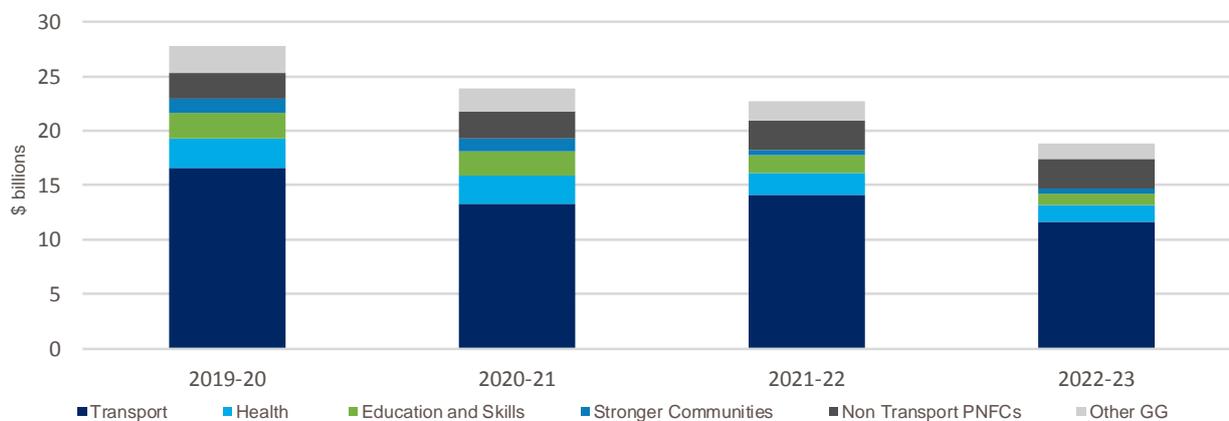
The 2019-20 Budget delivers another record general government infrastructure program with \$71.7 billion projected over the four years to 2022-23. This represents an increase of \$6.0 billion over the comparable four-year total at the 2018-19 Budget, driven by an additional \$3.2 billion for Sydney Metro West, an additional \$1.2 billion for the More Trains More Services program, and \$1.6 billion more on hospitals and other infrastructure investments.

The Government is committed to investing in the economy and building for tomorrow, with future expenditure in productive infrastructure, including:

- metro projects such as Sydney Metro West, Sydney Metro City and Southwest, and North South Metro Rail Link
- new and upgraded roads including Pacific Highway, Princes Highway and Sydney Gateway
- investments in health for the new Bankstown-Lidcombe Hospital and redevelopment of the Royal Prince Alfred Hospital
- additional investment in education with eight new and 32 upgraded schools.

For the non-financial public sector (NFPS), over the next four years capital expenditure is projected to reach \$93.0 billion, with road, rail and other transport infrastructure accounting for 60 per cent. The Government is also investing in other priority areas with health, education and justice related infrastructure making up 21 per cent of the four-year total (see Chart 3.4 and Budget Paper No. 2 *Infrastructure Statement*).

Chart 3.4: Non-financial public sector capital expenditure by cluster^{(a)(b)}



(a) Clusters are reported where appropriate to align with new machinery of government changes announced in April 2019, which take effect from 1 July 2019.

(b) Numbers represented in the chart are on an eliminated government sector basis. This chart does not agree with individual agencies reporting which is done on an uneliminated basis, predominately due to showing the impact of leases provided by other clusters.

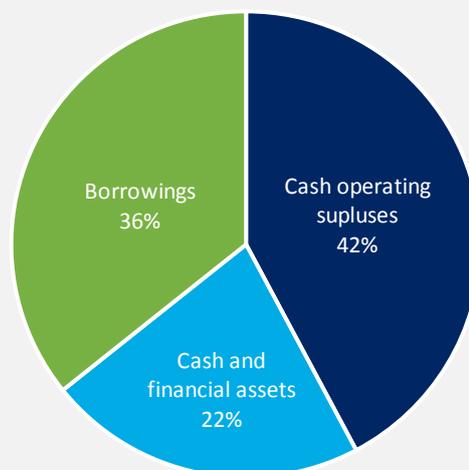
The Government is funding the State’s record infrastructure program while maintaining debt levels consistent with a triple-A credit rating. This has been made possible by funding capital expenditure through consistent budget surpluses, reinvesting asset recycling proceeds, and maintaining manageable borrowing levels (see Box 3.2).

Box 3.2: Managing the Budget in times of uncertainty

Maintaining strong fiscal discipline and manageable levels of debt helps to insulate New South Wales against economic shocks. It also provides flexibility for the Government to respond in times of need such as the 2018-19 Emergency Drought Relief Package, as New South Wales is experiencing one of its driest years on record.

The Government's strategy for funding its record infrastructure program ensures that the State maintains acceptable levels of debt consistent with a triple-A rating (see Chart 3.5). Over the five years to June 2023, almost two-thirds of general government sector capital expenditure will be funded from non-debt funding sources, e.g. annual cash operating surpluses and the State's cash and financial asset investments (predominantly the proceeds of asset recycling).

Chart 3.5: Funding of the capital program across five years to June 2023^(a)



(a) Source: General government sector cash flow statement as published in Appendix A1

NSW to deliver a fourth consecutive year of negative net debt

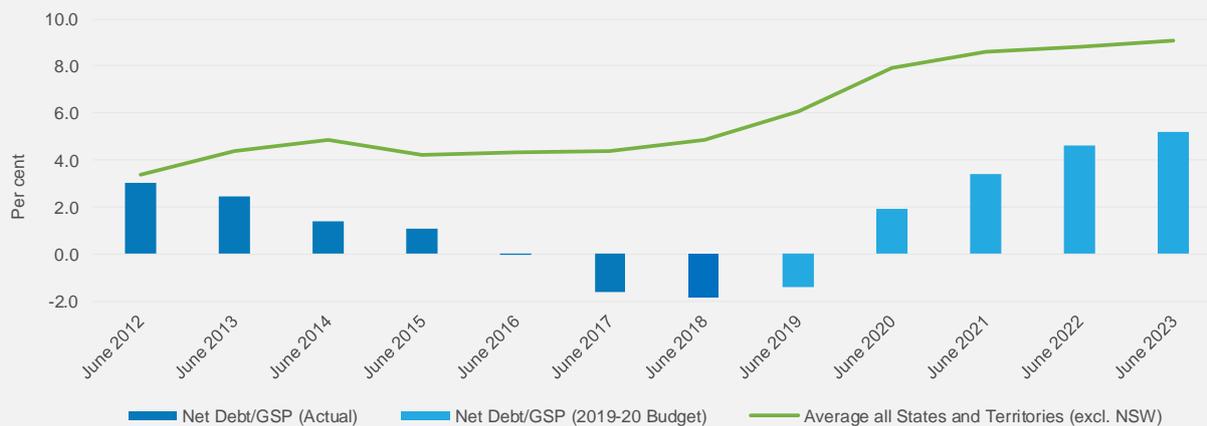
Net debt, which is a measure of the State's capacity to repay its debt immediately, is projected to be negative \$8.8 billion at June 2019. This will be the fourth consecutive year of negative net debt, having reached a record low of negative \$11.2 billion in June 2018. This negative net debt has been driven by the Government's successful asset recycling program and balance sheet reform, which has meant that over the past four years the Government has been able to minimise its reliance upon borrowings. New South Wales' net debt remains the lowest out of all States and Territories (see Box 3.3).

Box 3.3: New South Wales delivers low net debt relative to other jurisdictions

The Government is maintaining a sustainable level of debt consistent with a triple-A credit rating. The State is expected to deliver a fourth consecutive year of negative net debt with a June 2019 projection of negative 1.4 per cent of gross state product (GSP), lower than the average of all other State and Territories. This is projected to grow to 5.2 per cent of GSP by June 2023, as the State continues its transformative infrastructure investment.

Despite the projected increase in net debt to GSP over the forward estimates, New South Wales will remain well below the average of all other States and Territories at 9.1 per cent in June 2023 (see Chart 3.6 below).

Chart 3.6: Net debt to GSP: New South Wales vs other States and Territories^{(a)(b)}



(a) Source: most recent published State and Territory budget data.

(b) June 2023 excludes South Australia as latest published data is 2018-19 Mid-Year Budget Review.

4. REVENUE

- The Government's program of tax reductions is continuing, with further rounds of payroll tax cuts and transfer duty threshold indexation commencing in 2019-20.
- Total revenue for New South Wales in 2019-20 is estimated at \$84.3 billion, and \$354.0 billion in the four years to 2022-23.
- While individual revenue sources can be highly volatile, the State's diverse revenue base is expected to support average annual growth of 3.2 per cent in the four years to 2022-23.
- A forecast recovery of housing market transaction volumes, and a return to positive price growth during 2019-20, will support forecast annual growth of transfer duty averaging 5.2 per cent in the four years to 2022-23.
- Payroll tax is growing steadily, with average growth of 4.6 per cent forecast in the four years to 2022-23. This is underpinned by forecasts of robust employment and an increasing contribution from wage growth.
- The forecast for GST revenue (including 'no worse off' payments) has been reduced by \$290.0 million in 2018-19 and \$2.3 billion in the four years to 2021-22, with a significant reduction in the national GST pool.

4.1 A continuing program of tax reductions

The Government is continuing with its program of tax cuts, including implementing indexation of transfer duty thresholds and further reductions in payroll tax.

Indexing transfer duty thresholds to the Consumer Price Index

As announced in the 2018-19 Half-Yearly Review, from 1 July 2019 transfer duty thresholds will be indexed to the Sydney Consumer Price Index. This will gradually increase thresholds and over time, reduce the amount of transfer duty paid on property purchases. With the exception of the 2004 introduction of additional duty on residential properties valued over \$3 million, transfer duty brackets had not changed since 1986.

A new \$900,000 payroll tax threshold in 2019-20

As announced in the 2018-19 Budget, the payroll tax threshold will be increased progressively from its previous level of \$750,000 in 2017-18 to \$1.0 million in 2021-22. The threshold will be increased from its current level of \$850,000 in 2018-19 to \$900,000 in 2019-20, \$950,000 in 2020-21 and \$1.0 million in 2021-22. This year's increase in the payroll tax threshold will save New South Wales' businesses \$187.0 million and further threshold increases over the next two years will provide savings of \$571.0 million.

4.2 2019-20 Budget revenue measures

The 2019-20 Budget announces new tax reductions totalling \$66.0 million over the four years to 2022-23, including measures to provide drought assistance and relief from surcharge taxes for certain foreign retirees.

Table 4.1: New revenue measures

	2019-20	2020-21	2021-22	2022-23
	\$m	\$m	\$m	\$m
Foreign Investor Surcharge exemption for retirement visa holders	(4)	(4)	(4)	(4)
Drought Assistance Package 2019-20	(60)	...	...	...
Fee-free training	(4)	(7)	(7)	(8)
More Trains, More Services Stage 2	165	642	400	...
Fast Rail Network	93	105	46	51
More express trains for Western Sydney	3	4	60	...
Transfer of the Country Regional Network to RailCorp	64	77	80	73
Other measures	6	13	16	18
Total new measures	263	830	590	131

Foreign Investor Surcharge exemption for retirement visa holders

From 1 July 2019, holders of retirement visas (subclass 410 and 405) will be exempt from foreign investor surcharges on transfer duty and land tax for principal places of residence. This measure will better align the treatment of visa holders in New South Wales with other states. The exemption will reduce Foreign Investor Surcharge revenue by \$16.0 million over the four years to 2022-23.

Drought Assistance Package 2019-20

Additional drought relief will provide \$50.0 million for one-year relief from Local Land Services annual rates and \$10.0 million in Farm Innovation Fund loan interest relief in 2019-20.

Fee-free training

In fulfilling its election commitments, the Government will fund fee-free traineeships for young job seekers, and fee-free training and career advice to mature aged workers, reducing revenue from the sale of goods and services by \$25.5 million in the four years to 2022-23.

From 1 January 2020, 70,000 fee-free traineeships will be provided to young job seekers through Smart and Skilled Vocational Education and Training (VET) providers. The Government will also provide free TAFE qualifications and career counselling for up to 30,000 mature aged workers who are seeking to re-train or re-enter the workforce.

More Trains, More Services Stage 2

The Transport cluster will increase service capacity on the T4 Eastern Suburbs and Illawarra Line, T8 Airport Line and South Coast Line by 2021-22. This will increase fee for service revenue from RailCorp (under the Transport Asset Holding Entity) by \$1.2 billion over the three years to 2021-22.

Fast Rail Network

The Government will provide \$295.0 million in additional funding to start early works for the Fast Rail Network, increasing fee for service revenue from RailCorp to Transport for NSW.

More express trains for Western Sydney

This measure provides eight additional express train services on the T1 Western Line across morning and evening peak periods. As a result, fee for service revenue from RailCorp to Transport for NSW will increase by \$66.6 million over the three years to 2021-22.

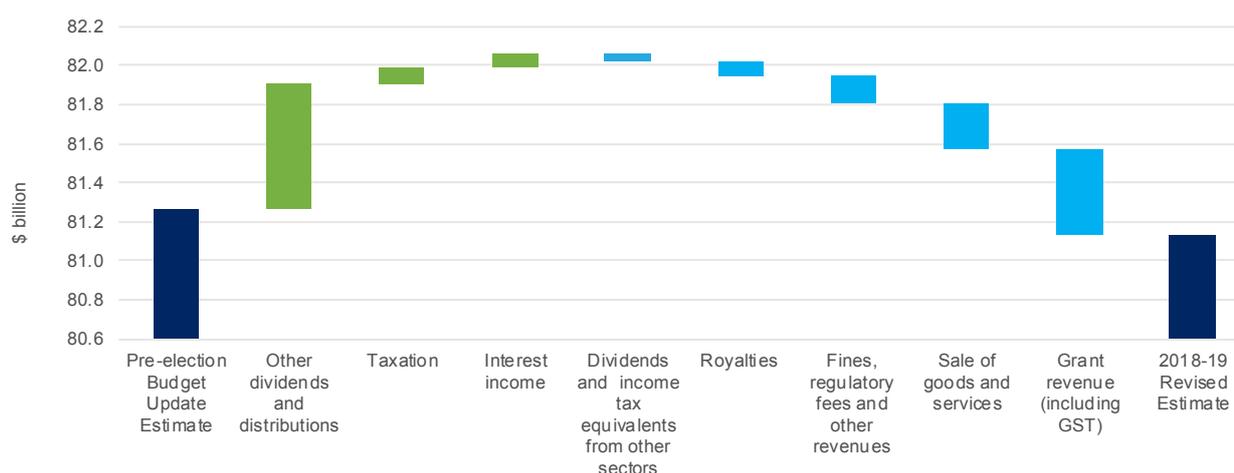
Transfer of the Country Regional Network to RailCorp

From 1 July 2019, the Country Regional Network will move from the general government sector under Transport for NSW to the public non-financial corporations sector under RailCorp. This will increase fee for service revenue by \$293.9 million over the four years to 2022-23.

4.3 General government revenue

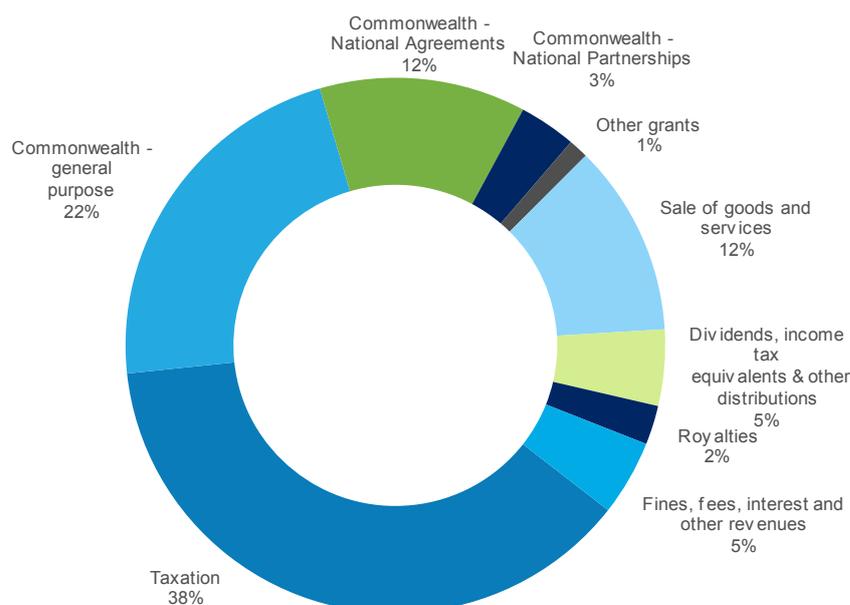
General government revenue is estimated to be \$81.1 billion in 2018-19, \$137.6 million lower than forecast in the 2019 Pre-election Budget Update (see Chart 4.1). The main drivers of change since the 2019 Pre-election Budget Update are an increase of \$639.0 million in other dividends and distributions, which is partially offset by a \$290.0 million downward revision in GST revenue and a \$173.0 million downward revision in transfer duty.

Chart 4.1: Changes in 2018-19 revenue – 2019 Pre-election Budget Update to 2019-20 Budget



Revenue is forecast to reach \$84.3 billion in 2019-20, \$3.2 billion higher than revenue in 2018-19. Taxation revenue will account for 37.8 per cent of this total, while Commonwealth grants, including GST, will provide 38.4 per cent (see Chart 4.2).

Chart 4.2: Composition of total revenue, 2019-20



General government revenue is expected to grow at an average annual rate of 3.2 per cent over the four years to 2022-23 (Table 4.2). Taxation revenue is forecast to grow by 4.1 per cent per annum on average over the four years to 2022-23, supported by a recovery in transfer duty. GST revenue is expected to grow at an average annual rate of 4.5 per cent over the four years to 2022-23.

Table 4.2: General government sector - summary of revenue

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	% Average growth p.a. 2018-19 to 2022-23
	Actual	Revised	Budget	Forward Estimates			
	\$m	\$m	\$m	\$m	\$m	\$m	
Revenue from transactions							
Taxation	31,326	31,263	31,841	33,876	35,296	36,665	4.1
Grant revenue (including GST)	31,860	31,857	33,003	34,260	35,953	37,635	4.3
Sale of goods and services	8,508	8,797	9,762	10,421	9,972	8,988	0.5
Interest income	558	531	333	322	288	272	(15.4)
Dividends and income tax equivalents from other sectors	1,578	1,921	1,877	1,359	796	779	(20.2)
Other dividends and distributions	2,114	1,796	2,001	2,002	2,203	2,351	7.0
Royalties	1,763	2,074	1,988	1,967	1,961	1,955	(1.5)
Fines, regulatory fees and other revenues	2,967	2,888	3,510	3,425	3,549	3,363	3.9
Total revenue	80,672	81,128	84,316	87,632	90,018	92,009	3.2

The increase in forecast revenue since the 2019 Pre-election Budget Update in the four years to 2021-22 is \$675.0 million (Table 4.3). Highlighting the volatility in individual revenue sources, significant revisions include:

- an upward revision of other dividends and distributions of \$1.8 billion in part due to strong fund performance in 2019, and changes to expected NSW Generations Fund and Social and Affordable Housing Fund distributions from applying the recently introduced Attribution Managed Investment Trust regime
- a downward revision to forecast GST revenue (including 'no worse off' payments) of \$2.3 billion, due to revisions of the GST pool

- a reduction in land tax of \$328.7 million, reflecting a decline in residential land values¹
- reduced transfer duty of \$232.2 million, as the downturn in residential property transactions in the first half of 2019 was slightly greater than expected¹
- reduced revenue from fines, fees and other revenue totalling \$955.6 million.

Table 4.3: Revenue reconciliation

	2018-19 Revised \$m	2019-20 Budget \$m	2020-21 Forward \$m	2021-22 Estimates \$m	Four year total \$m
Revenue - 2018-19 Budget	81,081	83,709	85,728	88,668	339,186
Policy measures	(79)	572	871	335	1,699
Parameter and other variations	741	(58)	262	227	1,172
Revenue - 2018-19 Half-Yearly Review	81,743	84,222	86,861	89,230	342,056
Parameter and other variations	(477)	233	247	360	363
Revenue - Pre-election Budget Update	81,266	84,455	87,108	89,590	342,419
<i>Policy changes since Pre-election Budget Update</i>					
New policy measures	...	263	830	590	1,683
<i>Parameter changes since Pre-election Budget Update</i>					
Taxation					
Transfer duty	(173)	(119)	(123)	185	(230)
Payroll tax	19	2	62	56	140
Land tax	6	(51)	(108)	(165)	(319)
Other taxes	232	(89)	44	46	233
Grant revenue					
GST	(290)	(521)	(712)	(835)	(2,358)
National Agreement payments	85	(40)	(80)	(116)	(152)
National Partnership payments	(220)	498	127	183	588
Other grant revenue	(22)	(83)	(18)	(12)	(135)
Sale of goods and services	(231)	(315)	238	231	(77)
Interest income	67	9	4	(0)	80
Dividends and income tax equivalents from other sectors	(39)	247	99	35	342
Other dividends and distributions	639	370	356	470	1,835
Royalties	(73)	(22)	34	61	...
Fines, regulatory fees and other revenues	(139)	(288)	(228)	(301)	(956)
Total changes since Pre-election Budget Update	(138)	(139)	524	428	675
Revenue 2019-20 Budget	81,128	84,316	87,632	90,018	343,094

¹ Includes both policy and parameter changes

4.4 Taxation revenue

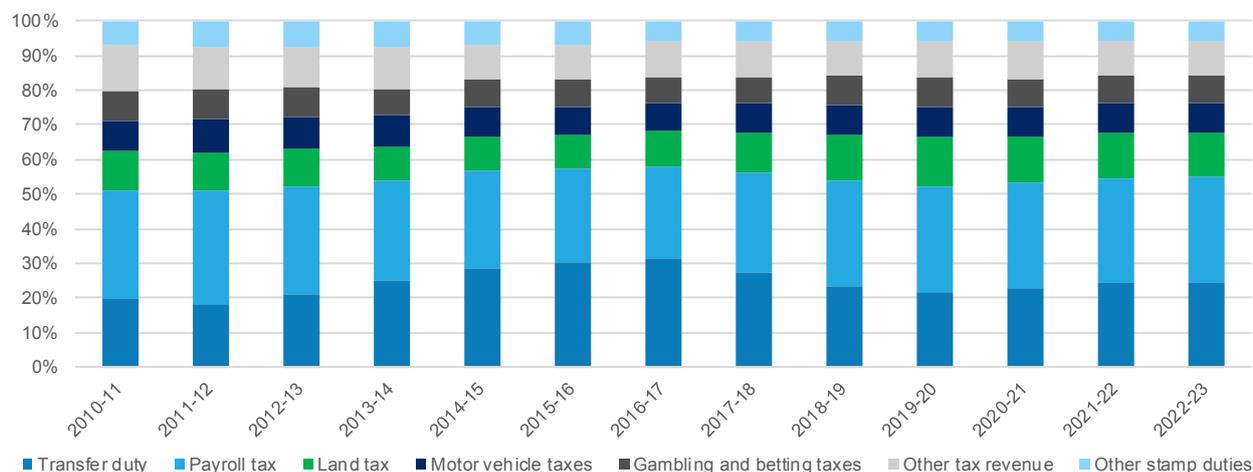
State taxation revenue is forecast to be \$31.8 billion in 2019-20 (see Table 4.4). Payroll tax is the largest single source of taxation revenue, accounting for 30.8 per cent in 2019-20 (see Chart 4.3), followed by transfer duty, which is forecast to account for 21.6 per cent. Taxation revenue growth is expected to average 4.1 per cent per annum in the four years to 2022-23.

Table 4.4: General government sector – summary of taxation revenue

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	% Average growth p.a. 2018-19 to 2022-23
	Actual	Revised	Budget	Forward Estimates			
	\$m	\$m	\$m	\$m	\$m	\$m	
Stamp duties							
Transfer duty	8,666	7,374	6,887	7,721	8,565	9,038	5.2
Insurance	983	1,013	1,061	1,125	1,166	1,216	4.7
Motor vehicles	834	790	807	818	844	871	2.5
Other	(1)	1	0	0	0	0	...
	10,482	9,178	8,755	9,664	10,575	11,126	4.9
Payroll tax	8,835	9,373	9,796	10,294	10,735	11,212	4.6
Land tax	3,735	4,225	4,538	4,606	4,556	4,578	2.0
Taxes on motor vehicle ownership and operation							
Weight tax	2,242	2,206	2,277	2,404	2,477	2,617	4.4
Vehicle registration and transfer fees	436	444	455	468	475	500	3.0
Other motor vehicle taxes	41	40	42	44	46	48	4.7
	2,719	2,690	2,774	2,916	2,998	3,165	4.1
Gambling and betting taxes							
Racing	112	128	167	154	165	178	8.5
Club gaming devices	779	781	800	824	851	878	3.0
Hotel gaming devices	793	863	898	943	991	1,044	4.9
Lotteries and lotto	356	458	470	492	514	537	4.0
Casino	294	371	281	295	273	286	(6.3)
Other gambling & betting	16	15	15	16	17	18	5.2
	2,350	2,616	2,631	2,723	2,810	2,939	3.0
Other taxes and levies							
Health insurance levy	204	210	214	218	224	231	2.4
Parking space levy	106	110	112	114	116	119	2.0
Emergency services levy contributions	794	785	895	1,094	1,016	1,004	6.3
Emergency services council contributions	124	142	175	162	160	162	3.3
Waste and environment levy	769	772	771	777	788	802	0.9
Government guarantee fee	287	300	336	357	395	443	10.3
Private transport operators levy	23	78	82	85	17	8	(43.9)
Pollution control licences	20	19	21	21	22	22	4.0
Other taxes	877	765	743	842	883	855	2.8
	3,204	3,181	3,347	3,671	3,621	3,645	3.5
Total taxation revenue	31,326	31,263	31,841	33,876	35,296	36,665	4.1
<i>Annual change</i>	1.7%	-0.2%	1.8%	6.4%	4.2%	3.9%	

The volatility of transfer duty revenue is a significant fiscal challenge for New South Wales. During the property market boom, transfer duty grew to be the State's largest tax, representing 31.4 per cent of tax revenue in 2016-17 (Chart 4.3). The decline in the property market over the past 18 months has seen forecast transfer duty fall to 21.6 per cent of tax revenue in 2019-20. Since the 2017-18 Budget, the four-year forecast for transfer duty has been reduced by \$10.6 billion.

Chart 4.3: Composition of taxation revenue



Transfer duty

Transfer duty revenue is expected to be \$7.4 billion in 2018-19, \$173.0 million lower than forecast at the 2019 Pre-election Budget Update. Excluding the WestConnex transaction, total transfer duty is expected to grow by 1.0 per cent in 2019-20, and at an average annual rate of 7.3 per cent in the four years to 2022-23. Downward revisions in the near term are largely a result of the residential property market. Upward revisions in the outer years of the forecast period incorporate higher forecasts for large non-residential transactions.

Residential transfer duty is expected to grow at an average annual rate of 8.8 per cent over the four years to 2022-23. This forecast is largely driven by the expected return to average transaction volumes. As interest rate cuts and relaxed credit restrictions flow through into increased lending, residential transaction volumes are forecast to rebound strongly from the middle of 2019 (see Chart 4.4). Price growth, however, is expected to be restrained during the forecast period, largely keeping pace with inflation.

Chart 4.4: Residential transaction volumes



Source: Revenue NSW, ABS 3101.0, NSW Treasury

Weakness in the residential property market has been partially offset by the non-residential property market. Setting aside the WestConnex transaction, revenue from transfers of commercial property is expected to grow at an average annual rate of around 4.0 per cent in the four years to 2022-23. The increased share of large commercial transactions during the forecast years is likely to increase volatility of transfer duty revenue.

Other stamp duties

Other stamp duties include insurance duty and motor vehicle registration duty. Revenue from other stamp duties is expected to reach \$1.8 billion in 2018-19 – an upward revision of \$46.2 million since the 2019 Pre-election Budget Update.

Insurance duty has been higher than expected in 2018-19, resulting in a \$33.0 million upward revision in expected revenue. A higher revenue base in 2018-19 contributes to an upward revision of \$82.0 million in the subsequent three years to 2021-22, which is partially offset by slightly lower forecasts for the underlying economic drivers.

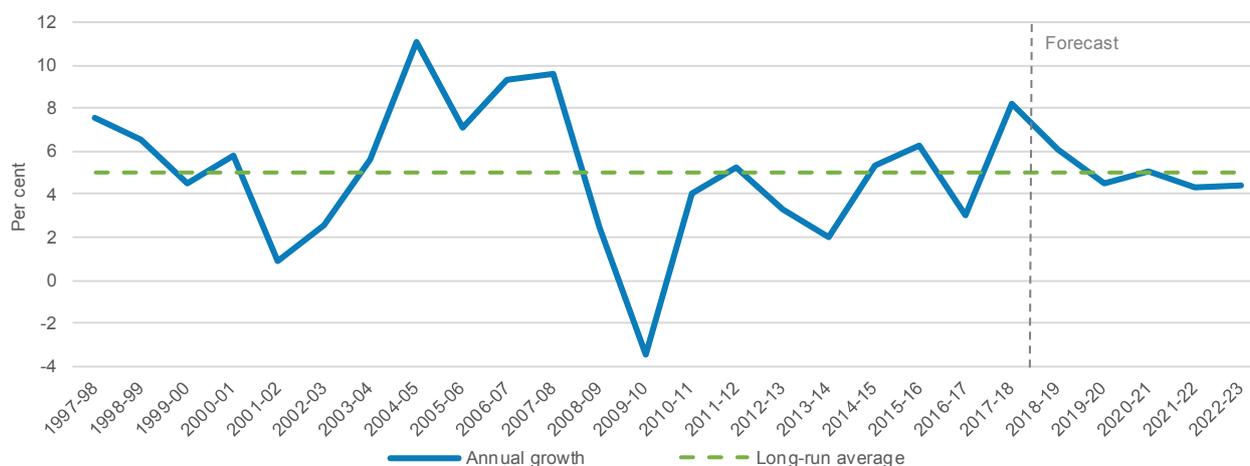
Motor vehicle registration duty in 2018-19 is expected to be \$12.0 million higher than forecast at the 2019 Pre-election Budget Update, reflecting slightly higher-than-expected growth of vehicle prices. Motor vehicle registration duty has been revised down by \$25.0 million over the three years to 2021-22 reflecting a revised outlook for new vehicle sales.

Payroll tax

Payroll tax is the State's largest source of taxation revenue. Payroll tax revenue in 2018-19 is expected to be \$9.4 billion, an upward revision of \$222.6 million since the 2018-19 Budget and \$19.3 million since the 2019 Pre-election Budget Update. Payroll tax revenue has been stronger than expected since the 2018-19 Budget due to higher-than-expected growth in employment, partially offset by weaker-than-expected growth of wages.

Payroll tax revenue of \$9.8 billion is forecast for 2019-20, growing by 4.5 per cent from 2018-19. Payroll tax revenue over the four years to 2022-23 is forecast to grow at an average annual rate of 4.6 per cent. This is slightly below the long-run average of 5.1 per cent (see Chart 4.5), reflecting increases in the tax-free threshold, which reduces the growth in payroll tax revenue. In 2019-20, the threshold will be \$900,000, increasing to \$1.0 million by 2021-22.

Chart 4.5: Payroll tax growth



Source: NSW Treasury

Box 4.1: Businesses to benefit from streamlined payroll tax system

In November 2018, the Government accepted all 12 recommendations to streamline and modernise the payroll tax system made by a NSW Productivity Commission Review of Payroll Tax Administration. The government has already made good progress in implementing the recommendations to boost business productivity. The changes, which will take effect from 1 July 2019, include:

- monthly returns will be replaced with a single annual return for businesses with payroll tax liabilities up to \$20,000 per annum
- pre-set monthly payments will be available for businesses with liabilities between \$20,000 and \$150,000 per annum, freeing them from the need to prepare detailed calculations every month
- all businesses will have an extra week to submit their annual reconciliation.

Revenue NSW is updating its systems and processes to implement the remaining Review recommendations, including improved materials to support a greater focus on early engagement and education, as well as improvements to its audit process. Through the Board of Treasurers and other relevant interjurisdictional forums, New South Wales is actively leading work to progress recommendations for greater harmonisation across jurisdictions, broadening the productivity benefits of the Review right across the nation.

Land tax

Land tax revenue is expected to be \$4.2 billion in 2018-19, in line with the 2019 Pre-election Budget Update. Forecast land tax has been reduced by \$334.9 million over the three years to 2021-22.

Residential land values are forecast to decline by 9.0 per cent in 2019, while commercial land values are forecast to rise by 2.0 per cent, reflecting movements in property prices.

Land tax is forecast to grow by 2.0 per cent in the four years to 2022-23.

Taxes on motor vehicle ownership and operation

Motor vehicle taxes are expected to be \$7.0 million higher in 2018-19 than at the 2019 Pre-election Budget Update.

Compared to the 2018-19 Budget, motor vehicle taxes are expected to be \$63.0 million lower in 2018-19, reflecting slower growth in the vehicle stock. Motor vehicle tax revenue is expected to grow by 4.1 per cent on average each year over the four years to 2022-23.

Gambling and betting taxes

Gambling tax revenue is expected to be \$2.6 billion in 2018-19, with an upward revision of \$83.9 million since the 2019 Pre-election Budget Update and \$168.7 million since the 2018-19 Budget. However, gambling tax revenue has been revised downwards by \$178.0 million over the three years to 2021-22 since the 2019 Pre-election Budget Update.

Casino revenue has been revised up by \$75.0 million in 2018-19 and down by \$202.4 million over the three years to 2021-22 since the 2019 Pre-election Budget Update. Lotteries revenue has been revised up by \$100.5 million since the 2019 Pre-election Budget Update over the four years to 2021-22, reflecting an unexpected increase in the number of high lottery jackpots and stronger expectations of growth in lotteries revenue.

Other taxes and levies

Other taxes and levies are expected to provide \$3.2 billion in 2018-19, growing at an average annual rate of 3.5 per cent in the four years to 2022-23. Revenue from the Emergency Services Levy (including insurer and council contributions) is forecast to be \$1.1 billion in 2019-20 and \$4.7 billion over the four years to 2022-23. The increase, relative to the 2018-19 Budget, is largely due to additional contributions to the workers compensation scheme to provide greater care and support for firefighters diagnosed with one of 12 prescribed cancers. This legislative change was approved by Parliament with support from across the major and minor parties and was included in the 2018-19 Half-Yearly Review and the 2019 Pre-election Budget Update.

Revenue from waste and environment levies is forecast to provide \$770.8 million in 2019-20 and \$3.1 billion over the four years to 2022-23, reflecting revised expectations for volume growth in leviable waste.

In 2019-20, Local Land Services annual rates have been revised down by \$50.0 million due to the decision to waive this payment as part of the 2019-20 Drought Relief Package.

4.5 Grant revenue

Grant revenue is comprised primarily of general purpose grants (including GST) and specific purpose revenues in the form of funding under National Agreements and National Partnerships. Total Commonwealth grant revenue is expected to grow by 3.5 per cent to \$32.4 billion in 2019-20 and by an average of 4.3 per cent per annum over the four years to 2022-23 (see Table 4.5).

Table 4.5: Grant revenue

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	% Average growth p.a. 2018-19 to 2022-23
	Actual	Revised	Budget	Forward Estimates			
	\$m	\$m	\$m	\$m	\$m	\$m	
Commonwealth - general purpose	17,955	17,888	18,685	19,789	20,953	21,981	5.3
GST revenue	17,911	17,835	18,684	19,789	20,926	21,288	4.5
Other general purpose grants	44	53	1	...	27	693	90.6
Commonwealth - National Agreements	9,844	10,130	10,431	11,046	11,679	12,360	5.1
Commonwealth - National Partnerships	3,129	2,848	2,888	2,359	2,263	2,204	(6.2)
Other Commonwealth payments	444	410	372	440	436	459	2.9
Total Commonwealth grants	31,372	31,275	32,376	33,635	35,331	37,004	4.3
<i>Annual change in Commonwealth grants</i>	<i>2.0%</i>	<i>-0.3%</i>	<i>3.5%</i>	<i>3.9%</i>	<i>5.0%</i>	<i>4.7%</i>	
Other grants	487	581	627	625	622	631	2.1
Total grant revenue	31,860	31,857	33,003	34,260	35,953	37,635	4.3

General purpose grants

Forecast New South Wales GST revenue (including 'no worse off' payments) has been reduced by \$2.3 billion over the four years to 2021-22 compared to the 2019 Pre-election Budget Update. Building on a significant downward revision to the GST pool in the Commonwealth's 2018-19 Mid-Year Economic and Fiscal Outlook (MYEFO), the Commonwealth's 2019-20 Budget further lowered forecasts of the national GST pool by \$8.3 billion over the four years to 2021-22. This included a reduction of \$1.8 billion in 2019-20.

GST revenue is estimated to be \$18.7 billion in 2019-20, 4.8 per cent higher than in 2018-19, with average growth of 4.5 per cent per annum over the four years to 2022-23 (see Table 4.6).

The GST pool is expected to grow at an average of 4.4 per cent per annum in the four years to 2022-23. Over the same period, New South Wales' relativity is forecast to rise, reflecting Western Australia's current strong royalty revenues as well as the recent downturn in the housing market, felt particularly in New South Wales and Victoria.

Downside risks to the national GST pool forecast include weaker household consumption and dwelling investment, and changes in the share of consumption subject to GST. The possibility of elevated iron ore prices beyond 2019 presents an upside risk for New South Wales' share of GST. The potential significance of these risks is considered further in *Appendix B: Fiscal Risks and Budget Sensitivities*.

Table 4.6: GST revenues to New South Wales – reconciliation statement^(a)

	2018-19 Revised	2019-20 Budget	2020-21 Forward Estimates	2021-22 Forward Estimates	Four year total
	\$m	\$m	\$m	\$m	\$m
2018-19 Budget	18,405	18,849	19,681	20,457	77,392
Change due to:					
2017-18 adjustment	(102)	...	...	...	(102)
Change in population	11	17	...	7	35
Change in pool	(189)	(211)	(244)	(66)	(710)
Change in relativities	...	550	1,064	1,362	2,977
Pre-election Budget Update	18,125	19,205	20,501	21,761	79,592
Change due to:					
Change in population	(18)	(17)	(11)	2	(44)
Change in pool	(272)	(504)	(731)	(817)	(2,324)
Change in relativities	...	...	30	(20)	10
'No worse off' payments	...	...	...	27	27
2019-20 Budget	17,835	18,684	19,789	20,953	77,261
Change since 2018-19 Budget	(570)	(165)	108	496	(131)

(a) The Commonwealth Government will provide separate untied grants between 2021-22 to 2026-27 to ensure states and territories are financially no worse off under changes to the Horizontal Fiscal Equalisation system ('no worse off' payments). These payments are not part of the GST pool and are counted as other general purpose grant revenue.

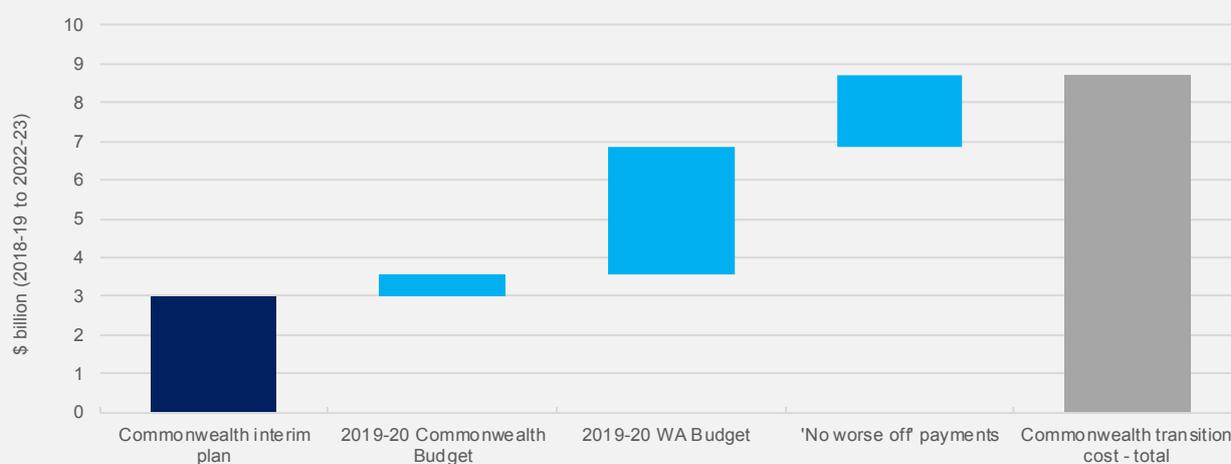
Box 4.2: Transitional costs for the new Horizontal Fiscal Equalisation (HFE) scheme are growing rapidly

The Commonwealth Government legislated changes to HFE in late 2018 as a response to the Productivity Commission inquiry into HFE (the PC inquiry). The changes included a new HFE benchmark and a transition plan to 2026-27.

New South Wales estimates the new HFE system will cost the Commonwealth \$8.7 billion in the four years to 2022-23. This is \$5.7 billion higher than the Commonwealth estimated in its interim response to the PC inquiry in July 2018 (see Chart 4.6).

Western Australia is projected to receive \$7.7 billion in total from 2019-20 to 2022-23 including \$4.7 billion to support a Commonwealth-funded 0.70 relativity floor. Payments to Western Australia are now expected to be \$5.3 billion higher than the Commonwealth had estimated in its interim response to the PC inquiry.

Chart 4.6: Commonwealth HFE transition costs



The increase in total HFE scheme costs reflects Western Australia's current strong royalty revenues and the Commonwealth Grants Commission's recent assessment that Western Australia's relative wage pressures had decreased substantially. In addition, recent housing market downturns concentrated in New South Wales and Victoria have also increased their relativities – resulting in higher 'no worse off' payments.

New South Wales led efforts through the Board of Treasurers to secure a legislated 'no worse off' guarantee from the Commonwealth.

The Commonwealth's 'no worse off' guarantee is in place over a six-year period to 2026-27. Based on New South Wales projections, the Commonwealth will provide \$1.9 billion nationally and \$720.0 million to New South Wales in 'no worse off' payments in 2021-22 and 2022-23.

State Treasurers will continue to work together to ensure the Commonwealth's 'no worse off' guarantee is upheld. This includes New South Wales leading on measures through the Board of Treasurers to ensure overall Commonwealth tied funding is not reduced. However, there is a risk to New South Wales' revenue if the Commonwealth does not meet its legislated obligations to ensure states are no worse off as a result of the scheme.

Western Australia's 2019-20 Budget demonstrates how the Commonwealth's new HFE arrangements delivers Western Australia a significant windfall and competitive advantage. Western Australia will now return to surplus in 2018-19, assisted by a \$434.0 million prepayment of the Commonwealth funded 0.70 relativity floor. Western Australia can also spend more on services and provide a lower tax burden than other states.

According to Western Australia's 2019-20 Budget, the projected \$5.0 billion in Commonwealth GST top up payments to 2021-22 will fund debt reduction and also deliver Western Australia's lowest increase in household tariffs, fees and charges since 2006-07. Western Australia is also now planning to increase targeted investments in key services and job creating initiatives.

National Agreements

National Agreements provide ongoing payments for specific purposes from the Commonwealth to the states.

Revenue from National Agreements is forecast to total \$10.4 billion in 2019-20, an increase of 3.0 per cent on 2018-19. This growth will rise to an average annual rate of 5.1 per cent over the four years to 2022-23. Table 4.7 summarises National Agreement payments by key service delivery area.

Since the 2019 Pre-election Budget Update, revenue from National Agreements has fallen by \$127.9 million over the four years to 2021-22. This is primarily due to amendments to health activity level assumptions.

Table 4.7: National Agreement payments to New South Wales

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	% Average growth p.a. 2018-19 to 2022-23
	Actual \$m	Revised \$m	Budget \$m	Forward Estimates \$m			
Health	6,068	6,741	6,854	7,269	7,704	8,166	4.9
Education	2,270	2,429	2,601	2,784	2,972	3,175	6.9
Skills and workforce development	577	485	492	500	508	517	1.6
Affordable housing	434	476	484	493	494	502	1.3
Disability	494	(0)	...	...	...	...	...
Total National Agreements	9,844	10,130	10,431	11,046	11,679	12,360	5.1

National Partnerships

The Commonwealth provides National Partnership payments to support specified projects, ongoing service delivery or service delivery improvements.

New South Wales revenue from National Partnerships is expected to be \$2.9 billion in 2019-20, and is expected to fall by 6.2 per cent per annum on average over the four years to 2022-23. This is primarily due to the DisabilityCare Australia Fund payment profile and the expiry of some National Partnerships during this period.

Transport infrastructure revenue comprises the largest component of total National Partnership revenues, with \$1.7 billion expected in 2019-20 and \$6.1 billion over the four years to 2022-23 (see Table 4.8).

Table 4.8: National Partnership payments to New South Wales^(a)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	% Average growth p.a. 2018-19 to 2022-23
	Actual \$m	Revised \$m	Budget \$m	Forward Estimates \$m			
Transport ^(b)	2,415	1,700	1,739	1,358	1,353	1,632	(1.0)
Education and skills	146	224	206	148	88	...	(100.0)
Disability	186	547	607	618	630	350	(10.6)
Health	127	146	109	61	54	98	(9.5)
Housing	30	...	...	...	...	...	...
Environment	127	99	76	86	50	36	(22.4)
Other	97	131	151	88	89	89	(9.3)
Total National Partnership payments	3,129	2,848	2,888	2,359	2,263	2,204	(6.2)

(a) The implementation of AASB 15 and 1058 from 2019-20 onwards means it is not possible to compare infrastructure grants with prior years.

(b) Includes Asset Recycling Initiative payments.

Changes to accounting standards affect National Partnership infrastructure grant revenues from 1 July 2019 (see Box 4.3 below).

Since the 2019 Pre-election Budget Update, Commonwealth transport grants have increased by \$343.1 million over the four years to 2021-22, primarily due to changes in the accounting standards, additional funding for Urban Congestion Fund projects and other roads funding announced in the Commonwealth's 2019-20 Budget.

National Partnership infrastructure funding provided in the Commonwealth 2019-20 Budget continues New South Wales' funding disadvantage on a per capita basis relative to other states. For example, Queensland is expected to receive more than double New South Wales average per capita allocation of Commonwealth infrastructure funding over the four years from 2018-19.

Since the 2019 Pre-election Budget Update, an additional \$97.8 million over the four years to 2021-22 has been provided for Stage 1 of the Sustainable Diversion Limits Adjustment Supply and Constraints Measures in the Murray-Darling Basin. The funding profile of the Project Agreement for Small Business Regulatory Reform has also been adjusted to reflect receipt of \$56.9 million from the Commonwealth in 2019-20 rather than 2018-19.

The Commonwealth 2019-20 Budget provided one-year extensions to the National Partnership on Public Dental Services for Adults to 2019-20 and the National Partnership on Universal Access to Early Childhood Education to the end of the 2020 calendar year. These extensions deliver additional funding of \$135.4 million to 2020-21. The ad hoc rolling nature of these agreements highlights the need for greater funding certainty and sustainability in areas of national priority and ongoing service delivery by states in partnership with the Commonwealth.

Box 4.3: Budget impacts from the new revenue accounting standards

From 1 July 2019, two new accounting standards affecting revenue will apply:

AASB 15 Revenue from Contracts with Customers and *AASB 1058 Income of Not-For-Profit Entities*.

AASB 15 and AASB 1058 change the timing of the recognition of revenue to be aligned with the completion of the related performance obligations of the State. This means the payment profile is adjusted regarding Commonwealth tied grants to New South Wales under some infrastructure related National Partnership Agreements. A small component of this impact also applies to long-term licences issued by the State.

The impact on revenue varies across each year of the budget and forward estimates (see Table 4.9 below).

Table 4.9: *Impact of AASB 15 and AASB 1058 on general government sector revenue*

	2018-19 ^(a)	2019-20	2020-21	2021-22	2022-23
	Revised	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m	\$m
Total revenue (before impact of AASB 15/1058)	81,128	84,168	87,799	89,810	92,065
Impact of AASB 15 and AASB 1058	...	148	(167)	208	(56)
Total revenue at 2019-20 Budget	81,128	84,316	87,632	90,018	92,009

(a) The 2018-19 revised estimate is not affected as the new accounting standards are effective from 1 July 2019.

For a full reconciliation of the impact of all new accounting standards applying from 1 July 2019 reflected in the 2019-20 Budget, see Table A2.5 in Appendix A2 *Statement of Significant Accounting Policies and Forecast Assumptions*.

Other Commonwealth payments

Other Commonwealth payments are forecast to be \$409.9 million in 2018-19. This represents an \$18.9 million downgrade in revenue since the 2019 Pre-election Budget Update. Over the three years to 2021-22, other Commonwealth payments have been revised down by \$74.2 million. Downward revisions over the three years mainly reflect revised expectations for Commonwealth funding to the Ministry of Health.

Other grants

Other grants are expected to provide \$581.1 million in 2018-19 and grow by 2.1 per cent over the four years to 2022-23. This forecast is broadly unchanged relative to the 2019 Pre-election Budget Update.

4.6 Other revenues

Sale of goods and services

Sale of goods and services is expected to generate revenue of \$8.8 billion in 2018-19, and is forecast to grow by 0.5 per cent in the four years to 2022-23.

In 2018-19, sale of goods and services revenue has been revised down by \$230.6 million compared to the 2019 Pre-election Budget Update. This is due to lower fee for service revenue associated with the transfer of North West Metro assets from RailCorp to Sydney Metro and lower revenue to Infrastructure NSW associated with offsetting reductions in spending on Walsh Bay Precinct and Western Sydney Stadium projects. This is partially offset by stronger revenue associated with the Highly Specialised Drugs arrangements, under which the Commonwealth provides funding for specialised medicines prescribed by public hospitals.

Over the three years to 2021-22, upward revisions to sale of goods and services revenue include higher revenue from the highly specialised drugs arrangements. Passenger revenue is also higher in the three years to 2021-22 due to recognition of Newcastle and Inner West bus services farebox revenue resulting from new accounting standard AASB 15 *Revenue*. This is partially offset by a reduction in Property NSW rental income due to the new accounting standard AASB 16 *Leases*.

Fee for service revenue has been revised up by \$2.0 billion since the 2019 Pre-election Budget Update over the three years to 2021-22 driven by the approval of \$1.2 billion for More Trains, More Services Stage 2, which will deliver increased rail services and more resilient infrastructure. Work on the proposed fast rail network will also increase fee for service revenue, paid by Railcorp to Transport for NSW, over the three years to 2021-22.

Table 4.10: Sale of goods and services

	2017-18 Actual \$m	2018-19 Revised \$m	2019-20 Budget \$m	2020-21 \$m	2021-22 Forward Estimates \$m	2022-23 \$m
Rents and leases	258	255	224	233	236	244
Fee for service	2,010	2,539	3,557	4,141	3,475	2,440
Entry fees	63	64	48	54	57	58
Patient fees and hospital charges	1,064	1,125	1,170	1,211	1,253	1,298
Department of Veterans' Affairs	299	240	200	188	177	166
Court fees	130	135	138	132	132	132
Road tolls	166	157	160	162	163	164
Other sales of goods and services	4,518	4,283	4,265	4,301	4,480	4,486
Sale of goods and services	8,508	8,797	9,762	10,421	9,972	8,988

Interest income

Interest income includes returns on managed bond investments, including investments made by TCorp, and interest earned on bank deposits, and is expected to be \$531.0 million in 2018-19. Forecast increases in 2018-19 are primarily due to higher investments in TCorpIM Funds.

Dividends and income tax equivalents

State-owned corporations pay dividends that provide a commercially appropriate return on government investment. These dividends support investment in essential government services.

Dividends and income tax equivalents have been revised down by \$38.7 million in 2018-19 since the 2019 Pre-election Budget Update. This is driven by lower distributions from Landcom due to delayed sales settlements and slowing land sales. In addition, dividends from Sydney Water in 2018-19 will be lower due to the impact of drought-driven costs including the costs of desalination, and conservation and maintenance expenses.

Dividends and income tax equivalents are expected to be \$380.8 million higher over the three years to 2021-22 since the 2019 Pre-election Budget Update. The most important contributor to this change is an increased dividend in 2019-20 as part of a capital restructuring that allows TCorp to return previously retained earnings to government.

Other dividends and distributions

Other dividends and distributions are received from entities other than State Owned Corporations and are expected to be \$1.8 billion in 2018-19. Since the 2019 Pre-election Budget Update revenue from other dividends and distributions has been revised up by \$639.0 million in 2018-19 and \$1.2 billion over the three years to 2021-22.

The upward revision in 2018-19 reflects a rebound in financial markets since the start of 2019, resulting in higher distributions from the Government's investment funds. Upward revisions beyond 2018-19 are due to the application of the recently introduced Attribution Managed Investment Trust (AMIT) regime changing the reported expected distributions for the NSW Generations Fund and the Social and Affordable Housing Fund. This has been partially offset by a reduction in forecast distributions from the Government's retained interests in Ausgrid and Endeavour, attributable to the Australian Energy Regulator's recent determination of regulated revenues from each business for the 2019-2024 period.

Royalties

Changes in the forecasts for mineral royalties since the 2019 Pre-election Budget Update reflect the offsetting influence of two forces. Lower expectations for the exchange rate will increase the expected Australian dollar value of royalty revenue, while lower export prices for coal are expected to lower revenue. In 2018-19, the effect of lower coal prices is expected to dominate, lowering revenue by \$73.0 million since the 2019 Pre-election Budget Update. In the three years to 2021-22, a lower exchange rate is expected to dominate.

Lower expectations for coal prices reflect the influence of various factors, including increased domestic production and reduced import demand in China, competition from Russian coal in key markets of South Korea and China, and cheaper LNG prices leading to substitution away from coal by some electricity generators. Export volumes and domestic sales are expected to be largely unchanged during the forecast period.

Fines, regulatory fees, licences and other revenue

Total revenue from fines, regulatory fees, licences and other revenue is expected to be \$2.9 billion for 2018-19 and is forecast to grow at an average annual rate of 3.9 per cent over the four years to 2022-23.

Fines revenue will be \$646.8 million in 2018-19, an \$88.0 million downward revision since the 2019 Pre-election Budget Update, largely reflecting lower-than-expected motor traffic fines.

Revenue from regulatory fees has been revised down over the four years to 2021-22 due to lower-than-expected electoral fines, and lower Special Infrastructure Contributions (SIC) reflecting changed timing for the declaration of new SIC areas.

Other revenues are forecast to grow at an average annual rate of 2.6 per cent over the four years to 2022-23. The greatest contribution to this growth arises from the accounting recognition of non-cash revenue received in 2022-23 relating to the NorthConnex and WestConnex motorways.

Table 4.11: Fines, regulatory fees, licences and other revenues

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Revised	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m	\$m	\$m
Fines	648	647	810	812	848	868
Regulatory fees	159	122	174	177	181	192
Licences	204	235	245	266	213	218
Other revenues	1,955	1,885	2,281	2,170	2,307	2,085
Total fines, regulatory fees, licences and other revenues	2,967	2,888	3,510	3,425	3,549	3,363

5. EXPENDITURE

- The 2019-20 Budget is delivering on the Government's election commitments.
- This Budget also includes additional investment across regional New South Wales to support drought-affected communities and deliver state-building infrastructure through the Snowy Hydro Legacy Fund.
- The 2019-20 Budget prioritises investment in frontline service areas, delivering an additional 8,300 frontline health staff, including nurses, midwives, doctors and allied health workers, 4,600 public school teachers, as well as 1,500 police.
- The Government is continuing to invest record levels in infrastructure, with \$93.0 billion committed over the budget and forward estimates (including \$71.7 billion within the general government sector). The infrastructure program will provide new and upgraded schools and hospitals, more TAFE campuses, more Service NSW service centres and improved roads and public transport infrastructure.
- As part of the Government's ongoing disciplined fiscal management, and to align with machinery of government changes, this Budget includes new savings and reform measures of \$3.2 billion over four years to 2022-23 to support streamlined service delivery and strengthen the State's fiscal position. As a result, expenses are forecast to grow at 2.7 per cent per annum on average over the budget and forward estimates. This is lower than the average annual revenue growth rate of 3.2 per cent.

5.1 General government recurrent expenses

The 2019-20 Budget maintains the Government's commitment to fiscal discipline and responsible expenditure management. This fiscal discipline has enabled the Government to deliver on its election commitments, provide drought relief to regional New South Wales (see Box 5.1) and invest in a range of other priority areas.

The Government's election commitments provide high-quality services, reduce cost of living pressures and deliver transformative infrastructure across New South Wales. The Government is also undertaking a range of public sector reforms and reviews to drive more streamlined and effective service delivery and strengthen the fiscal position of the State.

General government sector (GGS) recurrent expenses in 2018-19 are expected to be \$80.3 billion¹, which is \$0.7 billion higher than forecast at the 2018-19 Budget. This increase is due to expenditure on new policy proposals, including the Emergency Drought Relief Package and investment to better support and protect New South Wales firefighters following amendments to workers compensation legislation. Also contributing to the increase are higher expenses associated with actuarial revaluations of long service leave and insurance claim liabilities, and depreciation expenses related to asset revaluations and the transfer of transport assets into the GGS. These increases are partially offset by the reprofiling of grants to local councils for infrastructure projects, to align with the revised service delivery schedules as advised by councils.

¹ GGS recurrent expenses include the costs of delivering services such as education, health, public transport and other frontline services. Recurrent expenses include salaries and wages, grants and subsidies, depreciation, and other operating expenses.

Expenses in 2019-20 are forecast to be \$83.3 billion, which is 3.7 per cent higher than 2018-19. The increase is primarily due to new investments, including the Government's election commitments, the implementation of accounting standards changes, and higher depreciation expenses associated with the record infrastructure program.

Annual expense growth in 2018-19 and over the budget and forward estimates is expected to remain below long-term average revenue growth of 5.6 per cent. This is consistent with the Government's commitments outlined in the *Fiscal Responsibility Act 2012 (FRA)*.

Box 5.1: Providing drought relief to regional communities

The Government is using its fiscal position to deliver to those communities in need. A budget in surplus allows the Government to respond to drought conditions. This Budget commits almost \$800 million for drought assistance, including a package of drought relief measures to reduce cost of living pressures. New initiatives in this package include:

- \$70.0 million to continue to rebate transport costs for fodder, stock and water, up to a cap of \$40,000 in 2019-20 per farming enterprise
- \$50.0 million to provide one-year relief from Local Land Services annual rates
- \$30.0 million to waive the fixed charge component for NSW Water License holders
- \$15.0 million for emergency water carting and work to secure town and household water supplies
- \$10.0 million to remove interest payments on Farm Innovation Fund loans in 2019-20.

In addition, this Budget continues existing drought programs, including:

- \$8.3 million to improve access to and delivery of mental health services
- \$7.0 million for exemptions from registration fees for agricultural vehicles
- \$5.2 million to support preschool children and their families facing hardship.

The Government is also providing infrastructure to drought affected communities, including establishing a reservation of \$170.0 million for the Drought Infrastructure Package and injecting an additional \$350.0 million into the Farm Innovation Fund, taking the total available in the Fund to \$1.0 billion. For further information on infrastructure initiatives aimed at supporting drought affected communities, see Box 2.9 in Budget Paper No. 2 *Infrastructure Statement*.

Table 5.1 provides a reconciliation of the variations in expenses between the 2018-19 and 2019-20 Budgets.

Table 5.1: Expense reconciliation since the 2018-19 Budget

	2018-19 Revised	2019-20 Budget	2020-21	2021-22	2022-23
	\$m	\$m	\$m	\$m	\$m
Expenses – 2018-19 Budget	79,656	82,181	84,316	86,814	n.a.
Policy measures	454	688	919	802	n.a.
Parameter and other budget variations	310	443	424	357	n.a.
Expenses – 2019 Pre-election Budget Update	80,419	83,312	85,659	87,974	n.a.
Election commitments ^(a)	(8)	301	496	490	523
Other policy measures	(3)	455	527	264	(151)
Parameter and other budget variations	(83)	(464)	538	244	n.a.
Reforms, savings and offsets	...	(304)	(816)	(956)	(1,109)
Expenses – 2019-20 Budget	80,326	83,300	86,405	88,016	89,410

(a) *Reducing Procurement Spending, Saving Taxpayer Dollars* election commitment is included under reforms, savings and offsets.

Expenses have increased by \$0.7 billion between the 2019 Pre-election Budget Update and the 2019-20 Budget from 2018-19 to 2021-22. Over the four years to 2022-23, changes to expenses are primarily due to:

- \$1.8 billion to deliver the Government's election commitments. These include investments to repair regional roads and bridges, reduce the cost of travel for seniors living in regional communities, and provide grants to local councils and non-government organisations across New South Wales to support local communities, tourism and sporting organisations
- \$1.1 billion in other new policy proposals, including providing drought relief to farmers and regional communities, and further expenditure on infrastructure as part of the More Trains, More Services Program², to provide increased services to the Illawarra and the South Coast, as well as the Airport Line
- parameter and other budget variations associated with the implementation of new accounting standards, actuarial adjustments, and the reprofiling of expenditure to align with updated program delivery schedules
- \$3.2 billion in reform, savings and offset measures, which help manage expense growth and provide a buffer to revenue volatility (see Box 5.2).

² This measure also has associated revenue impacts.

Continuing fiscal discipline through budget reform

Delivering services as effectively as possible is at the core of the Government's agenda, as it ensures value for money in the use of NSW taxpayer dollars. This is demonstrated in the 2019-20 Budget through the inclusion of a range of savings, reform, and offset measures totalling \$3.2 billion over the budget and forward estimates. As a result, expenses are expected to grow by an average of 2.7 per cent per annum over the four years to 2022-23, which is lower than forecast average annual revenue growth and is in line with the Government's commitments under the FRA. Box 5.2 provides further details on these savings and reform measures.

Box 5.2: Budget reform to drive more efficient spending

The savings and reform measures in this Budget address immediate fiscal pressures, enabling the Government to deliver its election promises while continuing to grow frontline services. This approach reflects the Government's commitment to manage expenditure growth sustainably in the face of economic volatility.

Savings and budget reform measures in the 2019-20 Budget include:

- whole-of-government administrative and procurement savings of \$731.4 million across the budget and forward estimates for the *Reducing Procurement Spending, Saving Taxpayer Dollars* election commitment. This election commitment targets back-office savings, including reducing expenditure on advertising, travel, consultants, procurement, IT, legal services, and public service senior executives
- \$2.5 billion other savings, reform, and offset measures, in line with machinery of government changes to streamline the public service. This includes a reduction in employee and contractor expenditure across the GGS, including reductions in back-office employee numbers, lower expenditure on the contingent workforce, and the abolition of public service senior executive discretionary pay
- consolidating the public service from 10 to 8 clusters and amalgamating agencies. These changes support the savings outlined above, by reducing duplication and realigning the public service so it can more effectively provide services to the people of New South Wales
- extended and long service leave policy reform, to reduce the rate of leave accrued for public sector employees who commence after 1 July 2019. After 10 years of service, new employees' accruals will be reduced from five to three months for each subsequent period of 10 years' service. This long-term reform, which applies to new employees only, will generate savings outside the budget and forward estimates and better aligns the entitlement with other jurisdictions, including the Victorian, Queensland and Commonwealth public service
- establishing the Digital Restart Fund, with seed funding of \$100.0 million over the next two years, to fund a whole-of-government digital transformation that will enhance customer experiences. This transformation will include promoting the adoption of common platforms across government to remove duplication and increase efficiency
- initiating targeted outcome and expenditure reviews across a range of clusters and developing cluster outcome and business plans. These reviews will promote evidence-informed decision making and improve outcomes for the people of New South Wales.

Table 5.2 outlines the reform, savings and offset measures implemented in this Budget. These measures reduce expenditure by \$3.2 billion over the budget and forward estimates and are pivotal to the Government's effective management of expense growth and delivering budget surpluses.

Table 5.2: Reform, savings and offset measures

	2018-19 Revised	2019-20 Budget	2020-21 Forward estimates	2021-22 Forward estimates	2022-23 Forward estimates	Total
	\$m	\$m	\$m	\$m	\$m	\$m
Reducing Procurement Spending, Saving Taxpayer Dollars	...	122	176	206	227	731
Other reform, savings and offset measures	...	183	639	750	882	2,454
Long service leave reforms ^(a)
Total reform, savings and offset measures	...	304	816	956	1,109	3,185

(a) The long service leave savings reform measure will generate savings to the budget beyond the four years to 2022-23.

New policy measures

The Government is delivering on its election commitments in the 2019-20 Budget, with additional expenditure of \$1.8 billion committed over the budget and forward estimates. This includes providing world-class hospitals, schools and public transport, as well as more and better services to regional New South Wales.

These new policy measures will improve outcomes for citizens across New South Wales, including:

- improving health care outcomes by providing more nurses, doctors and other frontline health workers, and delivering new and upgraded hospitals
- more teachers, additional education support services, and new and upgraded schools, to ensure children get the best start in life
- accessible, safe and reliable public transport
- investing in people by building skills across the workforce, including free courses for job-seekers taking on traineeships and free TAFE places for mature-aged workers
- continuing investment in regional communities (see Box 5.3)
- supporting drought affected communities in regional New South Wales (see Box 5.1)
- easing cost of living pressures on families and individuals
- protecting and supporting vulnerable members of the community
- preserving our environmental heritage
- providing more police to protect New South Wales communities.

Further information on election commitments is provided in the accompanying *Election Commitments* publication.

Box 5.3: Investing in regional communities through the Snowy Hydro Legacy Fund

The Snowy Hydro Legacy Fund was established in June 2018 to enable \$4.2 billion in proceeds from the State's share of the sale of Snowy Hydro to be spent on state-building infrastructure across regional New South Wales.

This Budget includes new funding to progress priority areas, including:

- \$400.0 million over four years for the Regional Digital Connectivity program³, which will provide mobile black spot towers and data centres to improve internet connectivity, speeds and reliability in the State's regions
- \$20.0 million in 2019-20 to investigate and plan for further Special Activation Precincts
- \$3.0 million in 2019-20 to progress sites identified in the International Air Freight Pre-Feasibility Study, which is investigating options for improved international air freight connectivity in regional New South Wales.

The 2018-19 Budget also provided \$40.0 million for scoping studies. These studies are investigating improved water security in priority catchments, and faster and better rail projects, and are progressing regional New South Wales' first Special Activation Precinct around the Parkes National Logistic Hub.

The Government has also committed \$32.0 million over three years to develop a business case to upgrade the Wyangala Dam.

Parameter and other budget variations

Parameter and other budget variations are the result of changes to the cost and timing of service delivery that are largely outside Government control. These include changes to economic conditions, growth in population or demand, variations to Commonwealth Government grants, accounting and technical adjustments (including accounting standard changes), and actuarial variations.

Major parameter and other budget variations that increase expenses across the budget and forward estimates, relative to the 2019 Pre-election Budget Update, include:

- \$359.8 million for the continued delivery of bus services in Newcastle and some areas of Sydney⁴
- \$286.5 million associated with the implementation of new accounting standards for AASB 16 *Leases*
- depreciation and amortisation expenses associated with the Government's infrastructure program, including \$222.3 million related to the delivery of schools and ICT works within the Education cluster, and \$52.0 million for the transfer of State Transit Authority assets into the GGS
- \$262.4 million increased expenditure for high cost drugs, which is offset by revenue from the Commonwealth Government
- \$168.1 million related to changes to long service leave actuarial assumptions
- additional expenses associated with the reprofiling of expenditure across the budget and forward estimates, to better align with planned service and project delivery schedules.

The above parameter and other budget variations are partially offset by a decrease in defined benefit superannuation costs of \$1.1 billion over the budget and forward estimates, largely due to lower interest rates used to calculate the interest expense on superannuation liabilities.

³ This Budget includes an additional \$118.8 million in recurrent expenditure for this program, funded outside the Snowy Hydro Legacy Fund.

⁴ The expenditure for this measure is offset by a corresponding increase in revenue.

Trends and outlook – expenses

This section summarises GGS expenses by major operating statement category, as outlined in Table 5.3.

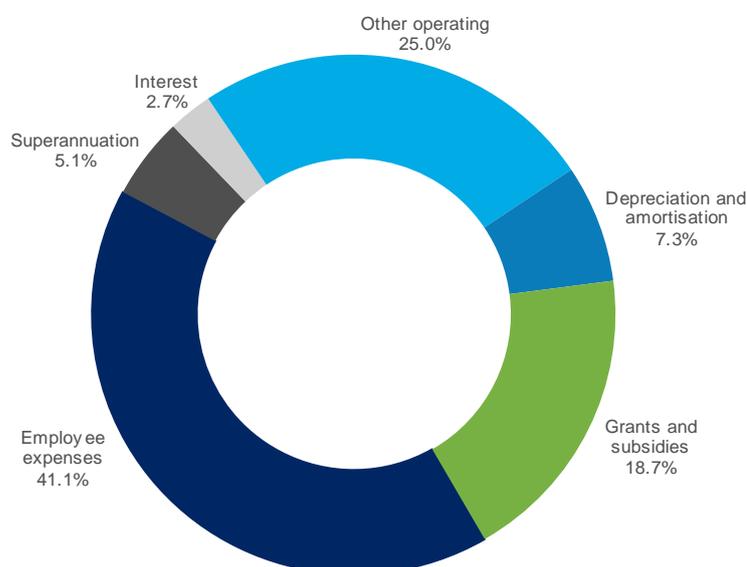
Table 5.3: General government sector expenses

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	% Four year average growth 2018-19 to 2022-23
	Actual	Revised	Budget	Forward Estimates			
	\$m	\$m	\$m	\$m	\$m	\$m	
Total Employee-Related Expenses	36,111	37,353	38,496	38,913	41,075	43,900	4.1
Employee Expenses	31,644	32,789	34,266	34,784	36,829	39,442	4.7
Superannuation	4,467	4,564	4,230	4,130	4,246	4,458	(0.6)
Other Operating	19,652	21,478	20,815	21,900	21,462	19,907	(1.9)
Depreciation and Amortisation	4,873	5,321	6,110	6,491	6,623	6,795	6.3
Grants and Subsidies	13,862	14,324	15,602	16,453	16,089	15,862	2.6
Interest	1,994	1,850	2,278	2,648	2,768	2,946	12.3
Total Expenses	76,491	80,326	83,300	86,405	88,016	89,410	2.7
Annual change	5.4%	5.0%	3.7%	3.7%	1.9%	1.6%	

Chart 5.1 shows the composition of expenses in 2019-20 by operating category.

Employee-related expenses (including superannuation) are the largest category and account for 46.2 per cent of total 2019-20 expenses. Other operating expenses are the second largest category (25.0 per cent), followed by grants and subsidies (18.7 per cent), depreciation and amortisation (7.3 per cent) and interest expenses (2.7 per cent).

Chart 5.1: Composition of 2019-20 expenses



Employee expenses

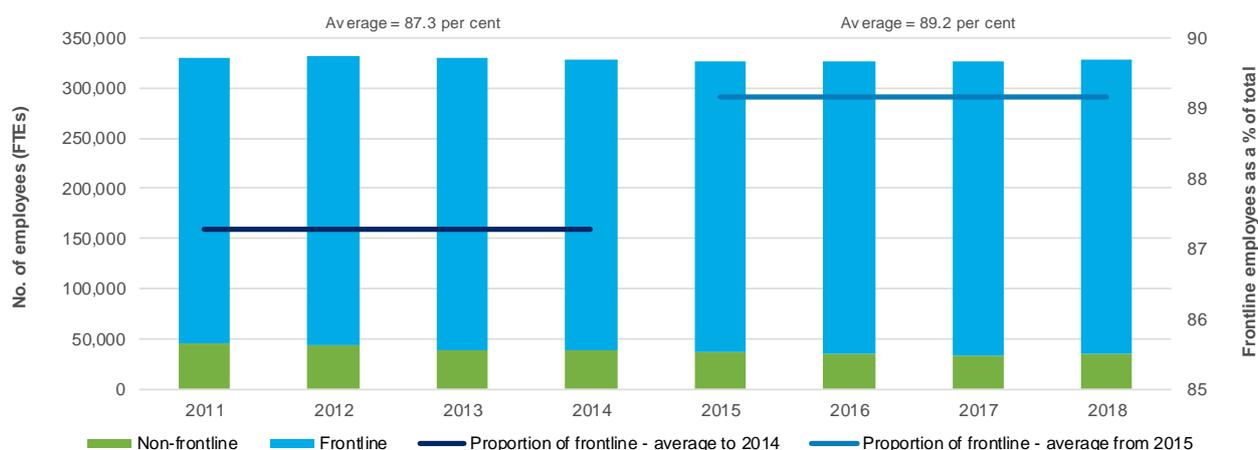
Employee expenses (excluding superannuation) are forecast to be \$34.3 billion in 2019-20 and comprise 41.1 per cent of total expenses. This represents the Government's commitment to delivering essential services, including boosting frontline staff such as teachers, nurses and police.

Employee expenses are expected to increase by an average of 4.7 per cent per year over the budget and forward estimates. This increase is primarily driven by additional investment in education as part of the Government's commitment to needs-based funding for public schools under the National Education Schools Reform (Gonski 2.0), higher employee numbers to deliver critical health and police services, and wages growth.

The NSW Public Sector Wages Policy, alongside the measures outlined in Box 5.2, has supported the Government in managing employee expense growth and enabled further investment in critical service areas and frontline staff.

The Government continues to invest in frontline staff to deliver high-quality services. Frontline numbers have increased as a proportion of the total New South Wales public sector from 2011 to 2018, comprising 89.2 per cent of the public sector on average over the four years to 2018 (see Chart 5.2).⁵ From 2011 to 2018, frontline staff increased by 9,375 full-time equivalents (FTEs), while non-frontline staff numbers fell by 10,389 FTEs. Frontline staff continued to grow in 2018, despite the transition of workers to private providers under the National Disability Insurance Scheme (NDIS), with continued investments in more teachers, nurses, and police.

Chart 5.2: Proportion of frontline and non-frontline staff from 2011 to 2018



⁵ This data is sourced from the annual workforce profile census conducted by the Public Service Commission and identifies frontline roles as those that primarily deliver established services to external customers, where external customers can be other State Government agencies as well as members of the general public. Figures for 2017 and 2018 incorporate estimates for the NSW Police Force, which are based on a three-year average ratio of frontline to non-frontline staff from 2014 to 2016.

Over the next four years, the Government will continue to prioritise investment in frontline services, including providing funding for:

- 8,300 frontline health staff, with 45 per cent located in regional New South Wales
- an extra 221 paramedics and call centre staff in 2019-20 to improve response times and reduce paramedic fatigue
- 4,600 additional teachers in government schools across New South Wales, delivering the highest number of teachers in government schools in the State's history
- 100 additional school counsellors or psychologists and an additional 350 student support officers, as well as dedicated services for rural and remote students
- 1,500 new police to continue to keep the community safe
- five additional District Court judges and support staff, as well as additional funding to the Office of the Director of Public Prosecutions and Legal Aid NSW
- 45 Child Protection Helpline workers and 66 case support workers
- an additional 300 School Crossing Supervisors across New South Wales primary schools to help children get to and from school safely each day.

Superannuation expenses

Superannuation expenses are \$4.2 billion in 2019-20 and comprise 5.1 per cent of total expenses. These expenses are associated with defined benefit and defined contribution plans, and are forecast to remain relatively stable, falling by 0.6 per cent over the budget and forward estimates.

The decrease over the budget and forward estimates is largely due to lower interest rates used to calculate the interest expense on superannuation liabilities, and a decline in defined benefit superannuation liabilities across the forward estimates as a result of lower numbers of contributors. Defined benefit superannuation liabilities are expected to be fully funded by 2030, consistent with the Government's FRA commitment.⁶

Lower defined benefit superannuation expenses are partially offset by increased defined contribution superannuation expenses across the budget and forward estimates, primarily associated with additional frontline education and health employee costs.

Other operating expenses

Other operating expenses mainly represent the day-to-day running costs incurred in the delivery of government services and programs and comprise 25.0 per cent of total expenses in 2019-20.

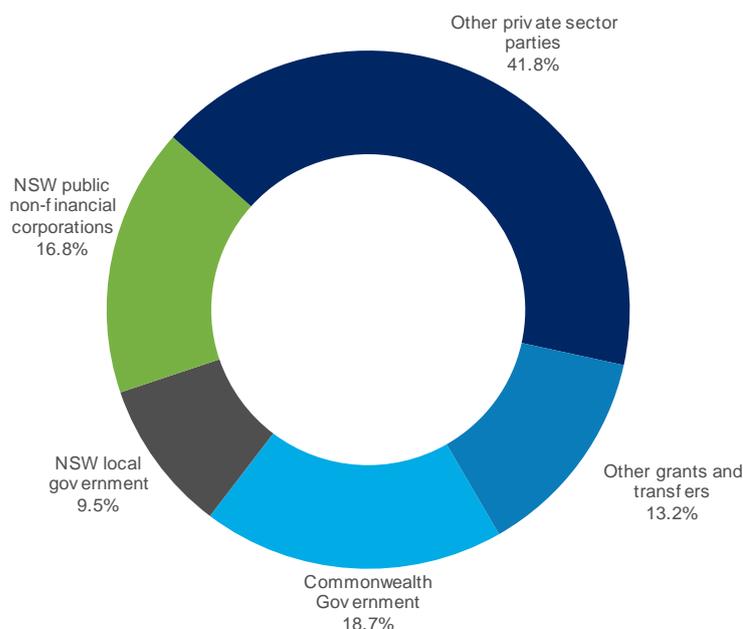
In 2019-20, other operating expenses are forecast to decrease by 3.1 per cent from 2018-19 to \$20.8 billion and by 1.9 per cent over the budget and forward estimates. This decrease is primarily driven by a reduction in operating lease expenses related to the implementation of AASB 16 *Leases*, and lower expenses associated with the application of back-office savings, including lower contractor, consultant, legal, advertising and other procurement savings. Lower costs across the forward estimates are also due to the completion of major transport infrastructure projects being delivered in the public non-financial corporations sector.

⁶ For reporting purposes, superannuation liabilities are calculated in accordance with AASB 119 *Employee Benefits*. For funding purposes, AASB 1056 *Superannuation Entities* is used. Further information is provided in Chapter 6 of this *Budget Statement*.

Grants, subsidies and other transfer expenses

Grants and subsidies include payments to other government sectors, local government, community groups and non-profit organisations for the delivery of services and infrastructure projects. Grants and subsidies are forecast to be \$15.6 billion in 2019-20 and comprise 18.7 per cent of total expenses. Chart 5.3 below outlines the composition of grants and subsidies in 2019-20 by recipient.

Chart 5.3: Composition of grants and subsidies in 2019-20 by recipient



Grants and subsidies are expected to increase by an average of 2.6 per cent annually over the budget and forward estimates, largely driven by higher grants and transfers to other private sector parties and the Commonwealth Government. These increases reflect the roll-out of the National Disability Insurance Scheme (NDIS) and additional grants to support non-government schools.

Grants to local governments and councils increase to \$1.5 billion in 2019-20, and comprise 9.5 per cent of grants and subsidies. These payments include Restart NSW grants and support local councils to deliver infrastructure and services that provide targeted benefits to local communities, including repairing and upgrading local roads and airports, and providing sporting facilities and parks.

Depreciation and amortisation

Depreciation and amortisation expenses are projected to be \$6.1 billion in 2019-20, comprising 7.3 per cent of total expenses. These expenses are forecast to grow by 14.8 per cent in 2019-20 and 6.3 per cent over the budget and forward estimates. This increase is partially due to the implementation of AASB 16 *Leases*, which brings lease arrangements previously classified as operating leases onto the balance sheet. The assets now recognised under these leases are subsequently depreciated over the life of the lease. Operating lease rental expenses have been replaced by depreciation expenses associated with the recognition of the asset and interest expenses for the lease obligation.

The Government's record infrastructure program is also contributing to the increase, with higher depreciation expenses associated with the delivery of more schools, hospitals, transport projects and ICT works.

Interest

Interest expenses in 2019-20 are forecast to be \$2.3 billion (2.7 per cent of total expenses) and increase by an average of 12.3 per cent annually over the budget and forward estimates. This increase is largely related to funding the State's unprecedented infrastructure investment and the impact of accounting standards changes associated with the recognition of new lease liabilities. This is partially offset by lower borrowing costs associated with a reduction in interest rates, including the 0.25 percentage point reduction announced by the Reserve Bank of Australia on 4 June 2019.

Interest revenues are shown in section 4.6 of this *Budget Statement*.

5.2 General government capital expenditure

Table 5.4 below provides a reconciliation of the changes in GGS capital expenditure from the 2018-19 Budget to the 2019-20 Budget.

Table 5.4: Capital expenditure reconciliation

	2018-19 Revised	2019-20 Budget	2020-21 Forward Estimates	2021-22 Forward Estimates	2022-23 Forward Estimates
	\$m	\$m	\$m	\$m	\$m
Capital - 2018-19 Budget	17,329	17,329	16,585	14,463	n.a.
Policy measures	777	1,330	655	317	n.a.
Parameter and other variations	75	407	25	(70)	n.a.
Capital - 2019 Pre-election Budget Update	18,182	19,065	17,265	14,710	n.a.
Policy measures	19	898	1,287	2,711	2,388
Parameter and other variations	(336)	2,382	(802)	(174)	n.a.
Capital - 2019-20 Budget	17,864	22,345	17,750	17,247	14,349

GGS capital expenditure includes the capital investment program of general government agencies and excludes public non-financial corporations such as Railcorp/Transport Asset Holding Entity, Sydney Opera House Trust and the Sydney Olympic Park Authority.

GGS capital expenditure is forecast to be \$22.3 billion for 2019-20, an increase of 25.1 per cent from 2018-19. The variation in capital expenditure from 2018-19 to 2019-20 largely reflects the recognition of the soon to be completed Public Private Partnership for the CBD and South East Light Rail and a record infrastructure spend in health and education.

GGs capital expenditure is expected to be \$71.7 billion over the four years to 2022-23. The increase in capital expenditure between the 2019 Pre-election Budget Update and the 2019-20 Budget, over the four years to 2022-23, is driven by election commitments and new investments in public transport and roads. These election commitments include:

- Sydney Metro West – a new underground metro railway connecting the Greater Parramatta and Eastern Sydney Central Business Districts (\$6.4 billion over four years)
- 40 new and upgraded schools, including those in Bangalow, Epping, Milton, and Milperra (\$917.4 million over four years)
- the redevelopment of the Children’s Hospital at Westmead (estimated total cost \$619.0 million)
- the Regional Digital Connectivity program, providing mobile black spot towers and data centres to improve internet connectivity, speeds and reliability in regional areas (\$400.0 million over four years).⁷

Total non-financial public sector capital expenditure is expected to be \$93.0 billion over the four years to 2022-23. Further details on the infrastructure program is provided at Box 5.4.

Box 5.4: Continuing record levels of infrastructure investment

The 2019-20 Budget allocates \$93.0 billion over four years to 2022-23 for the capital program, including \$71.7 billion in the GGS, to meet the needs of a growing population and support economic growth.

The Government’s record infrastructure program provides funding over four years to 2022-23 across a wide range of areas, including:

- record investment in health infrastructure of \$10.1 billion⁸, including for the planning and development of over 40 new and upgraded hospital builds
- record investment in education and skills infrastructure of \$7.3 billion, including to support the planning or delivery of over 190 new and upgraded schools as well as TAFE connected learning centres
- record investment in public transport and roads of \$55.6 billion, including funding to accelerate Sydney Metro West and to restore bridges and roads across New South Wales
- \$3.2 billion to build stronger communities by renewing our criminal justice and emergency services infrastructure.

A number of major infrastructure projects are now complete or nearing completion, including North West Metro, which commenced services in May 2019 as Australia’s first fully-automated metro rail system, and the Western Sydney Stadium, which opened in April 2019.

For further information on capital expenditure, refer to Budget Paper No. 2 *Infrastructure Statement*.

⁷ The Regional Digital Connectivity program includes both recurrent and capital expenditure. The \$400.0 million is the capital expenditure component.

⁸ Health capital expenditure includes capital expensing amounts and leases following a change in accounting standards.

General government capital expenditure as a share of GSP increased from 1.3 per cent in 2011-12 to 3.2 per cent⁹ in 2019-20 (Chart 5.4), reflecting the Government's continued commitment to infrastructure investment.

Chart 5.4: General government sector capital spending relative to GSP^(a)



(a) General government sector – purchases of non-financial assets per the cash flow statement, percentage of GSP. For consistency with other states, assets acquired through finance leases are excluded.

Source: ABS cat no. 5220.0 and 5512.0 for years 2002-03 to 2017-18. State Budget papers and NSW Treasury calculations for 2018-19 and 2019-20.

5.3 Expenses by functional categorisation (COFOG-A)

The Classification of the Functions of Government – Australia (COFOG-A) allows for a comparison of expenses by functional classification across jurisdictions and countries. COFOG-A is an international standard that classifies government expenditure into standardised functional/activity categories that align to the purpose of the expenditure. The following section provides information on the GGS total expenditure by the COFOG-A expenditure data.

The COFOG-A classification is a separate reporting approach to the New South Wales State Outcomes budgeting framework for the entire budget spend in Budget Paper No. 3 *Budget Estimates*. The State Outcomes framework requires agencies to align and allocate their resources and service delivery toward achievement of the suite of State Outcomes (see Budget Paper No. 3 *Budget Estimates* for further details on State Outcomes).

Due to differences in reporting classifications and consolidation, the COFOG-A expenditure data discussed in this section will differ from the data presented on a cluster and State Outcome basis in Budget Paper No. 3 *Budget Estimates*.

Chart 5.5 shows the largest recurrent expenditure COFOG-A groups for 2019-20 are health, education, transport and public order and safety, which together account for 73.6 per cent of total expenses. Recurrent expenditure has grown from \$80.3 billion in 2018-19 to \$83.3 billion in 2019-20, an increase of 3.7 per cent. This increase is largely driven by additional investments in frontline services, primarily within health, police, and education. Additionally, transport expenses have increased in line with further expenditure on infrastructure as part of the More Trains, More Services Program.¹⁰

⁹ Calculated as purchases of non-financial assets per the cash flow statement. For consistency with other states, assets acquired through finance leases are excluded.

¹⁰ This expenditure has offsetting revenue impacts.

Chart 5.5: Composition of total 2019-20 recurrent COFOG-A expenditure

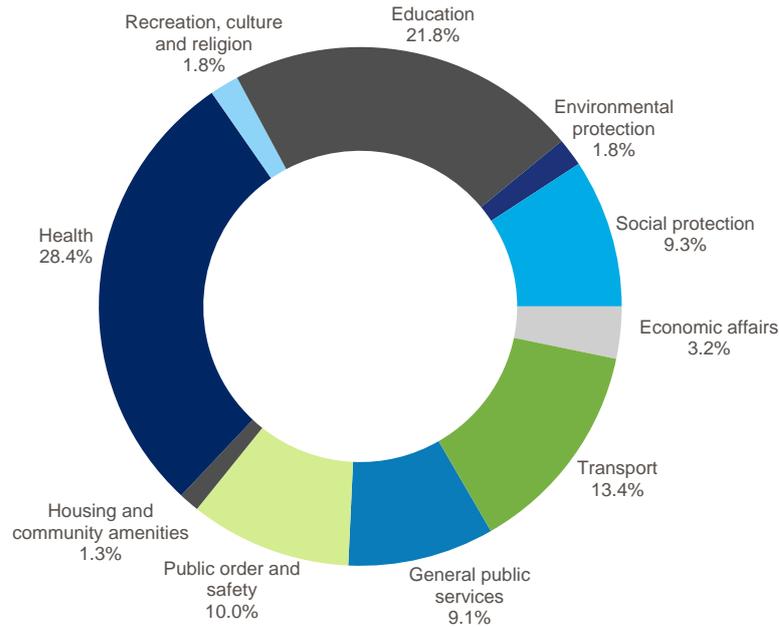
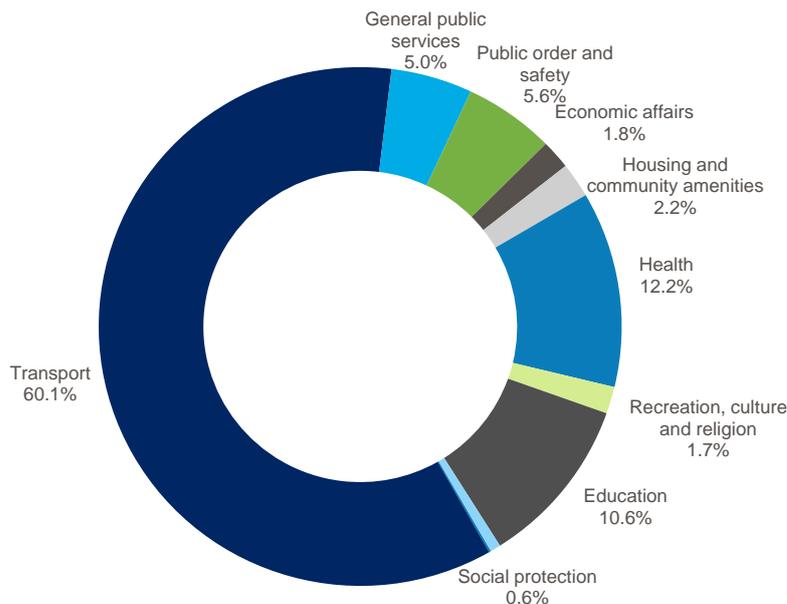


Chart 5.6 shows the 2019-20 split of capital expenditure by functional area. Transport, health and education represent 82.9 per cent of total capital expenditure. Capital expenditure has grown from \$17.9 billion in 2018-19 to \$22.3 billion in 2019-20, an increase of 25.1 per cent. This increase is largely driven by additional capital investment in transport infrastructure relative to 2018-19, largely associated with the delivery of Sydney Metro City and Southwest, Pacific Highway Woolgoolga to Ballina, CBD and South East Light Rail, and WestConnex, including the Rozelle Interchange.

For further information on the Government’s infrastructure program, refer to Budget Paper No. 2 *Infrastructure Statement*.

Chart 5.6: Composition of total 2019-20 capital COFOG-A expenditure



Key areas under Classification of the Functions of Government - Australia

Health

Recurrent health function expenses for 2019-20 are expected to be \$23.6 billion, comprising 28.4 per cent of total recurrent expenses. Health sector expenditure is designed to get the best health outcomes for the people of New South Wales by delivering improvements in service levels in hospitals, ambulance and emergency health services, as well as enhanced patient services. The 2019-20 projection represents a \$993.7 million increase from 2018-19, which is attributable to the 4.5 per cent expense growth rate for core health services.

Capital expenditure for health in 2019-20 is \$2.7 billion, or 12.2 per cent of total 2019-20 GGS capital expenditure. This is an increase of \$504.8 million since 2018-19, which is largely attributable to the continued delivery and commencement of works to upgrade and build hospital and health facility projects.

Education

Budgeted expenses for education COFOG-A functions in 2019-20 are expected to be \$18.2 billion, or 21.8 per cent of total recurrent expenses. This covers investments in pre-primary, primary, secondary, technical and tertiary education and teacher training.

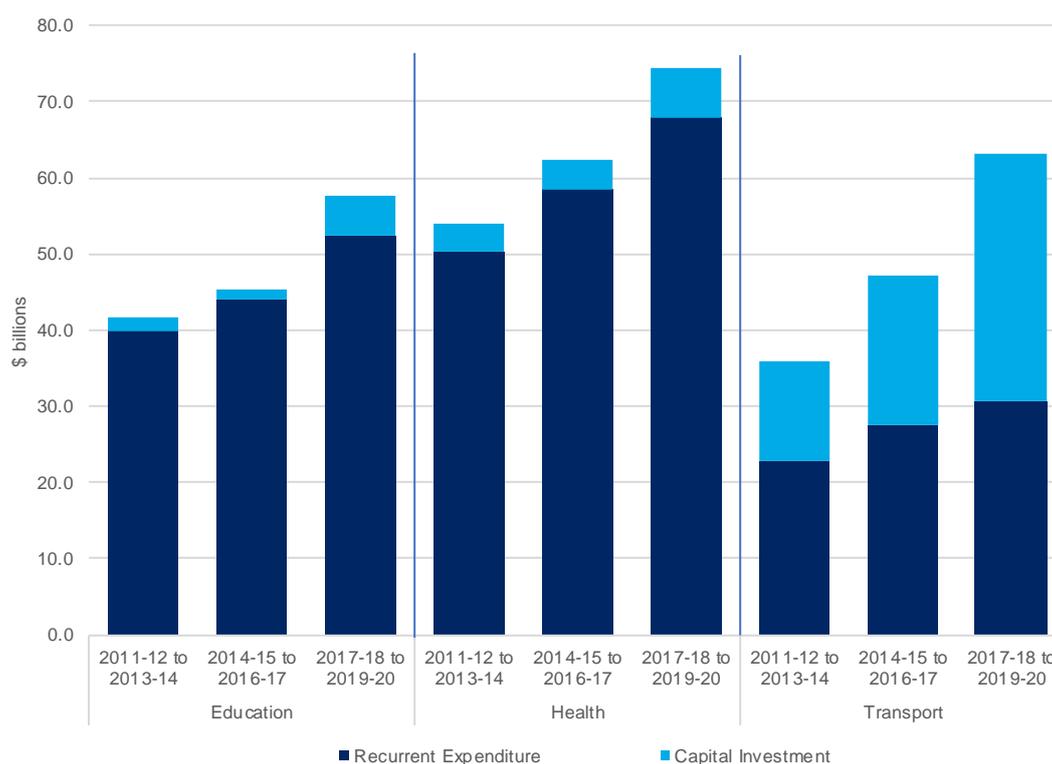
Education capital expenditure for 2019-20 is expected to be \$2.4 billion, representing 10.6 per cent of total GGS capital expenditure. This significant investment continues the Government's record schools infrastructure program, which includes the planning and delivery of 40 new and upgraded schools to begin in 2019-20.

Transport

Recurrent expenditure on transport COFOG-A functions is expected to make up 13.4 per cent of total expenditure in 2019-20 at \$11.2 billion. This is an increase of \$928.3 million over 2018-19. This investment focuses on providing efficient public transport services for commuters and safe, decongested and efficient roads across the State.

Capital expenditure on transport in 2019-20 is forecast to be \$13.4 billion, or 60.1 per cent of total capital expenditure. This expenditure will ensure the continued delivery of major capital transport projects including the final stages of WestConnex (the M4-M5 link tunnels and Rozelle Interchange), Sydney Metro City and Southwest linking Chatswood and Bankstown, the Pacific Highway upgrade program (continuing construction between Woolgoolga and Ballina and planning and preconstruction activities for the Coffs Harbour bypass), upgrades to support the new Western Sydney Airport at Badgerys Creek (including The Northern Road between Narellan and Penrith and the M12 Motorway), continuation of the Princes Highway upgrades and completion of the CBD and South East Light Rail.

Chart 5.7: Three-year aggregate of general government recurrent expenditure and capital investment by function^{(a)(b)}



- (a) The COFOG-A framework has replaced the former Government Purpose Classification framework under the new ABS GFS Manual. This was implemented for the first time in the 2017-18 Budget. Appendix A1 of this Budget Paper provides further information on the Uniform Presentation Framework and COFOG-A functions.
- (b) 2017-18 actuals, 2018-19 revised and 2019-20 Budget forecast.

Chart 5.7 illustrates the Government's focus on core service delivery areas within the education, health and transport policy areas, with an additional \$389.4 billion invested in recurrent services and infrastructure since 2011-12. From 2011-12 to 2014-15, the Government spent an average of \$45.2 billion per annum on the key areas of education, health and transport. This increased to an average of \$57.2 billion per annum from 2015-16 to 2018-19 and is forecast to increase in 2019-20 to \$71.5 billion.

General public services

The Government will spend an estimated \$7.6 billion in 2019-20 on recurrent services within general public services, representing a decrease of \$804.2 million from 2018-19.

Capital investment in general public services is \$1.1 billion in 2019-20 and has increased by \$789.7 million. This increase is largely attributable to the transfer of assets across COFOG-A classifications and reservations under Restart NSW that are yet to be allocated to clusters. Further information on Restart NSW is provided in Budget Paper No. 2 *Infrastructure Statement*.

Public order and safety

Police, civil and fire protection services, prisons and law courts all work together to support safer communities for the people of New South Wales and ensure the effective functioning of our justice system.

In 2019-20, recurrent expenditure on the public order and safety government function is expected to be \$8.3 billion, making up 10.0 per cent of total recurrent expenditure. This is an increase of \$275.1 million from 2018-19. The increase in expenditure is largely attributable to the first phase of the Government's commitment to invest in an additional 1,500 new police.

Capital spending on public order and safety is forecast to be \$1.3 billion, or 5.6 per cent of total 2019-20 capital expenditure. This is largely attributable to the continuation of the Prison Bed Capacity Program and the delivery of further new and upgraded police stations across the State.

Social protection

The Government is committed to protecting the vulnerable, breaking the cycles of disadvantage and supporting people with disabilities. The 2019-20 Budget includes a total investment of \$7.7 billion in recurrent expenses on COFOG-A social protection services, representing 9.3 per cent of total GGS expenditure, an increase of \$67.6 million from 2018-19.

Capital expenditure in 2019-20 is \$143.2 million.

Economic affairs

The Government will spend an estimated \$2.7 billion in recurrent expenses in 2019-20 on economic affairs and a further \$405.0 million in capital. This functional classification includes expenditure in the following areas:

- commercial and labour affairs
- agriculture, forestry, fishing and hunting
- fuel and energy
- mining, manufacturing and construction
- communication
- other industries
- research and development.

This represents a \$260.4 million increase in recurrent expenses from 2018-19 or 10.7 per cent, and a \$217.2 million increase in capital expenses from 2018-19.

5.4 Recurrent expense measures statement

The Government is continuing to deliver on its promises and investing in initiatives aimed at improving the lives of New South Wales residents across the regions as well as metropolitan areas. It is also reviewing and reforming service delivery in the State, aimed at delivering value for taxpayer dollars.

Table 5.5 shows the impact of new policy measures (including election commitments) by cluster. The table displays the expense impact of these measures and does not include associated revenue or capital expenditure.

Further detail on the Government's election commitments is provided within the accompanying *Election Commitments* publication.

Table 5.5: *New recurrent policy measures since the 2019 Pre-election Budget Update^{(a)(b)(c)}*

	2019-20	2020-21	2021-22	2022-23	Four year	Description of key initiatives
	Budget	Forward estimates			Total	
	\$m	\$m	\$m	\$m	\$m	
Customer Service	54.6	9.2	13.7	30.2	107.6	<ul style="list-style-type: none"> Expanding service delivery with the roll out of 10 new Service NSW service centres. Equipping Service NSW for continued growth across the State. Increasing the number of services available through Service NSW on behalf of other agencies including the IVF Rebate.
Education	165.0	28.0	33.9	114.6	341.5	<ul style="list-style-type: none"> Vocational education initiatives including: <ul style="list-style-type: none"> 70,000 fee-free courses for job-seekers taking on traineeships 30,000 free TAFE places for mature-aged workers seeking to retrain or re-enter the workforce staffing and other recurrent expenses associated with two new vocational high schools, two new Productivity Bootcamps, the Western Sydney Construction Hub and eight new TAFE campuses in rural and regional locations assisting women to start their own business. Grants to non-government schools for essential infrastructure.
Health	...	...	...	...	...	<ul style="list-style-type: none"> Prioritising growth funding to deliver key election commitments including: <ul style="list-style-type: none"> delivering an additional 5,000 nurses and midwives providing free dental checks for primary school children improving access to IVF enhancing the regional health services workforce.
Planning, Industry and Environment	229.5	118.7	140.3	148.6	637.1	<ul style="list-style-type: none"> Further drought assistance programs including transport rebates for fodder, stock and water, waiving fixed charges for water licence holders and providing emergency water carting to secure town water supplies. Reducing the digital divide with the Regional Digital Connectivity program. Strengthening regional communities through grants supporting local tourism and economies. Roads to Home program delivering local road upgrades in collaboration with Local Aboriginal Land Councils in remote communities to improve access and increase economic opportunities.
Premier & Cabinet	27.2	27.4	25.2	25.5	105.3	<ul style="list-style-type: none"> Boosting screen production in NSW through the Made in NSW program.

	2019-20 Budget	2020-21	2021-22	2022-23	Four year Total	Description of key initiatives
	\$m	\$m	Forward estimates \$m	\$m	\$m	
Stronger Communities	140.5	65.9	55.8	32.3	294.5	<ul style="list-style-type: none"> • Faster resolution of legal matters through the District Court Backlog Program, which includes five additional District Court judges and support staff as well as additional support for the Office of the Director of Public Prosecutions and Legal Aid NSW. • Strengthening community safety through enhanced electronic monitoring of sex offenders. • Invigorating communities with grants for various sports centres and clubs in NSW. • Providing support for multicultural aged care facilities across the State. • Increasing grants to the NSW Volunteer Rescue Association to enable acquisition of 30 new rescue vehicles.
The Legislature	0.2	0.1	0.2	0.2	0.7	<ul style="list-style-type: none"> • Expenses associated with capital upgrades including ceiling replacement, disability access and roof membrane replacement.
Transport	160.5	780.3	511.5	62.7	1,515.0^(d)	<ul style="list-style-type: none"> • Progressing the More Trains, More Services Program designed to overhaul the rail network to provide increased services to the Illawarra and the South Coast, as well as the Airport Line. • Investing in the Fast Rail Network. • Fixing local roads in regional NSW to improve travel times and freight productivity. • Over 14,000 extra weekly bus services from 2019-20 throughout Sydney, Illawarra, Central Coast and the Lower Hunter, as well as funding to improve bus services across 15 regional towns. • Reduction in the Opal Weekly Travel cap by approximately 20 per cent to \$50 a week from 1 July 2019 for all train, bus, ferry and light rail customers. • Providing a \$250 regional Seniors Transport Card for aged pensioners living in regional NSW to put towards fuel, taxi travel or NSW TrainLink tickets.
Treasury	5.5	...	3.5	...	9.0	<ul style="list-style-type: none"> • Restart NSW grants to local governments, community organisations and other sectors.
Other	(26.7)	(6.6)	(29.9)	(42.4)	(105.6)	<ul style="list-style-type: none"> • Establishing the Digital Restart Fund, offset by matching cluster expense reductions, to ensure the Government is equipped to keep pace with the digital age. • Other movements reflect whole-of-government measures that cannot be attributed to individual clusters, as well as the transfer of Restart NSW commitments into agency budgets.
Reform, Savings and Offsets	(304.4)	(815.8)	(955.9)	(1,109.3)	(3,185.5)	<ul style="list-style-type: none"> • Saving taxpayer dollars through reductions in procurement and employee expenses, plus other reform, savings and offset measures.

(a) A positive figure increases expenses, a negative figure decreases expenses.

(b) These figures represent the net expense impact for new policy measures.

(c) A number of election commitment measures are not reflected in this table as the recurrent expenses have been met from within existing budget estimates. Refer to the accompanying *Election Commitments* publication for further information on election commitments.

(d) Offset by an increase of \$1,206.8 million in revenue as part of the More Trains, More Services Program.

6. MANAGING THE STATE'S ASSETS AND LIABILITIES

- The State's balance sheet remains strong, with net debt projected to be negative for the fourth consecutive year (negative \$8.8 billion as at June 2019). This is the lowest of all States and Territories across Australia.
- New South Wales' net worth surpassed a quarter of a trillion dollars in June 2018 and is expected to reach \$311.0 billion by June 2023 – the largest among all States and Territories by a significant margin.
- New South Wales is the only Australian state with a dedicated debt retirement fund, the NSW Generations Fund, which has delivered returns of 8.5 per cent since its inception in November 2018 with a balance of \$10.8 billion at April 2019.
- The Government also has \$18.1 billion invested in the New South Wales Infrastructure Future Fund, which enables the Government to get more from its asset recycling proceeds by investing them until they are required. The Fund has delivered returns of 4.6 per cent for the 10 months to April 2019. The Government made its first drawdown of \$2.3 billion in 2018-19 to fund Restart NSW infrastructure projects.
- As the Government continues its record infrastructure program, non-financial assets are projected to grow to \$289.5 billion by June 2023. This has been funded through a mix of budget surpluses, asset recycling proceeds and manageable levels of borrowing.
- This Budget builds on the Government's balance sheet reform agenda to continue supporting the State's triple-A credit rating and further optimise the use and mix of State assets and liabilities.

6.1 Reforming the State's balance sheet

The Government is continuing its strategy of balance sheet reform, following the successful creation of specific purpose funds such as the NSW Generations Fund (NGF), the NSW Infrastructure Future Fund (NIFF) and the Social Affordable Housing Fund (SAHF). These reforms of the State's financial assets are complemented by further improvements in the management of the State's borrowings, cash balances and associated financial risks. The Government's reform agenda aims to increase balance sheet resilience, further improve financial risk management and ensure New South Wales remains well positioned into the future. Key balance sheet reforms include:

- diversification of funding sources. The Government issued its first green bond in November 2018 raising \$1.8 billion in funding. This was the largest green bond issuance in Australia, providing funding towards projects such as Sydney Water's Lower South Creek Treatment Program
- implementing a new whole-of-government cash management policy, which complements the whole-of-government foreign exchange risk management policy

- enacting the *Government Sector Finance Act 2018* which supports balance sheet reforms, including a centralised approach to cash management. Building on \$3.6 billion in cash centralised to date, Treasury aims to establish a new cash management framework in 2019-20 to facilitate further cash management reform
- entering into a multi-provider banking services contract that covers all Government transactions including payments, receipts, cross-border banking and purchasing cards.

Overview of key changes since the 2019 Pre-election Budget Update

Key balance sheet movements since the 2019 Pre-election Budget Update (see Table 6.1) include:

- a decrease in estimated net debt as at June 2019 from negative \$8.0 billion at the 2019 Pre-election Budget Update to negative \$8.8 billion. This has been driven by better than anticipated market returns
- a decrease in estimated net worth as at June 2019 from \$270.7 billion at the 2019 Pre-election Budget Update to an estimated \$262.0 billion in this budget. This reduction is primarily due to an increase in the valuation of unfunded defined benefit superannuation liabilities resulting from a lower Commonwealth Bond rate (which is used to discount these liabilities under AASB 119 *Employee Benefits*). By June 2023, the superannuation liabilities are projected to reduce to \$40.9 billion (see Box 6.4 for more details).

Table 6.1: Key balance sheet aggregates of the general government sector

	June 2018 Actual	June 2019 PEBU	June 2019 Revised	June 2020 Budget	June 2021	June 2022 Forward Estimates	June 2023
Total Assets (\$m)	383,564	402,327	403,925	420,280	435,854	451,205	470,419
Financial Assets (\$m)	173,228	174,011	168,935	169,454	170,493	172,367	180,902
Non-Financial Assets (\$m)	210,336	228,315	234,990	250,826	265,361	278,838	289,518
Total Liabilities (\$m)	129,385	131,627	141,903	153,334	155,038	157,705	159,406
Net Worth (\$m)	254,180	270,700	262,022	266,946	280,816	293,500	311,013
Net Worth as a per cent of GSP ^(a)	42.1	43.2	41.8	41.1	41.4	41.3	41.7
Net Debt (\$m)	(11,195)	(7,966)	(8,818)	12,354	22,973	32,884	38,640
Net Debt as a per cent of GSP	(1.9)	(1.3)	(1.4)	1.9	3.4	4.6	5.2

(a) Gross State Product (GSP) for NSW from 2018-19 to 2022-23 is forecast by NSW Treasury

6.2 Net debt remains low despite changing accounting standards

New South Wales' general government net debt remains the lowest of all States and Territories. This is due to the Government's successful asset recycling program and strong fiscal management. Changes in accounting standards relating to leases will result in a one-off increase in the State's reported borrowings and net debt. However, these are reporting changes and do not reflect an underlying change in the State's fiscal position (see Box 6.3).

Net debt is projected to grow as asset recycling proceeds (which are recognised as financial assets on the State's balance sheet) are invested in the State's record infrastructure program. The program is also being funded by budget surpluses and manageable increases in borrowings.

Box 6.1: Whole-of-Government balance sheet management strategy

NSW Generations Fund (NGF)

The NGF was established in late 2018 as a \$10 billion sovereign wealth fund to help maintain debt at sustainable levels. The NGF had a balance of approximately \$10.8 billion as at 30 April 2019, performing well above expectation since its establishment in November 2018. The total NGF balance is treated as an offset to the State's gross debt by Moody's and S&P Global in their credit rating assessments. Therefore, the NGF plays an important role in supporting the State's triple-A credit rating and sustainable debt position. The funds held in the NGF grow as returns are generated. The growth in the value of the fund is also used to offset debt and has a compounding effect over time. In this way, the NGF is a highly effective balance sheet management tool, reducing debt balances over a time.

NSW Infrastructure Future Fund (NIFF)

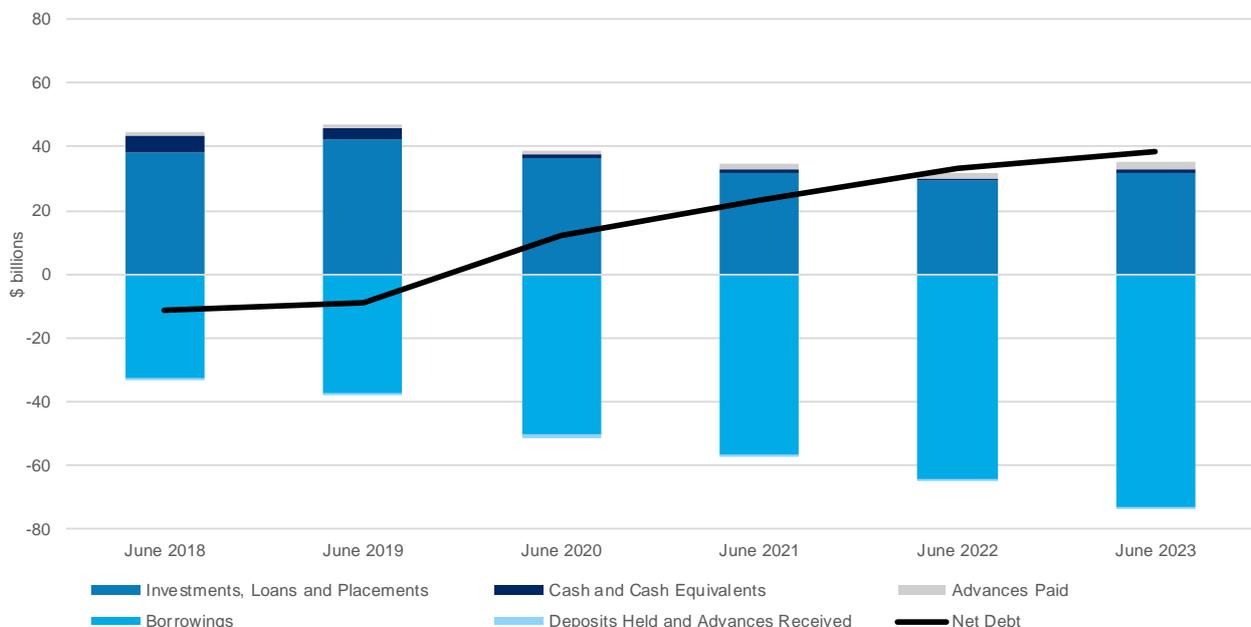
The NSW Government established the NIFF in December 2016 as a vehicle to invest the net proceeds from its successful asset recycling program.

The NIFF generated a return of 4.6 per cent for the 10 months from July 2018 and had a balance of approximately \$18.1 billion as at 30 April 2019.

Investments within the NIFF are aligned to the required spending profile of Restart NSW infrastructure projects. \$2.3 billion was drawn from the NIFF during 2018-19 to fund Restart NSW projects (see Budget Paper No. 2 *Infrastructure Statement*).

Financial assets included in the calculation of net debt¹ are projected to be \$46.8 billion at June 2019 (see Chart 6.1). These assets primarily consist of the NIFF, NGF, SAHF and the Treasury Managed Fund (the Government's self-insurance fund). Balances held in the NIFF are projected to fall to \$6.7 billion over the forward estimates in line with scheduled drawdowns for infrastructure projects. Funds held in the NGF are forecast to increase to \$16.5 billion over the forward estimates in line with projected investment returns (see Box 6.1).

Chart 6.1: General government sector net debt



¹ The asset side of net debt calculations consists of the sum of cash and deposits, advances paid and investments, loans and placements.

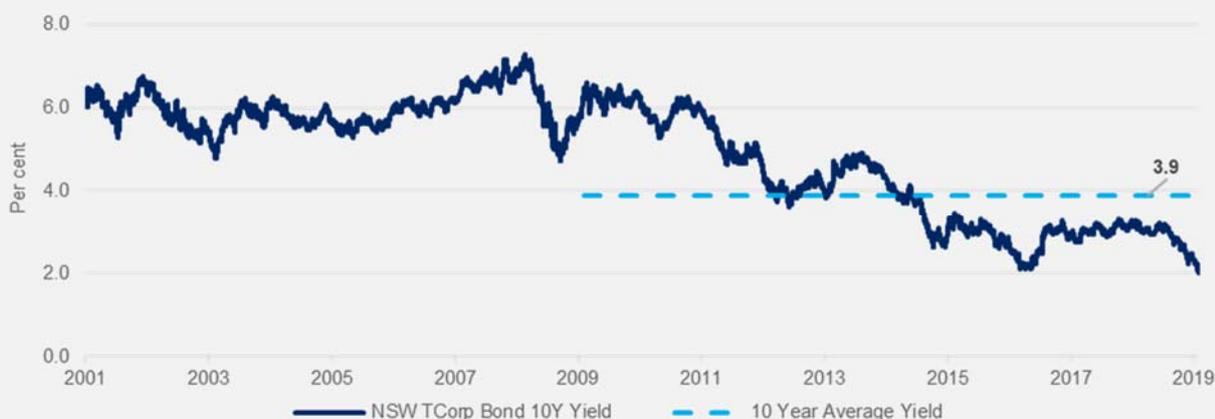
Liabilities included in the calculation of net debt² are projected to be \$38.0 billion at June 2019 (see Chart 6.1), broadly in line with 2019 Pre-election Budget Update estimates. Over the four years to June 2023, these liabilities are projected to increase to \$73.9 billion driven by the adoption of AASB 16 and a manageable increase in borrowings to fund infrastructure investment.

The Government is taking advantage of the historically low interest rate environment to lengthen its debt maturity profile. The average debt maturity is now eight years, reducing interest rate risk and refinancing risk for the State (see Box 6.2).

Box 6.2: Helping fund infrastructure at record low interest rates

The strength of New South Wales' credit rating and the global economic environment led to yields on NSW (TCorp) ten-year bonds trading below 2.0 per cent for the first time in history in May 2019 – see Chart 6.2 below.

Chart 6.2: NSW bond yields are at historic lows



In an environment of record low interest rates, the State has been lengthening the maturity profile of its debt portfolio to approximately eight years in order to lock in these low rates throughout the forward estimates period and beyond. While State governments borrow at higher rates than the Commonwealth, the New South Wales triple-A credit rating and disciplined approach to financial management (including its liabilities) ensures this spread is as tight as possible.

Beyond accessing funds through traditional debt capital markets, the Government is actively seeking to broaden its range of domestic and international investors through innovative offerings such as the Sustainability Bond Programme.

² The liability side of net debt calculations consists of the sum of deposits held, advances received, loans and other borrowings.

Box 6.3: Balance sheet impact of new lease accounting standard

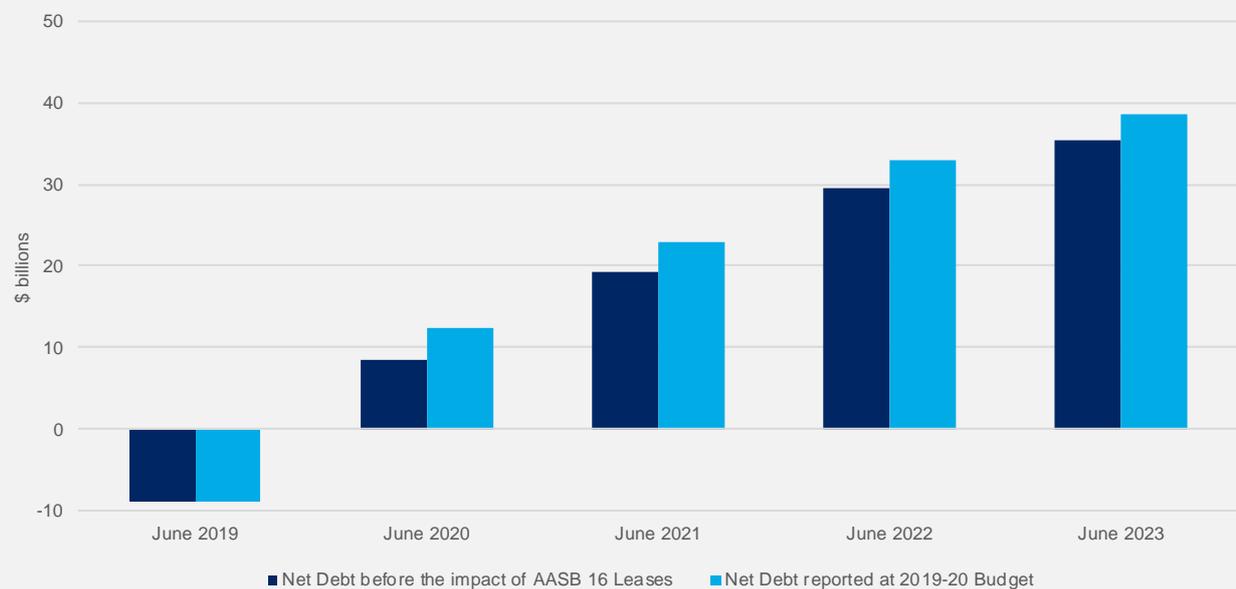
The Australian Accounting Standards Board (AASB) released AASB 16 *Leases* as a new accounting standard to apply from 1 July 2019.

AASB 16 sees most operating leases, except short-term and low-value leases, now recognised as finance leases (i.e. borrowings) on the Government's balance sheet. This has had a significant impact on net debt, see Chart 6.3 below.

The vast majority of leases relate to office space, which were previously recognised as an expense on the operating statement. The introduction of new accounting standards for leases will increase reported borrowings by \$3.2 billion by June 2023.

For a full reconciliation of all the accounting standards impacting the 2019-20 Budget, see Table A2.5 in Appendix A2 *Statement of Significant Accounting Policies and Forecast Assumptions*.

Chart 6.3: General government sector net debt before and after impact of AASB 16 Leases

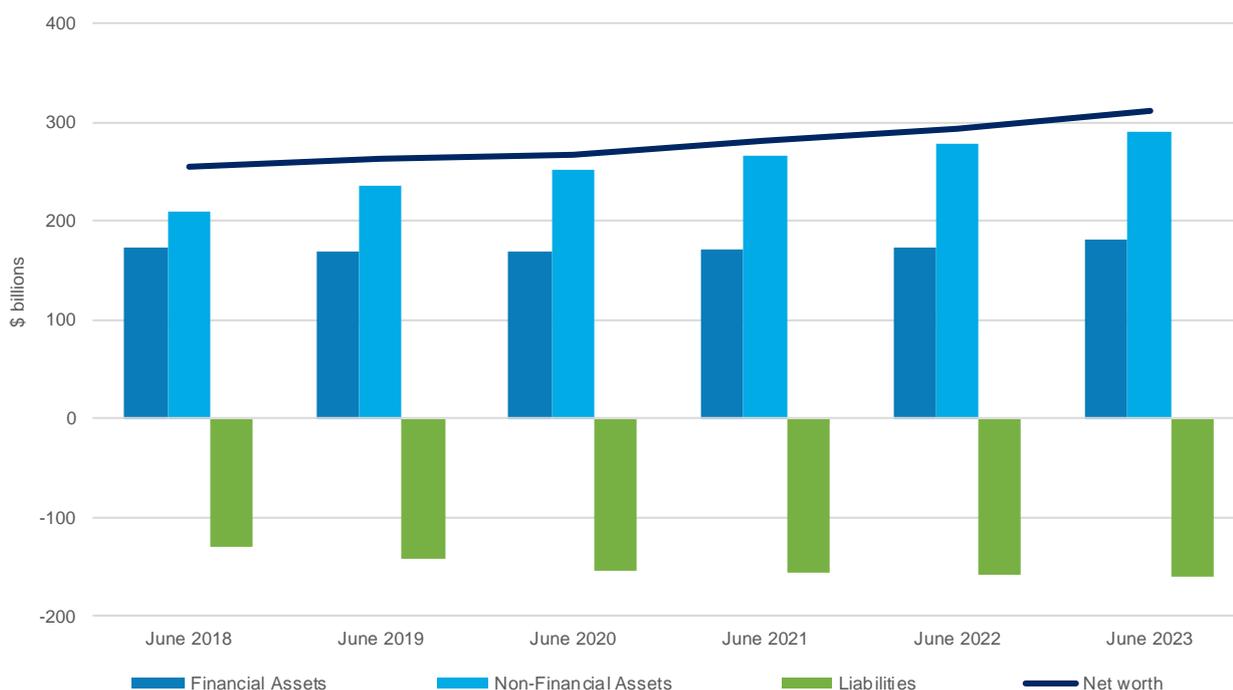


6.3 Highest net worth of all States and Territories

The net worth of the general government sector has surpassed a quarter of a trillion dollars and is expected to reach \$262.0 billion as at June 2019 (see Chart 6.4). Net worth is forecast to continue to grow to \$311.0 billion by June 2023, even with the Government's asset recycling program. The State's net worth is the highest of the States and Territories and around \$100.0 billion higher than the next largest State (see Chart 6.5)³.

³ Net worth measures the overall wealth of the State and is calculated by taking the difference between total assets and total liabilities.

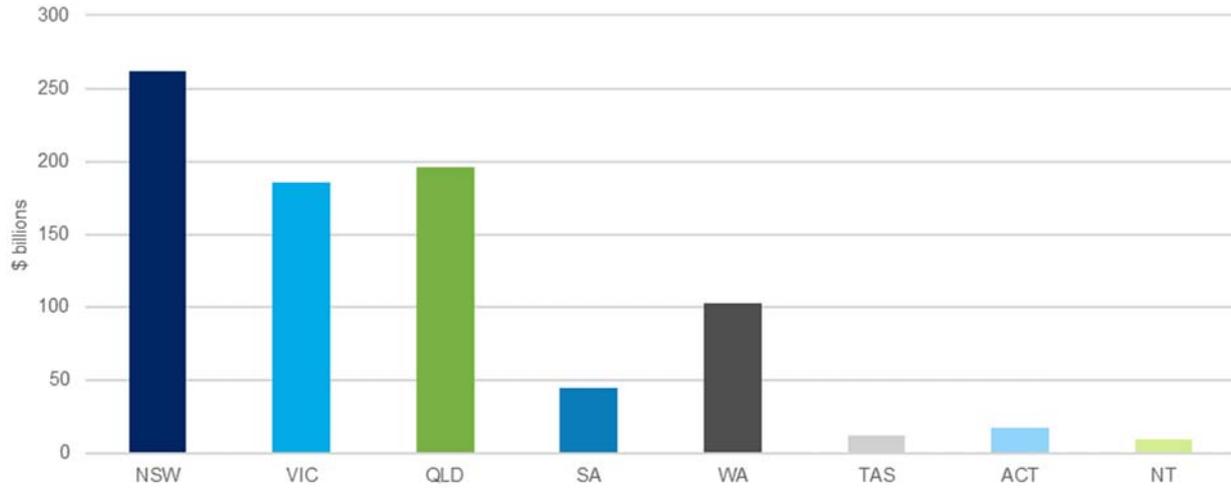
Chart 6.4: NSW general government sector net worth to increase by \$49.0 billion over the next four years



New South Wales' net worth is projected to increase further over the forward estimates, driven by growth in the State's non-financial assets. Most notably:

- the value of property, plant and equipment is expected to grow from \$224.8 billion at June 2019 to \$274.8 billion at June 2023, due to the Government investing net operating cash into infrastructure, asset recycling and asset revaluations
- the Government's equity investments are expected to increase from \$113.2 billion at June 2019 to \$135.5 billion by June 2023, driven by strong growth in the public non-financial corporations sector (see Chapter 7)
- the expected \$35.8 billion increase in borrowings over the four years to June 2023 to fund the Government's record infrastructure investment is largely offset by a \$20.1 billion reduction in projected superannuation liabilities. The State is making annual contributions to ensure it meets its commitment to fully fund its superannuation liabilities by 2030 (see Box 6.4 for more details).

Chart 6.5: General government sector net worth of Australian States and Territories in 2018-19^(a)

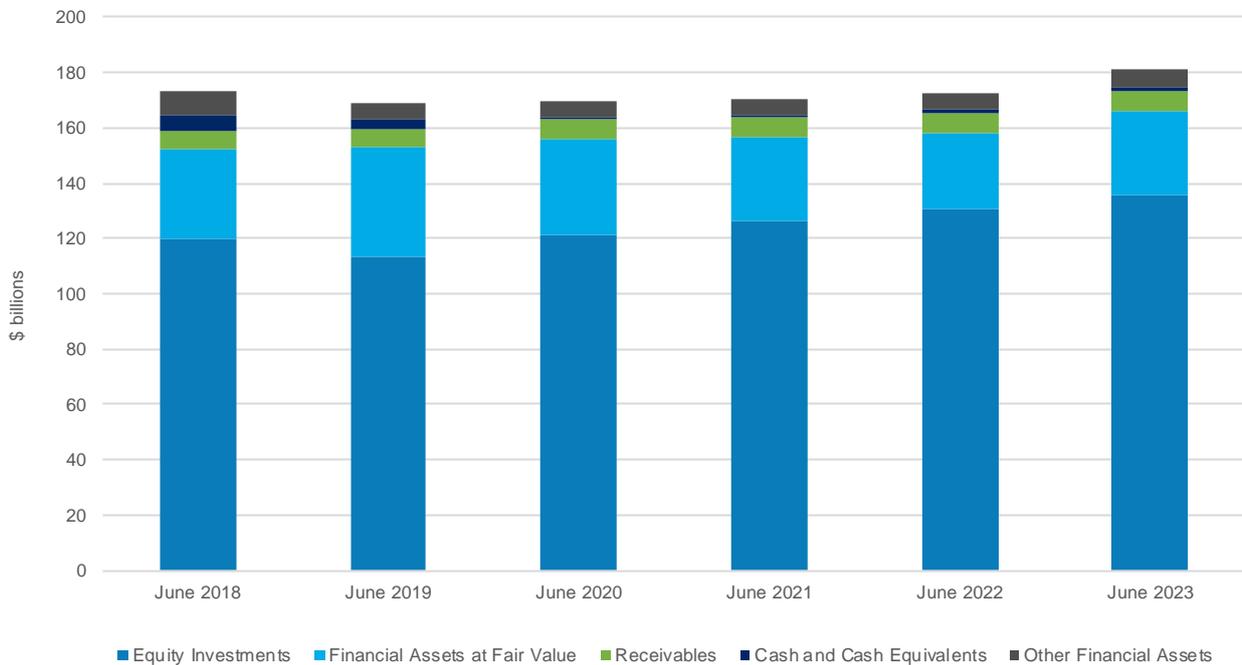


(a) Net worth for SA at 2018-19 Mid-year Budget Update and all other States and Territories at 2019-20 Budget

Financial assets

The State's total financial assets are projected to be \$168.9 billion at June 2019, increasing to \$180.9 billion by June 2023 (see Chart 6.6). Growth in the value of the State's equity investments partially offsets the gradual reduction in the NIFF balance, as scheduled payments are drawn to fund infrastructure projects.

Chart 6.6: General government sector financial assets reflect asset divestments and cash management reforms



The State's equity investments in other public-sector entities⁴ make up the majority of financial assets held by the State, and have decreased by \$6.6 billion relative to the 2019 Pre-election Budget Update estimate as assets were transferred between sectors. This decrease was offset by strong investment returns increasing financial assets at fair value, resulting in a \$5.1 billion decrease in the total financial assets at June 2019 compared to the 2019 Pre-election Budget Update estimate.

Non-financial assets

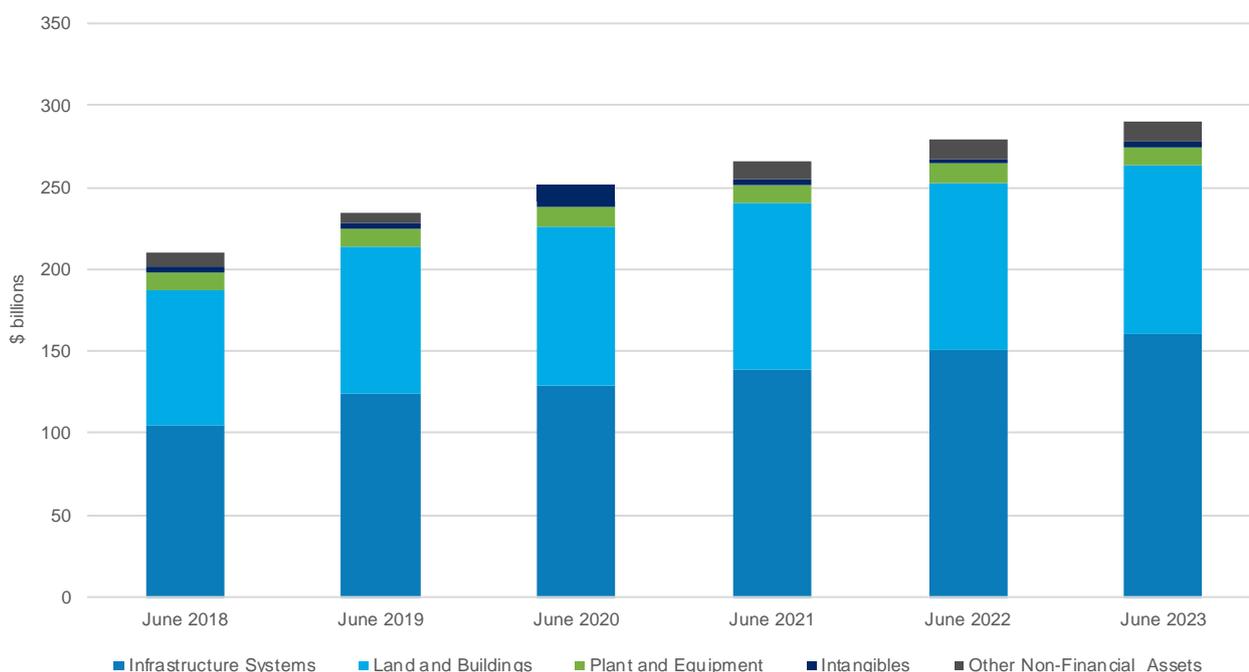
The State's non-financial assets are projected to reach \$235.0 billion at June 2019, a \$6.7 billion increase relative to the 2019 Pre-election Budget Update. This is largely driven by a transfer between sectors. This figure is expected to further increase to \$289.5 billion by June 2023, due to the Government's ongoing infrastructure investment and asset revaluations (see Chart 6.7).

Investment in infrastructure systems (e.g. public transport infrastructure) is forecast to increase over the forward estimates from \$123.7 billion at June 2019 to \$160.3 billion in June 2023 as a number of high profile infrastructure projects are delivered during this period.

To ensure continued effectiveness and value of the procurement and delivery of the Government's infrastructure program, the Government has released the NSW Government Action Plan (see Box 4.1 in Budget Paper No. 2 *Infrastructure Statement*).

Land and building assets are projected to grow from an expected \$89.7 billion at June 2019 to \$103.1 billion in June 2023, driven by the Government's record investment in schools and hospitals, as well as asset revaluations in the education sector.

Chart 6.7: General government sector non-financial assets increasing over time

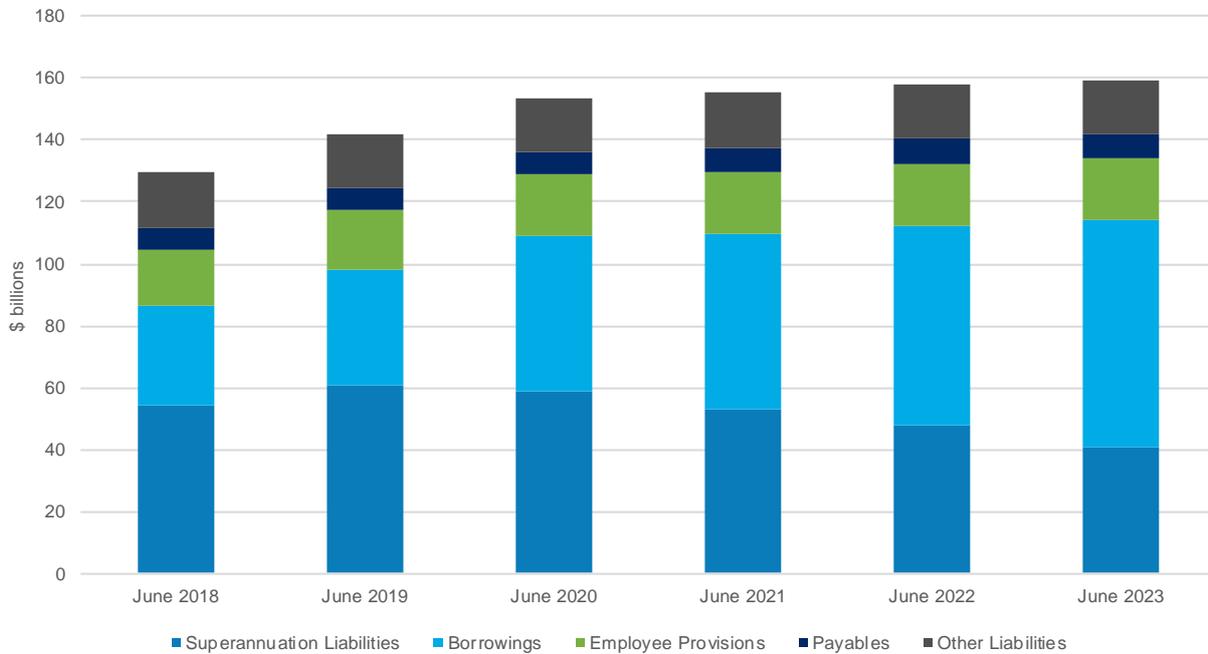


⁴ Equity investments in other public-sector entities represents the general government sector's interest in the public non-financial corporation and public financial corporation sectors reflecting, in the absence of fair value, the carrying amount of net assets of those sectors (before consolidation adjustments), in accordance with AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Liabilities

Total liabilities are projected to be \$141.9 billion at June 2019, and are expected to increase to \$159.4 billion by June 2023 (see Chart 6.8). This revision is mostly driven by a decrease in unfunded superannuation liabilities that have been offset by an increase in borrowings as the State progresses its record infrastructure program.

Chart 6.8: *Liabilities stable over the forward estimates*



Unfunded superannuation liabilities remain the largest category of liability on the general government sector balance sheet at June 2019, but are forecast to decrease from \$61.0 billion at June 2019 to \$40.9 billion at June 2023 as the Government makes progress on its commitment to fully fund superannuation liabilities by 2030 (see Box 6.4).

Employee provisions, including long service leave, are projected to increase slightly over the forward estimates from \$19.4 billion in June 2019 to \$20.1 billion in June 2023.

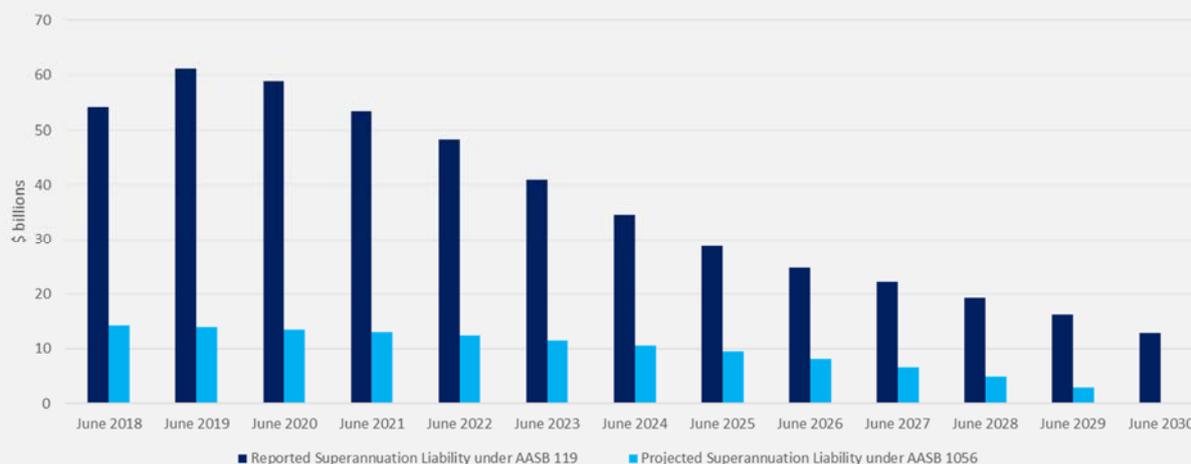
Box 6.4: On track to fully fund the State's unfunded superannuation liabilities

The Government remains committed to fully funding its superannuation liabilities by June 2030, consistent with the *Fiscal Responsibility Act 2012*. To achieve this, the long-term funding program involves an annual contribution – \$1.7 billion in the 2019-20 financial year – increasing by 5 per cent per annum until 2030.

Management of the State's superannuation liability undergoes a triennial review, which takes into account demographic changes and economic drivers such as inflation and investment returns. The most recent triennial review, completed in October 2018 by an independent actuary (PwC Australia), concluded that the Government's current contribution plan is appropriate to deliver full funding by 2030.

The superannuation liability reported on the State's balance sheet is the unfunded part of the liability and is governed by AASB 119 *Employee Benefits*. AASB 119 reports a much more volatile and larger liability⁵ than under AASB 1056 *Superannuation Entities*⁶ which is used for determining funding of the superannuation liability towards the 2030 target. Chart 6.9 below shows the difference between the two accounting standards.

Chart 6.9: General government superannuation liabilities – AASB 119 vs AASB 1056



⁵ AASB 119 requires the reported superannuation liability to be calculated using the ten-year Commonwealth bond rate as the discount rate to determine the present value of future payments. This approach can result in large fluctuations in the reported value of the liability: e.g. the decrease in this bond rate from approximately 2.6 per cent to approximately 1.7 per cent over the past eleven months has resulted in reported unfunded liability increasing from \$53.9 billion at June 2018 at the 2019 Pre-election Budget Update to \$61.2 billion at June 2019 in the Budget.

⁶ For funding purposes, AASB 1056 Superannuation Entities allows the expected long-term return on the fund's assets to be used as the discount rate, resulting in a more appropriate measure of the present value of future payments. On this basis, the unfunded liability is estimated to be \$13.9 billion at June 2019 and is projected to decrease to \$11.5 billion by June 2023. The FRA target of fully funding the State's superannuation liabilities by 2030 is determined on the AASB 1056 basis.

7. COMMERCIAL PERFORMANCE IN THE BROADER PUBLIC SECTOR

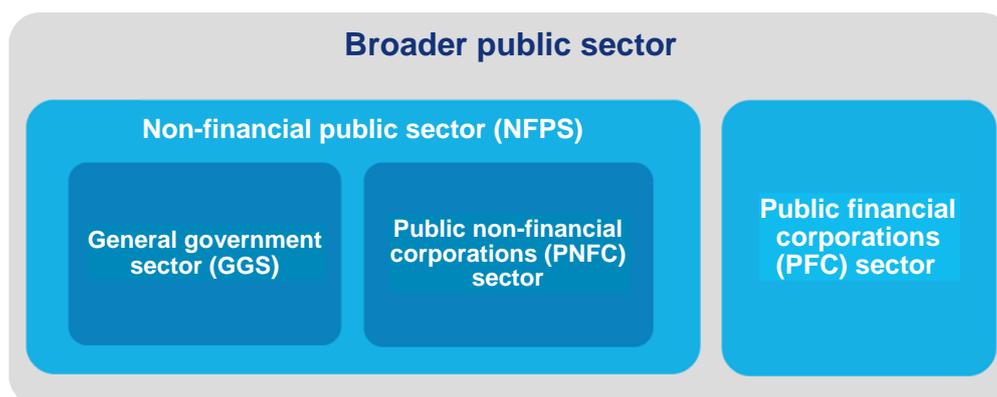
- The broader public sector comprises the total state government in New South Wales and includes the general government sector (GGS), public non-financial corporations (PNFC) sector and public financial corporations (PFC) sector.
- The PNFC and PFC sectors are guided by a Commercial Policy Framework (the Framework), which aims to replicate within government businesses the disciplines and incentives that lead private sector businesses toward efficient and commercial outcomes. The NSW Government continues to align the Framework with best practice.
- The total dividends and tax equivalent payments received by the GGS from the PNFC and PFC sectors in 2018-19 are \$1.9 billion, which is \$97.7 million higher than projected at the 2018-19 Budget. This result is largely due to the one-off dividend paid by Sydney Motorway Corporation prior to the successful WestConnex transaction in August 2018.

7.1 Overview of the broader public sector

The broader public sector is made up of entities within the public financial corporations (PFC) sector and non-financial public sector (NFPS). The NFPS is comprised of the general government sector (GGS) and the public non-financial corporations (PNFC) sector:

- entities within the GGS are funded mainly by taxation revenue and provide services such as health, education and emergency services
- entities within the PNFC sector operate on a more commercial basis and are able to recover most of their costs by charging for services such as transport, water and electricity distribution
- entities in the PNFC sector include State Owned Corporations (SOCs) set up under the *State Owned Corporations Act 1989* to operate with a greater degree of commerciality and autonomy than entities in the GGS
- the PFC sector provides financial management services to the government and insurance services to the people of New South Wales.

A full list of New South Wales public sector entities according to their classification as a GGS, PNFC or PFC entity is provided at Appendix A3 of this *Budget Statement*.



7.2 Reforms and initiatives of government businesses

The Commercial Policy Framework

The Commercial Policy Framework (the Framework) is a suite of policies that set expectations for government businesses in the PNFC and PFC sectors in order to drive better outcomes for the citizens of New South Wales. The Framework aims to replicate in government businesses the drivers and characteristics of an efficient private sector business. Importantly, it supports the efficient use of the State's capital, helps put downward pressure on cost of living expenses and contributes to the growth of the NSW economy.

The Framework is continuously reviewed and updated to ensure it reflects developments in government policy, changes in regulation and current best practice.

The following changes were made to the Framework in 2018-19:

- The release of Guidelines for Board Appointments managed by Treasury on behalf of the Shareholding Ministers. The guidelines introduce contemporary governance practices as well as improving transparency, consistency and engagement with candidates during the assessment process
- The release of the Guidelines for Community Services Obligations (CSO). The guidelines improve the transparency and consistency of CSO arrangements by establishing a framework to ensure the government's community service policy objectives are met without impacting on the commercial performance of businesses.

These initiatives support the accountable, commercial and transparent operation of government businesses.

Water

Sydney Water, WaterNSW and Hunter Water play a key role in supplying water to metropolitan and regional areas, including responding to drought and promoting water conservation.

Box 7.1: Addressing the drought in metropolitan Sydney

In accordance with the Metropolitan Water Plan, Sydney Water and WaterNSW have jointly established a dedicated team to coordinate delivery of drought response activities and improve system resilience.

Initiatives and programs to manage the impacts of drought include:

- Implementation of Level 1 water restrictions for Greater Sydney
- Supporting the re-start procedures for the Sydney Desalination Plant, which at full production can supply Sydney Water with around 15 per cent of Sydney's daily water use
- Delivering community awareness campaigns such as Sydney Water's "Love water, don't waste it"
- Delivering water efficiency programs to help residential customers save water, including Sydney Water's successful WaterFix program, which will receive a \$5.8 million boost from the NSW Climate Change Fund
- Additional investment in Sydney Water's Active Leak Reduction Program, estimated to be saving over 2 billion litres of water a year.

Water and wastewater customers in Sydney have gone from paying among the highest annual bills of any major city in Australia to the lowest, as a result of the NSW Government's strong financial management, prudent investment decision-making and focus on operational efficiency.

Consistent with the Greater Sydney Commission's vision for a growing Sydney, Sydney Water is investing in infrastructure projects particularly in the north-west and south-west growth centres. Major projects include significant upgrades to wastewater treatment plants in Riverstone and Quakers Hill/St Marys which are expected to be completed in 2019 and 2021 respectively.

Sydney Water also continues to improve water quality and protect public health with projects such as Refresh Vacluse Diamond Bay that will improve the wastewater system on the South Head Peninsula by redirecting wastewater to the Bondi Wastewater Treatment Plant.

In addition, Sydney Water continues its focus on the customer with the roll out of the Customer Hub to all regions to enable early notification of faults, improved diagnosis and planning for infrastructure repairs, and more communication channels for customers. Its Customer Experience Platform (CxP), an information technology project delivering a new billing and data management system to improve customer experience, is also nearing completion.

Hunter Water is continuing to build on the success of its 'Love Water' community conservation campaign while exploring innovative ways to ensure it meets supply requirements. Hunter Water also continues to invest in reducing leakage and other water losses, building on work in recent years which has reduced losses by at least 17 per cent. Active leak detection is now deployed across all 5,000 kilometres of its water network in the Hunter Region every year.

Major infrastructure investments by Hunter Water include delivery of the Wyee Sewer Scheme, replacement of the aboveground pipeline between Duckenfield and Tarro, and growth-driven upgrades to numerous water and wastewater treatment plants.

Box 7.2: Investing in regional water security

The Government is committed to improving water security and building drought resistance in regional and rural New South Wales.

Work is being undertaken to improve water security and flood management for the Lachlan Valley region, including feasibility studies into upgrading Wyangala Dam. The Government and WaterNSW are also continuing to investigate water security investment opportunities in other priority regions including the Hunter River, Gwydir River and Macquarie River.

The Government has established a secure long-term water supply for Broken Hill following the completion of the 270 kilometre pipeline from the Murray River to Broken Hill. The pipeline became operational in April 2019 and will be funded from Restart NSW.

Additionally, the Government has committed to ensure that local customers do not see their water bills increase during the next pricing period as a result of construction of the pipeline. This was confirmed in the Independent Pricing and Regulatory Tribunal's final pricing determination in May 2019.

The Safe and Secure Water program continues to provide funding to a wide range of regional water and sewerage projects managed by both State Owned Corporations and council-run utilities.

Energy

The Electricity Price Guarantee, overseen by the NSW Electricity Price Commissioner, ensures that total network charges for the leased electricity network businesses will be lower in the year ending 30 June 2019 than for the financial year ended 30 June 2014. This is one of the reforms implemented to reduce network charges, a key component of electricity bills.

Based on the Australian Energy Regulator's (AER) 2019-24 regulatory determinations for Ausgrid, Endeavour Energy and Essential Energy, network charges will continue to fall in real terms until 30 June 2024 for typical residential and small business customers.

Essential Energy operates and maintains one of Australia's largest electricity networks delivering electricity network services across rural and regional New South Wales.

In April 2019 the AER released its final determination for Essential Energy for the 2019 to 2024 regulatory period. By 2024, the end of the next regulatory determination period, a typical residential network charge will be 43 per cent lower than in 2014 (in real terms). Holding all other components of the bill constant, a typical residential customer will pay \$56 less per annum by 2024 compared to 1 July 2018.

Essential Energy continues to streamline its operations and invest in innovative and enabling technologies to deliver a safe, reliable and efficient electricity network to its customers which continues to put downward pressure on prices. Despite electricity generation, wholesale and retail price increases, greater electricity network efficiencies in recent years have significantly moderated the overall price increases.

Box 7.3: Customers at the centre of service delivery

The Australian Energy Regulator (AER) commended Essential Energy on its high level of customer engagement in relation to investments it will make to deliver network charge reductions and increased choice for customers in rural and regional New South Wales.

The AER also importantly commended Essential Energy for its efficiency gains to date, with network expenditure at some of its lowest levels in 20 years.

Essential Energy's stewardship of its 2019-24 regulatory proposal is a clear example of the value of a comprehensively designed and well-implemented consumer engagement program for network service providers. This led to successful passage through the regulatory determination process with a high degree of support from its stakeholders. Essential Energy's efforts were also recognised by Energy Networks Australia as winner of its 2018 Energy Network Consumer Engagement Award.

Tourism

The Government continues to extend tourism opportunities with the Sydney Opera House progressing the \$202 million upgrade for Stage 1 Renewal works, as funded by Restart NSW. The Concert Hall upgrades will modernise the Opera House's largest and most popular venue. It will greatly improve acoustics, theatre machinery systems and wheelchair accessible seating, as well as extending and automating stage configuration. These improvements will enrich the experience for the eight million tourists who visit the global icon each year, as well as enhancing services for the citizens of New South Wales.

The Government is proud to have recently completed the Yallamundi Rooms, a new function centre at the north-eastern end of the Sydney Opera House. Named in recognition of the original custodians of Bennelong Point, the Rooms allow visitors to enjoy this world-class venue with one of the world's best views.

Property

Landcom works in collaboration with other parts of government to achieve urban management objectives by improving the supply, diversity and affordability of new housing with a clear focus on sustainability.

Landcom has achieved its key target of supplying 20,000 home sites over the four years to March 2019, with 12,000 homes developed in Western Sydney alone. It has also met its goals of releasing 500 first home buyer lots and delivering 5-10 per cent affordable housing on all new projects.

Forestry

The Forestry Corporation of NSW (FCNSW) is investing in new timber plantations, funded from \$24.0 million provided in the 2018-19 Budget. Over 350 hectares of land have been added to date near Bathurst and Tumut. FCNSW has purchased over 7,000 hectares of radiata pine plantations near Oberon, Tumut and Tumbarumba over the past few years as part of expanding its existing private plantation. Expanding state-owned plantations is in line with the goal of the NSW Government's Forestry Industry Roadmap to increase softwood plantation and drive industry growth.

FCNSW replants every harvested plantation with another crop of trees in order to sustainably produce the local timber required by the community well into the future. FCNSW will hand-plant nine million seedlings in 2019 over an area the equivalent of 8,000 football fields.

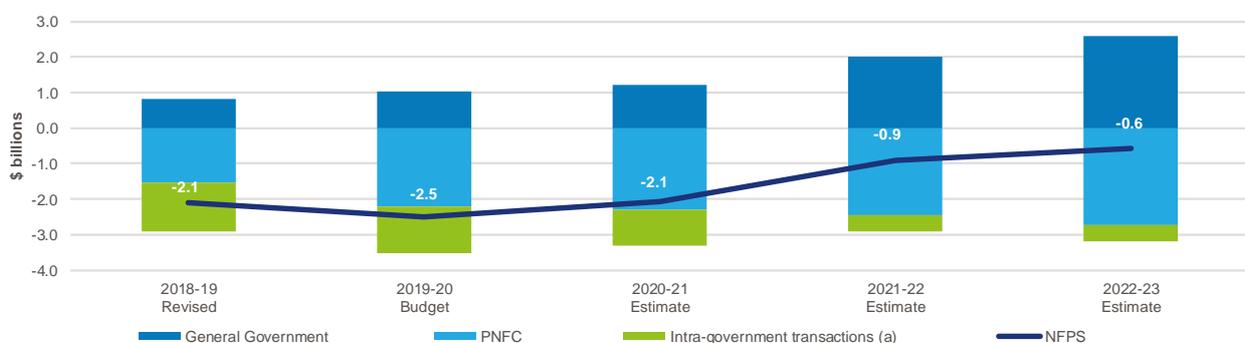
Operations in public native forests in NSW are regulated by Integrated Forestry Operations Approvals (IFOAs), which integrate the regulatory regimes for environmental planning and assessment, protection of the environment, and biodiversity conservation. The Coastal IFOA commenced in November 2018, replacing four separate IFOAs for the Upper North East, Lower North East, Southern and Eden regions.

7.3 Non-financial public sector

For the NFPS, the negative \$2.1 billion net operating balance in 2018-19 is \$258.0 million lower than forecast in the 2018-19 Budget resulting from lower performance in the GGS sector which was partially offset by stronger performance in the PNFC sector. The NFPS net operating balance over the budget and forward estimates is lower than forecast in the 2018-19 Budget. This is driven by lower revenue forecasts in the PNFC sector.

Further details on GGS performance are in Chapters 5 and 6 of this *Budget Statement*.

Chart 7.1: Components of the non-financial public sector net operating balance



Capital expenditure

In 2018-19 capital expenditure within the PNFC sector is forecast to \$5.3 billion, which is \$1.8 billion lower than forecast at the time of the 2018-19 Budget. This result was primarily driven by the de-consolidation of the WestConnex project from the State's accounts following the sale of a 51 per cent stake in August 2018 and a reprofiling of a number of RailCorp projects.

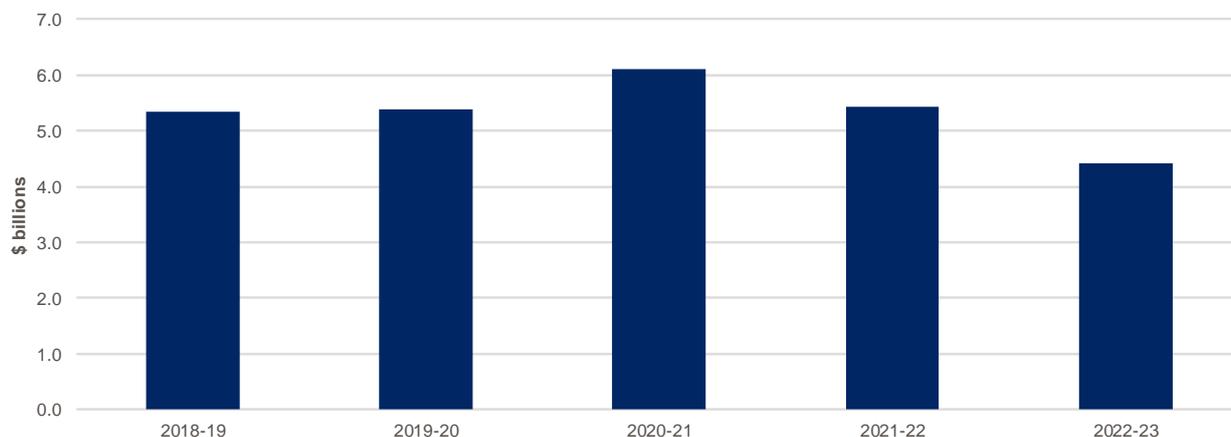
Capital expenditure within the PNFC sector over the budget and forward estimates will be \$21.3 billion. This is \$158.3 million lower than the comparative forecast in the 2018-19 Budget. Key movements between budgets include:

- \$2.1 billion higher spend by RailCorp for the delivery of new intercity and Waratah trains under the More Trains, More Services program, a commitment to provide more express trains for Western Sydney, and funding for the Fast Rail Program
- \$1.2 billion higher expenditure by Sydney Water on growth works, new and upgraded wastewater infrastructure to cater for forecast increases in population and development
- De-consolidation of the WestConnex projects, accounting for a \$2.4 billion reduction over 2018-19 and 2019-20
- \$440.5 million reduction in Land and Housing Corporation's property acquisition spend due to a softening property market, reducing the forecast asset sales available for reinvestment.

Chart 7.2 shows capital expenditure in the PNFC sector from 2018-19 to 2022-23.

Further details on the Government's capital expenditure strategy is provided in Budget Paper No.2: *Infrastructure Statement*.

Chart 7.2: *Capital expenditure of the public non-financial corporations' sector*



Capital expenditure is expected to reach \$6.1 billion in 2020-21 driven by the timing of various RailCorp and Sydney Water projects. Capital expenditure is forecast to fall to \$4.4 billion in 2022-23 as projects are completed.

7.4 Public financial corporation sector

The PFC sector includes NSW Treasury Corporation (TCorp) and Insurance and Care NSW (icare).

TCorp is the State's central financing authority and funds management agency. TCorp continues to manage financial risks for the State by providing foreign exchange, commodity and interest rate hedging services with \$2.4 billion of transactions executed over the past year to 31 May 2019.

Box 7.4: Sustainability Bond Programme launched with Australia's largest Green Bond

In the last year, TCorp has issued the State's first Green Bond under the newly established Sustainability Bond Programme. The Sustainability Bond Programme enables investors to contribute capital to assets and projects that deliver measurable environmental and social benefits to New South Wales and contribute to the United Nations Sustainable Development Goals. These bonds will complement existing general-purpose bonds and provide the State with diversification of its investor base.

The 10-year bond successfully raised an historic \$1.8 billion in funding, the largest green bond issued in Australian dollars in the market. The projects to receive financing from the issuance include Sydney Metro Northwest, Newcastle Light Rail and the Lower South Creek Treatment Programme being delivered by Sydney Water.

Building on the success of the first bond, the NSW Government will continue to lead the nation on the social and environmental investment front by issuing a new Sustainability and Social Bond later this year. Sustainability and social bonds provide institutions with opportunities to invest in programs that have positive environmental and social impacts on communities and which serve the needs of women, children, the elderly, people with disabilities and those in vulnerable situations.

TCorp manages funds on behalf of Insurance and Care NSW (icare), SAS Trustee Corporation, the NSW Generations (Debt Retirement) Fund (NGF) and the NSW Infrastructure Future Fund (NIFF), among others. TCorp's total funds under management have increased by \$10.8 billion to \$104.6 billion over the past year to 31 May 2019, exceeding \$100 billion for the first time, largely due to investment growth and new funds flowing into the NGF.

icare is the Government's social insurer with the purpose to protect, insure and care for the State's people, businesses and assets.

Over the past 12 months, icare has delivered over \$100 million in workers compensation premium discounts. icare will provide a further \$300 million in premium discounts over the next three years for 280,000 employers, delivering an average discount of 8 per cent and a maximum of 12.5 per cent for employers with the safest workplaces.

icare launched a new single website, aggregating documents and information into an easy-to-use and transparent online portal. icare also redesigned and simplified the application and eligibility process for people with a dust disease as well as their family members.

Through the Medical Support Panel, icare has reduced average treatment approval times for injured workers from six weeks to five days and assessed 2,400 cases.

7.5 Dividends and tax equivalent payments

Dividends received by the GGS from PNFCs and PFCs are based on the operating performance of those businesses. Tax equivalent payments and debt neutrality charges (government guarantee fees) are also paid by PNFCs and PFCs to ensure competitive neutrality with private sector businesses. For 2018-19, the dividend and tax equivalent payments from the PNFC and PFC sectors are forecast at \$1.9 billion and Government guarantee fees to be \$299.7 million. Over the budget and forward estimates, dividends and tax equivalent payments are forecast to be \$4.8 billion.

Dividends and tax equivalent payments from the electricity sector over the budget and forward estimates are forecast to be \$195.3 million, \$57.4 million lower than the comparative estimate at the 2018-19 Budget. This is primarily driven by lower earnings for Essential Energy as a result of new regulatory determinations. Of this total amount, \$156.7 million are tax equivalent payments fulfilling the Government's competitive neutrality obligations.

A recent capital structure optimisation initiative by Sydney Water has supported higher relative distribution levels from the PNFC water sector, with distributions in 2019-20 forecast to be \$1.2 billion. Distribution levels are expected to reduce over the three years to 2022-23 with estimated distributions over the budget and forward estimates of \$3.0 billion being 23 per cent lower compared to the 2018-19 Budget.

Distributions from the property and resources sector are forecast at \$797.9 million over the budget and forward estimates. This is \$114.9 million lower than forecast in the 2018-19 Budget and is driven largely by Landcom reaching the end of their multi-year plan to return historic profits to Government.

The Port Authority estimated dividend and tax equivalent payments of \$156.6 million over the budget and forward estimates, an increase of around 30 per cent from the 2018-19 Budget.

The PFC sector's distributions over the budget and forward estimates years are \$705.7 million, an increase of \$282.1 million from the 2018-19 Budget, largely resulting from an expected increase in dividends from T-Corp in 2019-20 as part of a capital restructuring that allows them to return previously retained earnings to Government. TCorp's capital requirements will be met via an equity contribution from the Crown Finance Entity.

Table 7.1: Dividends and tax equivalent payments from public non-financial corporations and public financial corporations

	2018-19	2019-20	2020-21	2021-22	2022-23
	Revised	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m	\$m
Electricity	62	32	50	52	61
Water	1,282	1,195	858	467	435
Property and Resources	265	310	290	97	101
Ports	11	12	41	50	55
Public Financial Corporations	301	329	121	129	128
Total Dividends and Tax Equivalent Payments	1,921	1,877	1,359	796	779

8. NSW: BETTER LIVES, BETTER FUTURES

8.1 Four pillars to improve the lives of citizens, now and into the future

The Government's fiscal and economic policies, combined with record infrastructure investment, have transformed New South Wales into the economic engine room of Australia. In the four years to June 2018 the New South Wales economy experienced the fastest per capita growth of any state in Australia.

The Government's investment decisions have dramatically improved the quality and level of service that citizens receive from government, leading the way with the Service NSW network. While improving services for today, the Government has maintained a clear focus on the future, initiating and leading the largest infrastructure program in the State's history.

The Government's ambitious agenda – including the election commitment package funded through this Budget – is being sustainably delivered due to disciplined financial management. The Government is keeping debt at sustainable levels, and retaining a triple-A credit rating.

The State has managed through recent global and local challenges, growing the economy and maintaining budget surpluses, without raising taxes. However, the Government is not taking its past success for granted and is planning for the future. The Government is implementing four policy pillars to support continued prosperity for New South Wales.

The first pillar is an Economic Blueprint for the future of New South Wales (the Blueprint). It will present long-term strategies to deliver the next phase of economic growth. The Government established the NSW Productivity Commission in 2018 to identify reform priorities for the economy, to support business investment and innovation, and improve lives. The Blueprint will complement this.

The second pillar is managing a balance sheet that lowers the financial burden for future generations. In the 2018-19 Budget, New South Wales became the first state or territory in Australia to establish a sovereign wealth fund, the NSW Generations Fund (NGF). Seeded with an initial investment of \$10.0 billion in late 2018, the NGF is projected to grow to more than \$28.0 billion over the next decade. This initiative will help the Government maintain sustainable debt levels consistent with a triple-A credit rating, helping support current and future generations.

The third pillar is re-examining federal financial relations from a state perspective. As the NSW economy continues to grow and evolve, the Government will need to maintain a stable and reliable revenue base to fund essential services and infrastructure. The Government is therefore undertaking a review of the State's revenue system as it relates to federal funding and its interactions with the state tax system. The Government wants the people of New South Wales to join in the conversation on how the revenue system can work better for all, including better integration between state and federal taxes.

The fourth and final pillar is ensuring government is focused on delivering better outcomes, not bigger government. The Government is continuing its move to outcomes budgeting. At the same time, it is announcing the Digital Restart Fund and is consolidating public sector agencies, so the State's public administration is streamlined, effective and citizen focused.

8.2 The Government wants New South Wales to be a great place to live, work, run a business and raise a family

The Government is looking at how it can best support future growth and prosperity. Key strategies include:

- ensuring the State budget is sustainable, with inter-generational measures like the NGF
- having the fiscal capacity to tap into innovation opportunities (such as the Digital Restart Fund) and to quickly respond to economic challenges (such as drought assistance)
- ensuring government is agile and nimble in the face of disruption and technological change
- readying the State's workforce and education system for the jobs of the future
- supporting the State's most vulnerable citizens.

New South Wales' fiscal and economic strengths

Since coming into office in 2011, the Government has built up the State's fiscal and economic capacity.

Under the Government's stewardship the New South Wales economy has been able to adapt from the end of the mining boom to service-driven growth, lifting skills and jobs growth across all regions. A positive indicator of the economy's transition is the State's trend unemployment rate, which is near a 40 year low. In an encouraging sign for the future, the State's workforce participation rate is the highest on record, with female participation a particular standout.

Fiscal discipline has been a core tenet of this Government's leadership. It has built a reputation for being a world leader in asset recycling – ensuring the State's balance sheet is optimised and capital is being employed in the most productive way possible. On the operating side, expense management has been pivotal in getting the State's finances on a sustainable footing. Through these measures, the Government has funded a record infrastructure program while minimising reliance on borrowings. It has delivered a meaningful and lasting legacy – the next generation will benefit from the infrastructure being built now, without the need to repay excessive debt.

More is needed to overcome the challenges of tomorrow

While New South Wales has enjoyed an historically long period of economic growth without recession, and the NSW Government has successfully managed recent headwinds, the State will face new challenges into the future. Both short and long-term risks could affect the Government's capacity to deliver the infrastructure and services that citizens need.

Short-term risks centre around the global economy, the local housing market, persistent drought conditions and subdued household income growth. Although the outlook for the global economy remains generally favourable, global institutions have recently pared back growth expectations. Any disruption to global trade could impact New South Wales, particularly through commodity and service exports and their multiplier effects on the local economy.

Beyond the immediate horizon, New South Wales is expected to face economic and fiscal challenges. The ageing of the population will place ongoing pressure on state-delivered services (such as health care). Lifting customer service expectations and emerging technologies could disrupt traditional government service delivery models. While these longer trends unfold, growth in revenues is unlikely to keep pace.

8.3 Setting up New South Wales for future success

Pillar one: The Economic Blueprint

New South Wales' economic transition

The New South Wales economy has powered national economic performance in recent years. In the four years to 2017-18, New South Wales:

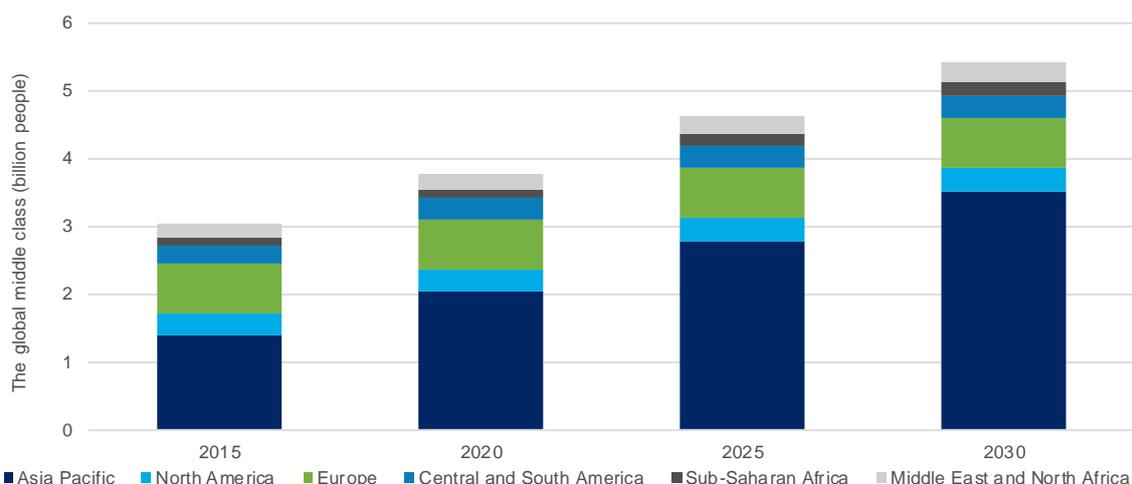
- delivered nearly 40 per cent of growth in national output and new jobs, well above the State's population share of 32 per cent
- had 64 per cent of national public investment growth
- recorded more than half the nation's dwelling commencements.

In the last year alone, New South Wales attracted 37 per cent of Australia's overseas tourists and 38 per cent of international students coming to Australia. Both these sectors account for a significant share of New South Wales' service exports.

New South Wales has abundant natural resources, a pristine environment, enviable living standards and a well-educated and highly-skilled workforce. It boasts popular tourist destinations, stable and reliable government and institutions, highly sought-after education facilities, a world-leading service sector, and highly competitive industries, particularly in advanced manufacturing.

New South Wales is already expanding trade into Asian markets. The State's top four merchandise export destinations are Japan, China, South Korea and Taiwan. The extraordinary growth in the number of middle-class citizens in Asia has the potential to drive economic growth in New South Wales for decades to come. As household incomes and living standards improve in many regional economies (see Chart 8.1), there will be significant and untapped trade opportunities for New South Wales industries.

Chart 8.1: China and India have significant potential as export destinations



Source: Brookings Institute and NSW Treasury

The Government is developing a new trade and investment strategy for New South Wales to respond to these trends. The strategy will focus efforts to attract international investment, facilitate exports, create jobs and grow the economy.

Changes to the economy are on the horizon. The disruption of advancing automation and robotics is already occurring, changing the nature of workplaces, lifestyles and jobs. While this technology has enormous potential to improve living standards and create new jobs, there are also transitional challenges that will weigh on parts of the economy.

The future economy must also continue to support individual freedom and aspiration – providing all people with a fair opportunity to work, make a living and support their families. The Government is well advanced into preparing a blueprint to take account of these challenges and opportunities, and lay out a long-term vision for New South Wales.

An Economic Blueprint for tomorrow

The Blueprint will build on the significant achievements of the Government since it was elected in 2011. The Government has established place-based strategic precincts and technology hubs that build on competitive advantages and nurture innovation and ideas. Previously neglected non-urban connectivity and infrastructure are renewed areas of focus, to help revitalise regions. To spark productivity growth in New South Wales, the Government established the NSW Productivity Commission in 2018 which has re-energised the productivity and reform agenda. A Productivity White Paper will be published later this year.

The Blueprint will draw on extensive future-focused work to date, both inside and outside government. It will gather fresh insights from an extensive consultation process that is already underway. The Blueprint will knit together this knowledge and provide an over-arching strategic framework from which other forward-looking plans (for example for regional growth, productivity, transport, innovation and small business) can build.

The Blueprint will target emerging growth industries of the future, and how these may affect the State's economic composition. There could be long-lasting implications for the way in which we educate and prepare the workforce of tomorrow. Indeed, the skills these people will need to prosper may be very different to those of today.

New South Wales has several current advantages – for example financial and professional services, advanced manufacturing and food production. There will be other areas of advantage in the future and while the Government may not be able to identify them all today, it can forge an environment that encourages investment and growth.

The Blueprint will identify likely major trading partners in the decades to come. In doing all of this, it will lay out long-term strategies that will help deliver the next phase of the State's economic growth. The Blueprint will be comprehensive, and it will be forward-looking. It will lay the foundations for a stronger economic and financial future.

Pillar two: Managing a balance sheet that lowers the burden for future generations

The NSW Generations Fund (NGF)

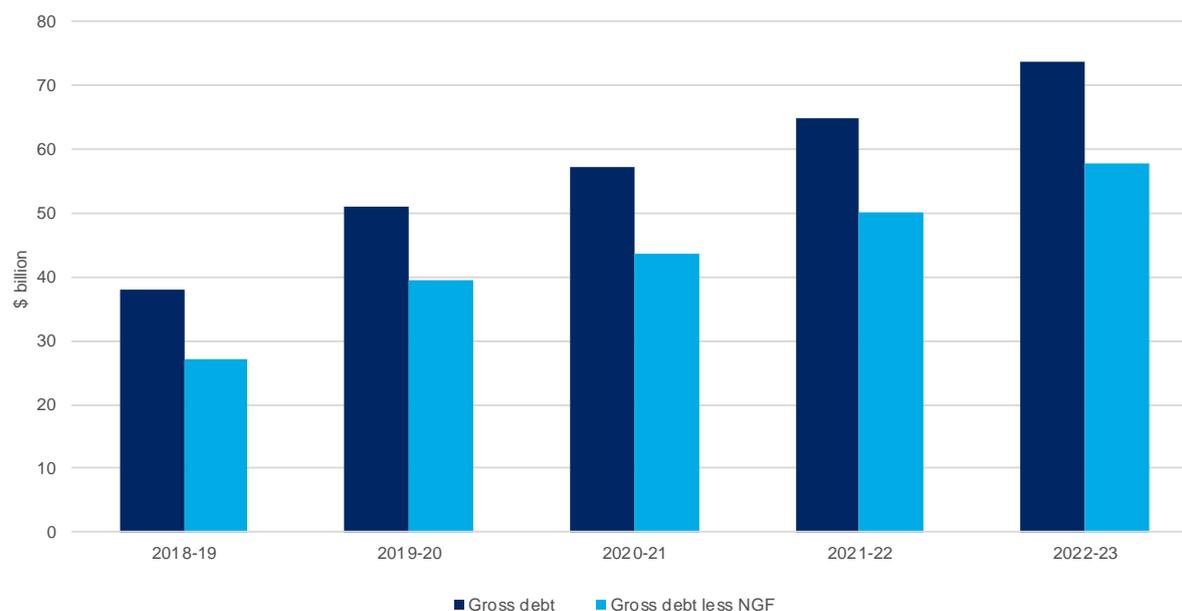
To avoid constraining future generations with substantial debt, the Government has established a dedicated debt retirement fund – the NGF. This sustainable approach to debt reduction is made possible by the Government's strong financial management and innovative reform, helping unlock the potential of the State's balance sheet. The NGF was seeded with an initial investment of \$10 billion in late 2018. Over the next decade, the NGF is projected to grow to more than \$28 billion.

By ring-fencing the NGF through the *NSW Generations Funds Act 2018*, it safeguards the NGF's assets for debt retirement and prevents the NGF from being misused by future governments. Enshrining the NGF in legislation has supported both major credit ratings agencies recognising the NGF as an offset to State debt (Chart 8.2). This innovative approach allows the NGF to support the triple-A credit rating in a way that other States' investment funds cannot.

The State's minority interest in WestConnex is also included in the NGF. This approach helps ensure that the WestConnex minority interest does not become a 'lazy asset' on the State's balance sheet and continues to help benefit the people of New South Wales now and into the future.

This active approach to balance sheet management will support the Government's infrastructure program without burdening future generations with unmanageable debt.

Chart 8.2: General government gross debt – with and without the NGF debt offset



Pillar three: Re-examining federal financial relations from a state perspective

Current state of federal financial relations

Under Australia's federal system, states have primary responsibility for delivering frontline government services and infrastructure. Yet, states also have some constraints on access to efficient, stable revenue sources to fully fund this expenditure and investment.

This means the states rely heavily on Commonwealth funding to deliver essential services. In 2019-20, the Commonwealth will provide New South Wales with around \$32.4 billion (38.4 per cent of the State's revenue). This includes \$18.7 billion of GST payments and \$13.3 billion in tied payments flowing from National Agreements, National Partnerships and Project Agreements.

Over time the Commonwealth funding system has evolved into one that is complex, uncertain and discourages state reform. The distribution of GST revenue and Commonwealth funding agreements weigh on the future stability of the State's revenue base and affect budget flexibility.

Federal financial arrangements require reform if states are to address long-term revenue and expenditure challenges and provide citizens with value for money in return for their taxes. A federal system that recognises the sovereign role of states and provides appropriate incentives for economic reform is fundamental.

In light of these challenges, it is time to review our federal financial relations system – from a state perspective – to ensure it delivers fair and stable revenue to New South Wales and positions the State to meet future challenges.

Why the federal financial relations system requires examining

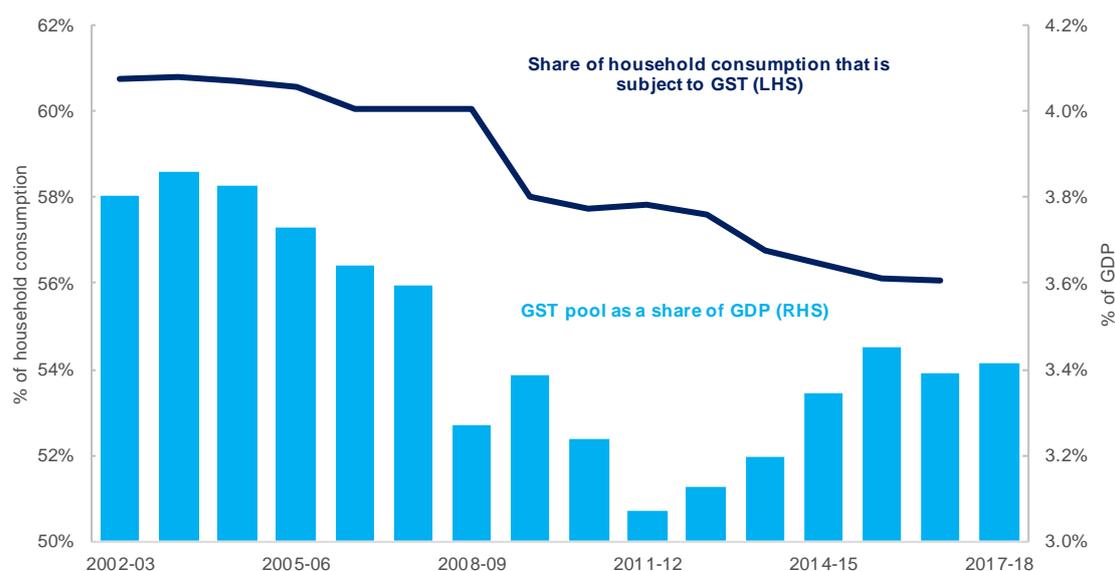
Although the current model for federal financial relations was established on a principle of collaboration, over time these arrangements have become complex and highly restrictive.

The current system of GST revenue allocation – known as Horizontal Fiscal Equalisation – is complex, discourages productivity-enhancing reform, and penalises states with responsible fiscal policies and strong economies.

At the same time, limited visibility on expected trends and growth in GST receipts means that states are exposed to sudden write-downs in revenue. In its 2019-20 Budget, the Commonwealth downgraded its forecast for the GST pool by \$8.3 billion over four years from its mid-year budget update. This is consistent with historic volatility, in which the GST pool has annually grown by up to 9 per cent and fallen by up to 2.7 per cent.

Over the long-term, GST payments could also become suppressed by a shift in household spending towards goods and services that are not subject to GST (including health care, education, financial services and residential rent) and weak inflation for retail goods (Chart 8.3).

Chart 8.3: An eroding GST base raises further risks to NSW revenue

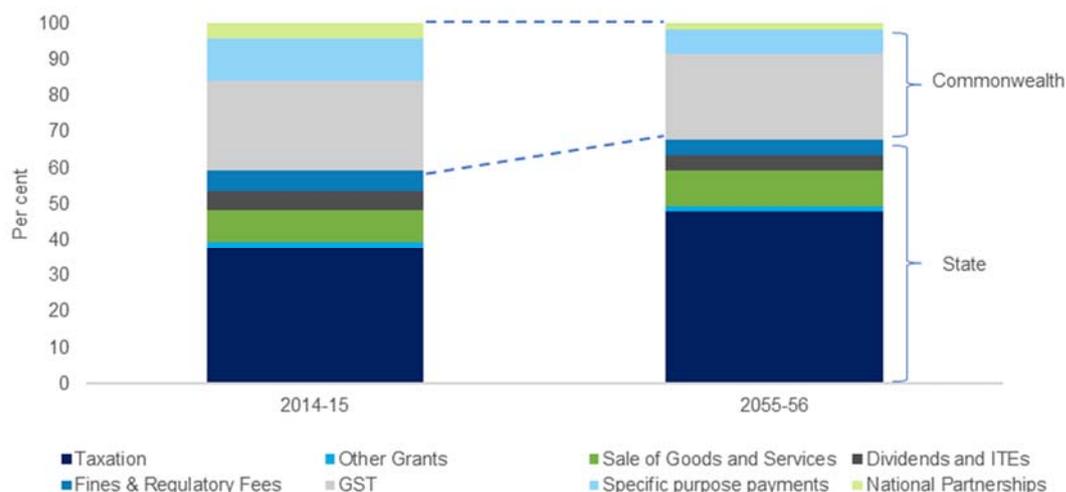


Source: ABS 5206.0 and Commonwealth Parliamentary Budget Office

In addition to GST payments, New South Wales also relies on four National Agreements and more than 40 National Partnerships and Project Agreements with the Commonwealth. The complexity and excessive conditions in these agreements hinder the ability to fund and deliver services efficiently and in line with community needs. These agreements erode state sovereignty by restricting state flexibility to allocate funding to the most critical areas. Commonwealth funding is also unlikely to match future growth in demand for services, requiring states to lift their share of the funding. Yet the states' ability to do this is also constrained by current federal financial arrangements.

Over the long term, the Commonwealth's own fiscal pressures may weigh on grant funding. The New South Wales 2016 Intergenerational Report projects that Commonwealth funding could fall to around 32 per cent of State revenue by 2055-56, shifting the State's financing burden back towards its own sources of revenue (Chart 8.4).

Chart 8.4: Commonwealth funding is falling as a share of total revenue



Source: NSW Intergenerational Report 2016

Interactions with the New South Wales' tax system

New South Wales relies on a range of state taxes that can be volatile and costly to the State economy. Yet, incentives to undertake tax reform can be affected by potential implications for the State's share of Commonwealth funding.

Lower taxes are important because all taxation creates economic costs over and above the direct financial costs on taxpayers. Taxes can deter productive activities by reducing the rewards for effort and work. They can also discourage individuals from making economic decisions that would benefit themselves, their families and the wider community. Major Commonwealth taxes, including the GST and personal income tax, impose relatively lower economic costs. Some state taxes, on the other hand, have relatively high economic costs.

The volatility of some taxes also makes it difficult for governments to plan ahead and manage their finances. Property transfer duty and minerals royalties, for example, are volatile revenue streams. New South Wales has become more reliant on transfer duties in recent years, which rose from \$3.8 billion in 2011-12 to \$9.7 billion at its peak in 2016-17. Since the 2017-18 Budget a softening of the housing market has resulted in a write down of more than \$10 billion in forecast transfer duty.

New South Wales' review of federal financial relations

The NSW Government is committed to managing fiscal pressures through strong fiscal management, controlling expenditure and cutting government waste. However, part of the challenge is to ensure New South Wales revenue is steady and predictable.

The NSW Government will ask a diverse and independent panel of experts to review how we can improve the federal financial relations system. The Panel will also consider how the Commonwealth funding system interacts with state taxes. The Panel will consult with the community and recommend options to improve the revenue system and encourage a more reliable system of Commonwealth funding.

The Government also recognises these revenue challenges are not unique to New South Wales. While this review is an opportunity for New South Wales to demonstrate initiative, the cooperative involvement of all states and territories through the Board of Treasurers will be critical to achieving meaningful and enduring reform.

Pillar four: Ensuring governments are focused on delivering outcomes

Delivering outcomes is what matters most and this will continue to be the first priority for the Government. New South Wales is leading the way in shifting government thinking around outcome budgeting and performance accountability.

Under outcome budgeting, funding discussions move away from traditional outputs (for example a new school) and towards the outcome that citizens care about (giving our children the best chance of success). Outcome budgeting embeds richer policy discussions, leading to better decisions, before funding is then allocated through the Budget process.

Outcome budgeting is not just about improving new policy decisions. It drives a discussion on what is being achieved with the total \$83.3 billion annual recurrent spend. When sustained over years to come, outcome budgeting will change how the Government plans, funds and delivers results for the people of New South Wales.

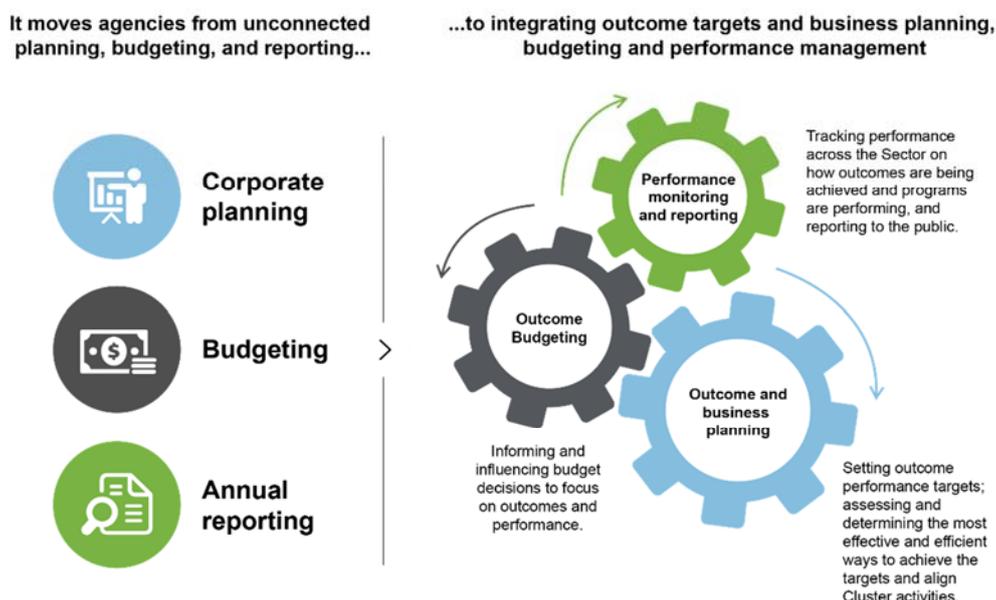
Designing a system that delivers better outcomes

The Government has established 38 State Outcomes (see Budget Paper No 3. *Budget Estimates*) to assist with investment decision making.

The Government has recently reorganised the public sector into eight clusters (down from 10) to streamline how it operates and to improve collaboration. This reorganisation has coincided with the establishment of the State Outcomes, which are fit for purpose to the new model.

The Government takes performance seriously and this means setting targets for each State Outcome to deliver. Now that a suite of 38 State Outcomes has been established for the new machinery of government structure, attention is turning to setting measures that will drive a performance-based culture across the public sector (Diagram 8.1). This is important to get right and will be a feature of future releases of Budget Paper No.3 *Budget Estimates*, just as it was a feature in the 2018-19 Budget under the previous machinery of government structure.

Figure 8.1: Outcome budgeting encompasses and integrates the three aspects of performance accountability



Supporting the State’s education system to deliver outcomes

Since 2011 the Government has made record investments in schools, including through substantial extra funding to public schools through the Gonski 2.0 agreement. This includes more than \$6.4 billion additional funding to 2027 for public schools across New South Wales from next year.

This spend is not the end in itself. Driving better outcomes for children is what matters. The NSW Department of Education is the first department to make a significant shift to outcome budgeting. It is established a plan to ensure the Government’s record investment provides young people with the best educational outcomes in Australia.

Every cluster in the NSW Government will be following the Department of Education with outcome-focussed plans that provide a clear roadmap to delivering results.

Remaining Australia’s economic driving force well into the future

Together, these four pillars build on the State’s strong foundations to ensure the economy remains strong, resilient to shocks and responsive to new opportunities. These strategies will position New South Wales to remain Australia’s driving force well into the future. More importantly, meeting the needs of citizens will be at the centre of every government decision, so that New South Wales continues to be a great place to live work, run a business and raise a family.

A1. STATEMENT OF FINANCES

This appendix presents the financial aggregates for the 2019-20 Budget.

Financial aggregates in this appendix are prepared in line with:

- the Uniform Presentation Framework (UPF) administered by the Council on Federal Financial Relations (CFFR)
- Australian Accounting Standard AASB 1049 *Whole of Government and General Government Sector Financial Reporting*, which adopts a harmonised Government Finance Statistics (GFS)/Generally Accepted Accounting Principles (GAAP) reporting basis.

UPF Tables also include disclosures that identify 'convergence' differences as explained on pages A1-4 and A1-5.

A six-year time series is provided from 2017-18 to 2022-23 for the general government sector (GGS), public non-financial corporations (PNFC) sector, and consolidated non-financial public sector (NFPS).

An analysis of general government expenses is presented in Chapter 5: Expenditure, and looks at each element of expenses by COFOG-A category.

Appendix A2 outlines the accounting policies and forecast assumptions adopted in the Budget. The Operating Statements as per Table A1.1, Table A1.9 and Table A1.12 quantifies the impact on the forward estimates from 2019-20 to 2022-23. These forecasts include the impact from the adoption of new accounting standards from 2019-20 in accordance with:

- AASB 15 *Revenue from Contracts with Customers* (AASB 15),
- AASB 1058 *Income of Not-for-Profit Entities* (AASB 1058) and
- AASB 16 *Leases* (AASB 16)

A.1 Introduction

This appendix presents financial aggregates for the GGS, PNFC sector and NFPS. These aggregates are prepared in line with the revised UPF agreed by the Council on Federal Financial Relations in February 2019.

The revisions to the framework in 2019 largely reflect the 2015 update to the Australian System of Government Financial Statistics (GFS) framework. The update of the Australian GFS aims to better align with the International Monetary Fund's GFS 2014 framework and the System of National Accounts 2008. The revised UPF also removes the Loan Council Allocation reporting requirements.

The objective of the UPF is to facilitate a better understanding of individual government's budget papers and provide for more meaningful comparisons of each government's financial results and projections.

The format of the aggregates is based on reporting standards set out by the Australian Accounting Standards Board – AASB 1049 *Whole of Government and General Government Sector Financial Reporting*, which adopts a harmonised GFS-GAAP reporting basis.

The UPF financial aggregates:

- allow consistent comparisons between the financial position of Australian governments
- facilitate time series comparisons since they are relatively unaffected by changes in public sector administrative structures
- permit an assessment of how public sector transactions affect the economy by providing data classified by economic type.

A.2 Uniform Presentation Framework

The NSW Government financial tables in this appendix are prepared under the UPF.¹ Additional disclosures explain matters specific to New South Wales.

Framework

The UPF tables are in line with AASB 1049 which:

- adopts generally accepted accounting principles (GAAP) definitions, including recognition and measurement principles in almost all cases
- amends presentation requirements to encompass a comprehensive result that retains the GAAP classification system but overlays it with the transactions and other economic flows classification system based on GFS
- expands the disclosure requirements to include key fiscal aggregates required by GFS.

Due to differences in reporting classifications, GFS financial aggregates released by the ABS will differ from UPF aggregates. These 'convergence' differences are not generally material for New South Wales, apart from GFS's treatment of prepayments and the exclusion of deferred tax, settlement provisions and obligation payments. For more information on other differences, see the primary financial statements later in this appendix. For details and amounts of the key 2017-18 convergence differences, see pages 7-141 to 7-146 of the 2017-18 *Report on State Finances*.

¹ The complete Uniform Presentation Framework is available on the Commonwealth Treasury website www.treasury.gov.au. Extracts from the manual are included in this appendix to explain key concepts while the glossary to this budget paper also includes key UPF terms.

Historical Series

To ensure a consistent historical series of fiscal aggregates, all jurisdictions have agreed to backcast published historical data on a best endeavours basis. For example, historic information in the consolidated operating statements has been recast on the basis of available dissections between GFS transactions and other economic flows.

Fiscal measures

UPF reporting measures evaluate the soundness of a government's fiscal position and the fiscal policy effect on the economy. The fiscal measures in the UPF framework are:

- net operating balance
- net lending/borrowing (fiscal balance)
- net worth
- change in net worth (comprehensive result)
- net debt
- net financial worth
- net financial liabilities
- cash surplus/(deficit).

Definitions of these measures are set out in the glossary to this budget paper.

Flow measures (net operating balance, net lending/borrowing and change in net worth) show changes in the fiscal position during the reporting period, reflecting the impact of government decisions and actions, and re-measurement effects during that time. Flows represent the creation, transformation, exchange, transfer or extinction of economic value.

Stock measures (net worth, net debt, net financial worth and net financial liabilities) highlight a government's fiscal position at a point in time, providing information on the aggregate results of past decisions.

A.3 Primary Financial Statements

UPF Presentation

Public sector estimates and outcomes are presented on an accrual accounting basis in three AASB 1049 based primary statements: the operating statement, including other economic flows; the balance sheet; and the cash flow statement. AASB 1049 adopts GFS principles where this does not conflict with GAAP. Details of key convergence differences between GFS and GAAP are explained in this appendix. The following statements form the UPF's core reporting requirements. Appendix A2 sets out the significant accounting policies and forecast assumptions adopted by New South Wales.

Operating Statement

The operating statement:

- presents information on transactions (revenue and expenses) and other economic flows (revaluations and adjustments)
- captures the composition of revenues and expenses and the net cost of government activities within a fiscal year
- shows the full cost of resources consumed by the government in achieving its objectives and the extent that these costs are met from various revenue sources
- shows information on capital expenditure and asset sales to derive a net lending/borrowing position.

The operating statement also reports three major fiscal measures:

- net operating balance which is calculated as revenue minus expenses from transactions. New South Wales recognises its budget result as the net operating balance for the general government sector
- total change in net worth (comprehensive result) which starts with the net operating balance and includes other economic flows such as revaluations
- net lending (fiscal balance) which starts with the net operating balance and includes net capital expenditure but excludes depreciation, giving the best indicator of a jurisdiction's call on financial markets.

Convergence differences in the Operating Statement

The main differences in treatment between the NSW GFS operating statement and the harmonised AASB 1049 operating statement presented are below:

- the harmonised aggregates exclude selected Australian Government transfer payment revenues and expenses that pass through the State's accounts. The ABS requires such payments to be grossed up in GFS reports. However, they are excluded from the AASB 1049 UPF reports as the NSW Government has no control over them. For information on the gross value of these grants see footnotes to the grants revenue and expense Table A1.5
- grants are recognised when the State gains control over the assets. Control is normally obtained when the cash is received
- dividends paid by the PNFC and PFC sectors to the GGS are recognised as an expense in GFS (in the PNFC and PFC sector operating statements), but they are treated as an equity transaction for AASB 1049
- GFS may treat a transaction as a repayment of equity in circumstances where accounting standards would record a dividend payment
- a liability is recognised in the UPF balance sheet for prepaid licence concession receipts. Income is subsequently recognised from amortising the prepaid licence over the concession period. GFS treats this as a sale of a non-produced intangible asset in the period that the prepayment is received.

Balance Sheet

The balance sheet:

- records the value of financial and non-financial assets and liabilities of governments, at the end of each financial year
- shows the resources at the government's disposal and the type and valuation of its liabilities
- reveals the make-up of the government's financial assets, its fixed asset holdings, and the extent of liabilities such as borrowings and unfunded superannuation
- allows comparisons of asset and liability levels between jurisdictions and time periods.

The UPF balance sheet fiscal aggregates include net worth, net financial worth, net financial liabilities and net debt.

Convergence differences in the Balance Sheet

The main differences in treatment between the GFS balance sheet and the harmonised AASB 1049 balance sheet presented here include the following:

- allowance for doubtful debts is recognised and reported in the UPF balance sheet, but is excluded from the GFS balance sheet, as GFS does not recognise an economic event has occurred
- a prepaid income liability is recognised in the UPF balance sheets for unamortised prepaid licences. This liability is excluded from the GFS balance sheet, which treats the prepaid income as an upfront sale of a non-produced intangible asset
- GFS balance sheets exclude deferred tax assets and deferred tax liabilities, but they are reported in accounting balance sheets. The convergence difference only affects GGS, PNFC and PFC sector balance sheets, as the assets and liabilities are eliminated for the consolidated non-financial public sector and Total Public Sector balance sheets
- GFS balance sheets also do not recognise other settlement provisions and obligation payments as there is no present counterparty to the transactions
- net financial worth and net financial liabilities aggregates are affected by the differing treatments for prepayments. Prepayments are treated in GFS as a receivable (financial asset), but in the UPF they are classified as a non-financial asset under AASB 1049. While this difference affects net financial liabilities and net financial worth, it does not affect net debt and net worth aggregates
- the ABS GFS Manual presents debt in a matrix format, with no single net debt aggregate identified. In this publication net debt is reported in accordance with the current UPF as the sum of deposits held, government securities, loans and other borrowing, minus the sum of cash and deposits, advances paid and investments, loans and placements
- by definition, GFS net worth for the PNFC and PFC sectors will always be zero, as owner's equity is classified as equivalent to a liability. However, under the UPF, liabilities exclude owner's equity.

Cash Flow Statement

The cash flow statement reveals how a government obtains and expends cash. It shows how government cash inflows and outflows are allocated between various activities, and their net impact on cash held.

This statement requires cash flows to be categorised into:

- operating activities comprising activities linked to collecting taxes, distributing grants, and providing goods and services
- investing activities comprising activities linked to acquiring and disposing financial and non-financial assets
- financing activities comprising activities linked to changing the size and composition of a government's financial structure.

The sign convention within the cash flow statement is that all inflows carry a positive sign and all outflows carry a negative sign (regardless of whether they are gross or net cash flows).

The cash flow statement reports two fiscal measures:

- net increase in cash held which is the sum of net cash flows from all operating, investing and financing activities
- cash surplus/(deficit) which comprises net cash from operating activities, plus sales and less purchases of non-financial assets (less dividends paid for the PNFC and PFC sectors).

New South Wales uses the AASB 1049 cash result as its headline cash result.

Institutional sectors

Appendix A3 lists NSW-controlled entities. The NSW-controlled entities have been classified according to their government sector. These sectors are defined in the ABS GFS manual.

A.4 Uniform Presentation Tables

These tables are set out by institutional sectors showing the order of operating statement, balance sheet and cash flow statement.

In addition to the UPF minimum disclosure requirements, these tables also include a historical and forward year time series. The tables for general government sector also include:

- tax revenues by type
- a dissection of grant revenue and expense
- dividend and income tax equivalent income by sector
- total expenses by function (COFOG-A)
- purchases of non-financial assets by function (COFOG-A).

Table A1.1: General government sector operating statement

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Revised	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m	\$m	\$m
Revenue from Transactions						
Taxation	31,326	31,263	31,841	33,876	35,296	36,665
Grants and Subsidies						
- Commonwealth General Purpose	17,955	17,888	18,685	19,789	20,953	21,981
- Commonwealth Specific Purpose Payments	9,844	10,130	10,431	11,046	11,679	12,360
- Commonwealth National Partnership Payments	3,129	2,848	2,888	2,359	2,263	2,204
- Other Commonwealth Payments	444	410	372	440	436	459
- Other Grants and Subsidies	487	581	627	625	622	631
Sale of Goods and Services	8,508	8,797	9,762	10,421	9,972	8,988
Interest	558	531	333	322	288	272
Dividend and Income Tax Equivalents from Other Sectors	1,578	1,921	1,877	1,359	796	779
Other Dividends and Distributions	2,114	1,796	2,001	2,002	2,203	2,351
Fines, Regulatory Fees and Other	4,730	4,962	5,498	5,392	5,510	5,318
Total Revenue from Transactions	80,672	81,128	84,316	87,632	90,018	92,009
Expenses from Transactions						
Employee	31,644	32,789	34,266	34,784	36,829	39,442
Superannuation						
- Superannuation Interest Cost	1,458	1,426	1,079	1,040	1,083	1,101
- Other Superannuation	3,009	3,138	3,151	3,090	3,163	3,357
Depreciation and Amortisation	4,873	5,321	6,110	6,491	6,623	6,795
Interest	1,994	1,850	2,278	2,648	2,768	2,946
Other Operating	19,652	21,478	20,815	21,900	21,462	19,907
Grants, Subsidies and Other Transfer Expenses	13,862	14,324	15,602	16,453	16,089	15,862
Total Expenses from Transactions	76,491	80,326	83,300	86,405	88,016	89,410
BUDGET RESULT - SURPLUS/(DEFICIT)						
[Net Operating Balance]	4,181	802	1,016	1,227	2,002	2,599

Table A1.1: General government sector operating statement (cont)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Revised	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m	\$m	\$m
Other Economic Flows - Included in the Operating Result						
Gain/(Loss) from Other Liabilities	(231)	(829)	11	250	247	464
Other Net Gains/(Losses)	71	13,796	435	983	769	417
Share of Earnings from Associates (excluding Dividends)	160	...	...	...	...	...
Dividends from Asset Sale Proceeds	(0)	0	(0)	(0)	...	...
Allowance for Impairment of Receivables	(83)	(59)	(38)	(38)	(36)	(36)
Deferred Income Tax from Other Sectors	(17)	(15)	15	37	39	37
Other	83	84	78	78	78	75
Other Economic Flows - included in Operating Result	(16)	12,976	501	1,310	1,096	958
Operating Result	4,165	13,778	1,517	2,538	3,099	3,556
Other Economic Flows - Other Comprehensive Income						
Items that will not be Reclassified to Operating Result						
	20,057	(5,844)	3,503	11,354	9,617	13,964
Revaluations	17,588	6,831	2,811	3,844	3,371	3,512
Share of Earnings from Associates from Revaluations	(42)	(33)	...	...	...	...
Superannuation Actuarial Gain/(Loss)	2,416	(6,643)	1,953	4,950	4,504	6,496
Net Gain/(Loss) on Financial Assets at Fair Value through Other Comprehensive Income	...	(6,016)	(1,346)	2,457	1,592	3,774
Deferred Tax Adjustment through Equity	96	17	85	105	150	181
Items that may be Reclassified Subsequently to Operating Result						
	6,312	(92)	(97)	(22)	(33)	(7)
Net Gain/(Loss) on Available for Sale Financial Assets	6,296	...	...	...	...	...
Net Gain/(Loss) on Financial Instruments at Fair Value	2	...	...	...	...	...
Other	15	(92)	(97)	(22)	(33)	(7)
Income	26,369	(5,936)	3,406	11,333	9,585	13,957
Comprehensive Result - Total Change in Net Worth	30,534	7,843	4,923	13,870	12,683	17,513
Key Fiscal Aggregates						
Comprehensive Result - Total Change in Net Worth	30,534	7,843	4,923	13,870	12,683	17,513
Less: Net Other Economic Flows	(26,353)	(7,040)	(3,907)	(12,643)	(10,681)	(14,915)
Equals: Budget Result - Net Operating Balance	4,181	802	1,016	1,227	2,002	2,599
Less: Net Acquisition of Non-Financial Assets						
Purchases of Non-Financial Assets	11,969	16,017	19,855	17,216	16,701	13,851
Sales of Non-Financial Assets	(437)	(502)	(1,031)	(1,803)	(1,518)	(1,126)
Less: Depreciation	(4,873)	(5,321)	(6,110)	(6,491)	(6,623)	(6,795)
Plus: Change in Inventories	6	(2)	(17)	(32)	(45)	0
Plus: Other Movements in Non-Financial Assets						
- Assets Acquired Using Leases	152	1,847	2,490	534	545	498
- Other	126	214	336	407	556	567
Equals: Total Net Acquisition of Non-Financial Assets	6,943	12,253	15,523	9,831	9,618	6,995
Equals: Net Lending/(Borrowing) [Fiscal Balance]	(2,762)	(11,451)	(14,507)	(8,604)	(7,615)	(4,396)
OTHER FISCAL AGGREGATES						
Capital Expenditure ^(a)	12,121	17,864	22,345	17,750	17,247	14,349

(a) Capital expenditure comprises purchases of non-financial assets plus assets acquired using finance leases.

Table A1.2: General government sector balance sheet

	June 2018	June 2019	June 2020	June 2021	June 2022	June 2023
	Actual	Revised	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m	\$m	\$m
Assets						
Financial Assets						
Cash and Cash Equivalents	5,417	3,438	1,050	1,072	1,019	1,074
Receivables	6,721	6,622	7,069	7,151	7,251	7,319
Tax Equivalents Receivable	128	50	29	24	37	36
Investments, Loans and Placements						
Financial Assets at Fair Value	32,578	39,727	34,618	29,953	27,767	30,556
Other Financial Assets	5,556	2,617	1,827	2,004	1,435	1,417
Advances Paid	1,017	1,041	1,265	1,381	1,748	2,181
Deferred Tax Equivalent Assets	2,192	2,197	2,294	2,427	2,608	2,819
Equity						
Investments in Other Public Sector Entities	112,911	100,646	108,612	114,505	118,383	123,296
Investments in Associates	5,987	12,598	12,689	11,976	12,119	12,203
Other Equity Investments	722	0	0	0	0	0
Total Financial Assets	173,228	168,935	169,454	170,493	172,367	180,902
Non-Financial Assets						
Inventories	327	315	298	267	222	222
Forestry Stock and Other Biological Assets	9	9	9	9	9	9
Assets Classified as Held for Sale	320	200	276	121	119	117
Investment Properties	...	...	...	...	(0)	(0)
Property, Plant and Equipment						
Land and Buildings	83,390	89,660	96,897	101,135	102,534	103,112
Plant and Equipment	10,941	11,470	11,692	11,850	11,736	11,379
Infrastructure Systems	104,232	123,695	129,273	138,749	150,428	160,293
Intangibles	3,691	3,411	3,446	3,193	2,918	2,601
Other Non-Financial Assets	7,426	6,229	8,936	10,035	10,871	11,785
Total Non-Financial Assets	210,336	234,990	250,826	265,361	278,838	289,518
Total Assets	383,564	403,925	420,280	435,854	451,205	470,419
Liabilities						
Deposits Held	130	92	93	98	104	109
Payables	7,251	7,025	7,273	7,740	8,068	7,955
Tax Equivalents Payable	3	6	15	8	(0)	...
Borrowings and Derivatives at Fair Value	5	154	147	138	128	116
Borrowings at Amortised Cost	32,441	37,007	50,091	56,323	63,813	72,859
Advances Received	797	751	783	824	809	785
Employee Provisions	18,015	19,365	19,820	20,051	20,172	20,067
Superannuation Provision ^(a)	54,200	61,019	58,731	53,273	48,150	40,922
Deferred Tax Equivalent Provision	112	119	122	121	119	119
Other Provisions	10,210	10,482	10,556	10,698	10,880	11,053
Other Liabilities	6,223	5,881	5,701	5,764	5,464	5,421
Total Liabilities	129,385	141,903	153,334	155,038	157,705	159,406
NET ASSETS	254,179	262,022	266,946	280,816	293,500	311,013
NET WORTH						
Accumulated Funds	77,300	84,579	87,986	95,495	103,098	113,151
Reserves	176,879	177,444	178,960	185,321	190,401	197,862
TOTAL NET WORTH	254,179	262,022	266,946	280,816	293,500	311,013
OTHER FISCAL AGGREGATES						
Net Debt^(b)	(11,195)	(8,818)	12,354	22,973	32,884	38,640
Net Financial Liabilities^(c)	69,068	73,614	92,493	99,050	103,722	101,800
Net Financial Worth^(d)	44,001	27,032	16,119	15,455	14,662	21,496

(a) Superannuation liabilities are reported net of prepaid superannuation contribution assets.

(b) Net debt comprises the sum of deposits held, borrowings and advances received, minus the sum of cash and cash equivalents, investments, loans and placements and advances paid.

(c) Net financial liabilities equals total liabilities less financial assets excluding equity investments in other public sector entities.

(d) Net financial worth equals total financial assets minus total financial liabilities.

Table A1.3: General government sector cash flow statement

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Revised	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m	\$m	\$m
Cash Receipts from Operating Activities						
Taxes Received	31,218	31,269	31,954	34,022	35,430	36,792
Receipts from Sales of Goods and Services	9,334	9,039	10,249	11,059	10,518	9,444
Grant and Subsidies Received	31,852	31,847	32,859	34,406	35,726	37,663
Interest Receipts	457	545	235	214	195	202
Dividends and Income Tax Equivalents	1,031	2,001	1,714	1,470	859	615
Other Receipts	12,113	9,612	10,283	9,202	8,535	8,343
Total Cash Receipts from Operating Activities	86,006	84,313	87,295	90,373	91,262	93,059
Cash Payments from Operating Activities						
Payments for Employees	(30,693)	(32,242)	(33,794)	(34,393)	(36,570)	(39,194)
Payments for Superannuation	(4,262)	(4,376)	(4,567)	(4,623)	(4,866)	(5,190)
Payments for Goods and Services	(20,027)	(21,703)	(20,661)	(22,078)	(21,224)	(19,725)
Grants and Subsidies Paid	(13,221)	(13,869)	(14,997)	(15,923)	(15,700)	(15,481)
Interest Paid	(1,508)	(1,477)	(1,868)	(2,266)	(2,423)	(2,569)
Other Payments	(5,588)	(4,752)	(4,714)	(3,805)	(2,859)	(2,961)
Total Cash Payments from Operating Activities	(75,300)	(78,418)	(80,602)	(83,088)	(83,641)	(85,119)
Net Cash Flows from Operating Activities	10,706	5,894	6,693	7,284	7,621	7,940
Cash Flows from Investments in Non-Financial Assets						
Sales of Non-Financial Assets	521	573	1,120	1,804	1,519	1,131
Purchases of Non-Financial Assets	(13,323)	(16,057)	(20,525)	(16,800)	(15,823)	(14,122)
Net Cash Flows from Investments in Non-Financial Assets	(12,802)	(15,484)	(19,404)	(14,996)	(14,305)	(12,991)
Cash Flows from Investments in Financial Assets for Policy Purposes						
Receipts	808	17,906	158	1,184	148	46
Payments	(1,382)	(2,329)	(3,190)	(3,757)	(2,752)	(1,587)
Net Cash Flows from Investments in Financial Assets for Policy Purposes	(574)	15,577	(3,032)	(2,572)	(2,604)	(1,541)
Cash Flows from Investments in Financial Assets for Liquidity Purposes						
Receipts from Sale/Maturity of Investments	9,471	18,322	9,145	6,586	3,529	409
Payments for the Purchase of Investments	(8,988)	(29,139)	(2,727)	(1,523)	(399)	(2,777)
Net Cash Flows from Investments in Financial Assets for Liquidity Purposes	482	(10,817)	6,417	5,063	3,130	(2,368)
Net Cash Flows from Investing Activities	(12,894)	(10,724)	(16,019)	(12,505)	(13,779)	(16,899)
Cash Flows from Financing Activities						
Advances Received	30	204	170	164	11	29
Advances Repaid	(70)	(154)	(203)	(162)	(44)	(60)
Proceeds from Borrowings	957	4,102	8,192	6,749	8,214	9,972
Repayment of Borrowings	(1,773)	(1,271)	(1,323)	(1,625)	(2,219)	(1,163)
Deposits Received - Net	24	(38)	2	4	6	6
Other Financing Receipts/(Payments)	94	(1)	85	105	150	182
Net Cash Flows from Financing Activities	(738)	2,842	6,923	5,236	6,119	8,965
Net Increase/(Decrease) in Cash Held	(2,925)	(1,988)	(2,403)	15	(39)	5
Derivation of Cash Result						
Net Cash Flows From Operating Activities	10,706	5,894	6,693	7,284	7,621	7,940
Net Cash Flows from Investments in Non-Financial Assets	(12,802)	(15,484)	(19,404)	(14,996)	(14,305)	(12,991)
Cash Surplus/(Deficit)	(2,096)	(9,590)	(12,711)	(7,712)	(6,684)	(5,051)

Table A1.4: General government sector taxes

	2017-18	2018-19	2019-20
	Actual	Revised	Budget
	\$m	\$m	\$m
Taxes on Employers' Payroll and Labour Force	9,030	9,577	10,008
Taxes on Property			
Land Taxes	3,735	4,225	4,538
Other	284	121	128
Total Taxes on Property	4,020	4,346	4,666
Taxes on the Provision of Goods and Services			
Excises and Levies	...	...	...
Taxes on Gambling	2,350	2,616	2,631
Taxes on Insurance	2,566	2,648	2,822
Stamp Duties on Financial and Capital Transactions	8,952	7,675	7,223
Total Taxes on the Provision of Goods and Services	13,868	12,939	12,675
Taxes on Use of Goods and Performance of Activities			
Motor Vehicle Taxes	3,576	3,487	3,588
Franchise Taxes	16	24	5
Other	816	890	899
Total Taxes on Use of Goods and Performance of Activities	4,408	4,401	4,492
Total Taxation Revenue	31,326	31,263	31,841

Table A1.5: General government sector grant revenue and expense^(a)

	2017-18	2018-19	2019-20
	Actual	Revised	Budget
	\$m	\$m	\$m
Current Grants and Subsidies			
Current Grants from the Commonwealth ^(a)			
General Purpose Grants	17,955	17,888	18,685
Specific Purpose Payments	9,844	10,130	10,431
National Partnership Payments	738	1,167	1,169
Other Commonwealth Payments	444	410	372
Total	28,981	29,595	30,657
Other Grants and Subsidies	426	566	573
Total Current Grants and Subsidies Revenue	29,406	30,161	31,230
Capital Grants and Subsidies			
Capital Grants from the Commonwealth ^(a)			
General Purpose Payments	...	...	...
Specific Purpose Payments	...	...	...
National Partnership Payments	2,392	1,680	1,719
Total	2,392	1,680	1,719
Other Grants and Subsidies	62	15	54
Total Capital Grants and Subsidies Revenue	2,454	1,696	1,773
Total Grants and Subsidies Revenue	31,860	31,857	33,003
Current Grants, Subsidies and Transfer Payments Expense to:			
State/Territory Government	12	0	0
Local Government ^(a)	1,008	1,084	1,353
Private and Not-for-Profit Sector ^(a)	7,372	6,949	7,933
Other Sectors of Government	4,516	5,683	5,543
Total Current Grants, Subsidies and Transfer Payments Expense	12,908	13,717	14,829
Capital Grants, Subsidies and Transfer Payments to:			
State/Territory Government	0	0	0
Local Government ^(a)	289	266	215
Private and Not-for-Profit Sector ^(a)	210	189	515
Other Sectors of Government	455	152	43
Total Capital Grants, Subsidies and Transfer Payments Expense	955	607	773
Total Grants and Subsidies Expense	13,862	14,324	15,602
(a) Grant revenue and expenses above exclude the following transfer payments from the Commonwealth government that New South Wales passes on to third parties. They are not recorded as New South Wales revenue and expense as the State has no control over the amounts that it passes on.			
Transfer Receipts and Payments from the Commonwealth Government on-passed by New South Wales to Third Parties			
Transfer Receipts			
Current Transfer Receipts for Specific Purposes	4,557	4,442	4,308
Capital Transfer Receipts for Specific Purposes	...	...	...
Total Receipts	4,557	4,442	4,308
Current Transfer Payments to:			
Local Government	749	382	396
Private and Not-For-Profit Sector	3,808	4,060	3,912
Capital Transfer Payments to:			
Local Government	...	...	...
Private and Not-For-Profit Sector	...	...	...
Total Payments	4,557	4,442	4,308

Table A1.6: General government sector dividend and income tax equivalent income

	2017-18	2018-19	2019-20
	Actual	Revised	Budget
	\$m	\$m	\$m
Dividend and Income Tax Revenue from the PNFC Sector	1,551	1,620	1,549
Dividend and Income Tax Revenue from the PFC Sector	27	301	329
Other Dividend Income	2,114	1,796	2,001
Total Dividend and Income Tax Equivalent Income	3,692	3,717	3,878

Table A1.7: General government sector expenses by function

	2017-18	2018-19	2019-20
	Actual	Revised	Budget
	\$m	\$m	\$m
General Public Services ^(a)	8,585	8,358	7,554
Defence	...	...	...
Public Order and Safety	7,470	8,057	8,332
Economic Affairs	2,432	2,440	2,700
Environmental Protection	1,015	1,093	1,459
Housing and Community Amenities	886	975	1,060
Health	21,496	22,646	23,640
Recreation, Culture and Religion	1,206	1,289	1,499
Education	16,660	17,572	18,165
Social Protection	7,601	7,644	7,712
Transport	9,140	10,252	11,180
Total Expenses	76,491	80,326	83,300

Table A1.8: General government sector purchases of non-financial assets by function

	2017-18	2018-19	2019-20
	Actual	Revised	Budget
	\$m	\$m	\$m
General public services ^(a)	253	336	1,125
Defence	...	...	...
Public order and safety	927	1,319	1,254
Economic affairs	139	188	405
Environmental protection	5	9	28
Housing and community amenities	75	129	485
Health	1,564	2,224	2,728
Recreation, culture and religion	191	227	375
Education	986	1,822	2,366
Social protection	221	335	143
Transport	7,760	11,277	13,435
Total Purchases of Non-Financial Assets	12,121	17,864	22,345

Table A1.9: Public non-financial corporations sector operating statement

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Revised	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m	\$m	\$m
Revenue from Transactions						
Grants and Subsidies						
- Other Commonwealth Payments	...	3	3	3	3	3
- Other Grants and Subsidies	3,176	2,708	2,574	3,050	3,307	3,181
Sale of Goods and Services	9,304	8,013	8,135	8,015	8,250	8,396
Interest	109	73	54	39	37	35
Fines, Regulatory Fees and Other	811	873	799	813	767	764
Total Revenue from Transactions	13,400	11,670	11,566	11,920	12,364	12,379
Expenses from Transactions						
Employee	2,232	2,334	2,469	2,470	2,532	2,553
Personnel Services Expense	703	599	652	664	679	695
Superannuation						
- Superannuation Interest Cost	54	56	44	42	42	41
- Other Superannuation	202	215	224	220	221	225
Depreciation and Amortisation	2,758	2,829	3,457	3,611	3,756	3,889
Interest	1,285	1,050	1,111	1,122	1,147	1,185
Income Tax Expense	438	299	263	266	238	230
Other Operating	5,842	5,706	5,467	5,770	6,137	6,227
Grants, Subsidies and Other Transfer Expenses	211	130	93	64	64	66
Total Expenses from Transactions	13,725	13,219	13,780	14,229	14,817	15,111
Transactions from Discontinuing Operations	...	...	...	...	...	...
NET OPERATING BALANCE - SURPLUS AFTER TAX	(326)	(1,549)	(2,214)	(2,309)	(2,452)	(2,732)

Table A1.9: Public non-financial corporations sector operating statement (cont)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Revised	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m	\$m	\$m
Other Economic Flows - Included in the Operating Result						
Gain/(Loss) from Other Liabilities	5	...	...	...	...	...
Other Net Gains/(Losses)	(78)	(2,680)	198	332	234	534
Allowance for Impairment of Receivables	(0)	(5)	(2)	(2)	(2)	(2)
Deferred Income Tax	35	15	(15)	(37)	(39)	(37)
Discontinuing Operations - Other Economic Flows	...	...	...	...	...	...
Other Economic Flows - included in Operating Result	(39)	(2,670)	181	294	193	494
Operating Result	(365)	(4,219)	(2,033)	(2,015)	(2,259)	(2,237)
Other Economic Flows - Other Comprehensive Income						
Items that will not be Reclassified to Operating Result						
Revaluations	6,744	(677)	2,630	4,538	2,732	3,214
Superannuation Actuarial Gain/(Loss)	144	(519)	164	373	299	417
Deferred Tax Adjustment through Equity	(96)	(17)	(85)	(105)	(150)	(181)
Items that may be Reclassified Subsequently to Operating Result						
Net Gain/(Loss) on Financial Instruments at Fair Value	(8)	(0)	...	...	...	...
Other	(465)	(133)	(0)	(0)	0	0
Other Economic Flows - Other Comprehensive Income	6,319	(1,347)	2,709	4,806	2,881	3,449
Comprehensive Result - Before Transactions with Owners in their capacity as Owners^(a)	5,954	(5,565)	675	2,791	621	1,212
Dividends Distributed	(1,113)	(1,475)	(1,285)	(972)	(430)	(422)
Net Equity Injections	969	(3,188)	9,116	3,437	2,286	1,139
Total Change in Net Worth	5,811	(10,228)	8,506	5,256	2,478	1,929
Key Fiscal Aggregates						
Comprehensive Result - Before Transactions with Owners in their capacity as Owners	5,954	(5,565)	675	2,791	621	1,212
Less: Net Other Economic Flows	(6,280)	4,016	(2,890)	(5,100)	(3,073)	(3,944)
Equals: Budget Result - Net Operating Balance	(326)	(1,549)	(2,214)	(2,309)	(2,452)	(2,732)
Less: Net Acquisition of Non-Financial Assets						
Purchases of Non-Financial Assets	5,759	5,335	5,338	6,016	5,359	4,308
Sales of Non-Financial Assets	(703)	(325)	(702)	(452)	(494)	(513)
Less: Depreciation	(2,758)	(2,829)	(3,457)	(3,611)	(3,756)	(3,889)
Plus: Change in Inventories	(16)	(78)	239	64	119	(91)
Plus: Other Movements in Non-Financial Assets						
- Assets Acquired Using Leases	3	...	56	83	65	118
- Other	258	423	356	364	365	360
Equals: Total Net Acquisition of Non-Financial Assets	2,542	2,527	1,830	2,465	1,657	293
Equals: Net Lending/(Borrowing) [Fiscal Balance]	(2,867)	(4,076)	(4,044)	(4,773)	(4,109)	(3,025)
OTHER FISCAL AGGREGATES						
Capital Expenditure ^(b)	5,763	5,335	5,394	6,099	5,424	4,426
Dividends Accrued ^(c)	863	727	661	661	430	422

(a) Additional disclosure for the 2019-20 Budget to disclose transactions with owners in their capacity as owners.

(b) Capital expenditure comprises purchases of non-financial assets plus assets acquired using finance leases.

(c) Net borrowing for the PNFC sector excludes the impact of dividends accrued, and so may not fully reflect the sector's call on the financial markets.

Table A1.10: Public non-financial corporations sector balance sheet

	June 2018	June 2019	June 2020	June 2021	June 2022	June 2023
	Actual	Revised	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m	\$m	\$m
Assets						
Financial Assets						
Cash and Cash Equivalents	3,808	2,365	1,519	1,079	948	953
Receivables	1,253	1,203	1,250	1,239	1,267	1,294
Tax Equivalents Receivable	3	6	15	8	...	...
Investments, Loans and Placements						
Financial Assets at Fair Value	236	237	237	237	237	237
Other Financial Assets	1,463	547	429	438	452	472
Advances Paid	1	1	1	1	1	1
Deferred Tax Equivalent Assets	112	119	122	121	119	119
Equity						
Other Equity Investments	167	167	167	167	167	167
Total Financial Assets	7,041	4,645	3,739	3,289	3,191	3,241
Non-Financial Assets						
Inventories	499	421	659	722	840	749
Forestry Stock and Other Biological Assets	984	985	985	985	985	985
Assets Classified as Held for Sale	110	48	49	49	50	50
Investment Properties	644	648	603	603	568	569
Property, Plant and Equipment						
Land and Buildings	77,641	74,939	76,744	77,902	79,169	80,829
Plant and Equipment	6,397	5,851	6,578	7,124	7,329	7,434
Infrastructure Systems	55,330	49,058	57,971	63,017	65,598	67,338
Intangibles	1,050	1,128	1,192	1,235	1,242	1,184
Other Non-Financial Assets	226	239	222	229	236	243
Total Non-Financial Assets	142,880	133,318	145,003	151,867	156,017	159,379
Total Assets	149,921	137,962	148,742	155,156	159,208	162,620
Liabilities						
Deposits Held	91	69	54	39	38	38
Payables	2,516	2,046	2,076	2,065	2,405	2,930
Tax Equivalents Payable	119	45	20	15	27	26
Liabilities Directly Associated with Assets Held for Sale	...	...	...	...	...	...
Borrowings and Derivatives at Fair Value	1,254	2	2	2	2	2
Borrowings at Amortised Cost	24,855	24,530	27,015	28,551	30,143	31,342
Advanced Received	374	478	463	328	312	297
Employee Provisions	1,060	1,058	1,056	1,067	1,069	1,075
Superannuation Provision ^(a)	2,218	2,779	2,632	2,266	1,961	1,531
Deferred Tax Equivalent Provision	2,192	2,197	2,294	2,427	2,608	2,819
Other Provisions	1,609	1,298	1,194	1,203	964	950
Other Liabilities	287	341	310	311	319	322
Total Liabilities	36,574	34,843	37,117	38,275	39,849	41,333
NET ASSETS	113,348	103,119	111,625	116,881	119,359	121,288
NET WORTH						
Accumulated Funds	39,471	31,174	34,642	32,196	29,967	27,912
Reserves	73,877	71,945	76,983	84,685	89,392	93,376
TOTAL NET WORTH	113,348	103,119	111,625	116,881	119,359	121,288
OTHER FISCAL AGGREGATES						
Net Debt^(b)	21,066	21,930	25,349	27,165	28,859	30,017
Net Financial Liabilities^(c)	29,533	30,198	33,378	34,986	36,658	38,092
Net Financial Worth^(d)	(29,533)	(30,198)	(33,378)	(34,986)	(36,658)	(38,092)

(a) Superannuation liabilities are reported net of prepaid superannuation contribution assets.

(b) Net debt comprises the sum of deposits held, borrowings and advances received, minus the sum of cash and cash equivalents, investments, loans and placements and advances paid.

(c) Net financial liabilities equals total liabilities less financial assets excluding equity investments in other public sector entities.

(d) Net financial worth equals total financial assets minus total financial liabilities.

Table A1.11: Public non-financial corporations sector cash flow statement

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Revised	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m	\$m	\$m
Cash Receipts from Operating Activities						
Receipts from Sales of Goods and Services	9,502	8,506	8,207	8,557	8,755	9,160
Grant and Subsidies Received	3,172	2,708	2,574	3,050	3,307	3,180
Interest Receipts	99	50	30	18	16	17
Other Receipts	1,184	1,768	1,065	1,095	1,045	1,063
Total Cash Receipts from Operating Activities	13,957	13,031	11,877	12,720	13,123	13,420
Cash Payments from Operating Activities						
Payments for Employees	(2,352)	(2,391)	(2,599)	(2,586)	(2,659)	(2,676)
Payments for Personnel Services	(703)	(599)	(652)	(664)	(679)	(695)
Payments for Superannuation	(206)	(229)	(250)	(253)	(268)	(277)
Payments for Goods and Services	(5,306)	(5,706)	(5,597)	(5,704)	(6,144)	(6,026)
Grants and Subsidies Paid	(68)	(66)	(90)	(60)	(60)	(62)
Interest Paid	(1,123)	(918)	(982)	(1,042)	(991)	(1,088)
Other Payments	(1,178)	(1,152)	(862)	(783)	(647)	(641)
Total Cash Payments from Operating Activities	(10,936)	(11,060)	(11,031)	(11,092)	(11,449)	(11,465)
Net Cash Flows from Operating Activities	3,021	1,971	846	1,628	1,674	1,955
Cash Flows from Investments in Non-Financial Assets						
Sales of Non-Financial Assets	709	320	702	452	494	513
Purchases of Non-Financial Assets	(5,649)	(5,516)	(5,275)	(6,036)	(5,077)	(3,847)
Net Cash Flows from Investments in Non-Financial Assets	(4,940)	(5,196)	(4,573)	(5,584)	(4,583)	(3,334)
Cash Flows from Investments in Financial Assets for Policy Purposes						
Receipts	12	0	0	0	0	0
Payments	53	(810)	(0)	0	0	0
Net Cash Flows from Investments in Financial Assets for Policy Purposes	65	(810)	(0)	0	0	0
Cash Flows from Investments in Financial Assets for Liquidity Purposes						
Receipts from Sale/Maturity of Investments	166	298	195	10	45	10
Payments for Purchase of Investments	(613)	...	(24)	...	(5)	(10)
Net Cash Flows from Investments in Financial Assets for Liquidity Purposes	(448)	298	171	10	40	(0)
Net Cash Flows from Investing Activities	(5,323)	(5,709)	(4,402)	(5,574)	(4,543)	(3,334)
Cash Flows from Financing Activities						
Advances Received	1,211	2,121	2,666	3,437	2,286	1,139
Advances Repaid	(742)	(31)	(31)	(151)	(31)	(31)
Proceeds from Borrowings	3,897	1,986	1,849	1,521	1,640	1,290
Repayment of Borrowings	(267)	(125)	(320)	(210)	(347)	(403)
Dividends Paid	(684)	(1,611)	(1,351)	(972)	(661)	(430)
Deposits Received (net)	58	(22)	(15)	(15)	(0)	(0)
Other Financing Receipts/(Payments)	(374)	(24)	(88)	(103)	(149)	(181)
Net Cash Flows from Financing Activities	3,100	2,295	2,710	3,507	2,738	1,384
Net Increase/(Decrease) in Cash Held	798	(1,443)	(846)	(439)	(131)	5
Derivation of Cash Result						
Net Cash Flows from Operating Activities	3,021	1,971	846	1,628	1,674	1,955
Net Cash Flows from Investments in Non-Financial Assets	(4,940)	(5,196)	(4,573)	(5,584)	(4,583)	(3,334)
Dividends Paid	(684)	(1,611)	(1,351)	(972)	(661)	(430)
Cash Surplus/(Deficit)	(2,602)	(4,836)	(5,078)	(4,927)	(3,570)	(1,809)

Table A1.12: Non-financial public sector operating statement

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Revised	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m	\$m	\$m
Revenue from Transactions						
Taxation	30,851	30,799	31,333	33,342	34,723	36,044
Grants and Subsidies						
- Commonwealth General Purpose	17,955	17,888	18,685	19,789	20,953	21,981
- Commonwealth Specific Purpose Payments	9,844	10,130	10,431	11,046	11,679	12,360
- Commonwealth National Partnership Payments	3,129	2,848	2,888	2,359	2,263	2,204
- Other Commonwealth Payments	448	413	375	444	439	463
- Other Grants and Subsidies	832	218	528	524	565	586
Sale of Goods and Services	14,247	13,291	13,778	13,809	14,331	14,540
Interest	577	534	309	281	231	190
Dividend and Income Tax Equivalents from Other Sectors	27	301	328	121	128	128
Other Dividends and Distributions	2,114	1,796	2,001	2,002	2,203	2,351
Fines, Regulatory Fees and Other	5,459	5,763	6,235	6,141	6,211	6,012
Total Revenue from Transactions	85,482	83,981	86,891	89,857	93,727	96,858
Expenses from Transactions						
Employee	33,876	35,114	36,724	37,242	39,349	41,983
Superannuation						
- Superannuation Interest Cost	1,513	1,482	1,123	1,081	1,125	1,142
- Other Superannuation	3,210	3,352	3,373	3,308	3,383	3,581
Depreciation and Amortisation	7,631	8,150	9,567	10,102	10,379	10,684
Interest	3,189	2,831	3,311	3,690	3,820	4,014
Other Operating	22,474	23,837	22,335	23,205	23,848	23,400
Grants, Subsidies and Other Transfer Expenses	10,874	11,314	12,972	13,314	12,737	12,646
Total Expenses from Transactions	82,766	86,079	89,406	91,943	94,641	97,450
Transactions from Discontinuing Operations	0	0	...	...	...	...
NET OPERATING BALANCE - SURPLUS/(DEFICIT)	2,716	(2,098)	(2,514)	(2,086)	(914)	(592)

Table A1.12: Non-financial public sector operating statement (cont)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Revised	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m	\$m	\$m
Other Economic Flows - Included in the Operating Result						
Gain/(Loss) from Other Liabilities	(226)	(829)	11	250	247	464
Other Net Gains/(Losses)	(8)	11,116	633	1,316	1,003	951
Share of Earnings from Associates (excluding Dividends)	160	...	...	...	...	...
Allowance for Impairment of Receivables	(83)	(64)	(40)	(40)	(38)	(38)
Others	83	84	78	78	78	75
Discontinuing Operations - Other Economic Flows	...	...	...	...	...	...
Other Economic Flows - included in Operating Result	(73)	10,306	682	1,604	1,289	1,452
Operating Result	2,643	8,208	(1,832)	(482)	375	860
Other Economic Flows - Other Comprehensive Income						
Items that will not be Reclassified to Operating Result						
Revaluations	24,538	6,352	5,471	8,412	6,134	6,755
Share of Earnings from Associates from Revaluations	(42)	(33)	...	...	...	...
Superannuation Actuarial Gain/(Loss)	2,560	(7,162)	2,117	5,322	4,802	6,914
Net Gain/(Loss) on Financial Assets at Fair Value through Other Comprehensive Income	...	(1,907)	(735)	632	1,395	2,981
Deferred Tax Adjustment through Equity	0	0	(0)	(0)	0	0
Items that may be Reclassified Subsequently to Operating Result	893	(293)	(97)	(14)	(22)	3
Net Gain/(Loss) on Available for Sale Financial Assets	847	...	...	...	...	...
Net Gain/(Loss) on Financial Instruments at Fair Value	(6)	(0)	...	...	...	...
Other	52	(297)	(97)	(14)	(22)	3
Other Economic Flows - Other Comprehensive Income	27,948	(3,048)	6,755	14,353	12,309	16,653
Comprehensive Result - Before Transactions with Owners in their capacity as Owners^(a)	30,591	5,161	4,923	13,871	12,684	17,514
Dividends Distributed	...	(154)	...	...	...	...
Net Equity Injections	...	...	...	...	...	...
Total Change in Net Worth	30,591	5,007	4,923	13,871	12,684	17,514
Key Fiscal Aggregates						
Comprehensive Result - Before Transactions with Owners in their capacity as Owners	30,591	5,161	4,923	13,871	12,684	17,514
Less: Net Other Economic Flows	(27,875)	(7,259)	(7,438)	(15,957)	(13,598)	(18,105)
Equals: Budget Result - Net Operating Balance	2,716	(2,098)	(2,514)	(2,086)	(914)	(592)
Less: Net Acquisition of Non-Financial Assets						
Purchases of Non-Financial Assets	17,728	21,352	25,193	23,232	22,060	18,159
Sales of Non-Financial Assets	(1,140)	(827)	(1,733)	(2,255)	(2,012)	(1,639)
Less: Depreciation	(7,631)	(8,150)	(9,567)	(10,102)	(10,379)	(10,684)
Plus: Change in Inventories	(10)	(80)	222	32	74	(91)
Plus: Other Movements in Non-Financial Assets						
- Assets Acquired Using Leases	155	1,847	2,546	617	610	615
- Other	344	594	655	732	879	883
Equals: Total Net Acquisition of Non-Financial Assets	9,447	14,737	17,315	12,256	11,233	7,244
Equals: Net Lending/(Borrowing) [Fiscal Balance]	(6,730)	(16,835)	(19,830)	(14,342)	(12,147)	(7,836)
OTHER FISCAL AGGREGATES						
Capital Expenditure ^(b)	17,884	23,199	27,739	23,849	22,671	18,775
Dividends Accrued ^(c)	...	154	...	...	...	...

(a) Additional disclosure for the 2019-20 Budget to disclose transactions with owners in their capacity as owners.

(b) Capital expenditure comprises purchases of non-financial assets plus assets acquired using finance leases.

(c) Net borrowing for the NFPS sector excludes the impact of dividends accrued, and so may not fully reflect the sector's call on the financial markets.

Table A1.13: Non-financial public sector balance sheet

	June 2018	June 2019	June 2020	June 2021	June 2022	June 2023
	Actual	Revised	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m	\$m	\$m
Assets						
Financial Assets						
Cash and Cash Equivalents	9,225	5,804	2,569	2,151	1,967	2,027
Receivables	6,082	6,253	6,766	6,826	7,154	7,223
Tax Equivalent Receivable	9	5	8	9	10	10
Investments, Loans and Placements						
Financial Assets at Fair Value	32,814	39,964	34,855	30,190	28,004	30,793
Other Financial Assets	6,616	3,164	2,258	2,443	1,889	1,891
Advances Paid	644	563	802	1,054	1,163	1,191
Deferred Tax Equivalent Assets	0	0	0	0	0	0
Equity						
Investments in Other Public Sector Entities	2,220	(2,606)	(3,141)	(2,498)	(1,088)	1,907
Investments in Associates	5,987	12,598	12,689	11,976	12,119	12,203
Other Equity Investments	889	167	167	167	167	167
Equity Investments Held for Sale	...	...	...	...	...	...
Total Financial Assets	64,484	65,910	56,974	52,319	51,384	57,412
Non-Financial Assets						
Inventories	826	736	957	989	1,062	971
Forestry Stock and Other Biological Assets	993	994	994	994	994	994
Assets Classified as Held for Sale	430	247	325	170	168	167
Investment Properties	644	648	603	603	568	569
Property, Plant and Equipment						
Land and Buildings	161,611	165,168	174,234	179,658	182,352	184,617
Plant and Equipment	17,338	17,322	18,270	18,975	19,066	18,814
Infrastructure Systems	160,242	172,754	187,243	201,767	216,026	227,631
Intangibles	4,741	4,539	4,638	4,428	4,159	3,784
Other Non-Financial Assets	6,537	5,990	8,668	9,739	10,545	11,426
Total Non-Financial Assets	353,363	368,398	395,931	417,324	434,941	448,972
Total Assets	417,847	434,309	452,905	469,642	486,326	506,385
Liabilities						
Deposits Held	221	161	147	136	142	147
Payables	9,032	8,470	8,721	9,164	9,524	9,480
Liabilities Directly Associated with Assets Held for Sale	...	...	...	...	...	...
Borrowings and Derivatives at Fair Value	1,259	157	150	141	130	118
Borrowings at Amortised Cost	56,893	61,537	77,102	84,871	93,954	104,199
Advanced Received	797	751	783	824	809	785
Employee Provisions	19,064	20,404	20,857	21,099	21,221	21,123
Superannuation Provision ^(a)	56,418	63,798	61,363	55,540	50,111	42,453
Deferred Tax Equivalent Provision	(0)	...	...	...	...	...
Other Provisions	10,650	10,792	10,829	10,981	11,157	11,327
Other Liabilities	6,499	6,216	6,006	6,070	5,777	5,737
Total Liabilities	160,832	172,287	185,960	188,826	192,826	195,371
NET ASSETS	257,016	262,022	266,946	280,816	293,500	311,014
NET WORTH						
Accumulated Funds	117,455	119,009	116,716	118,305	121,354	128,172
Reserves	139,560	143,014	150,230	162,511	172,146	182,842
TOTAL NET WORTH	257,016	262,022	266,946	280,816	293,500	311,014
OTHER FISCAL AGGREGATES						
Net Debt^(b)	9,871	13,113	37,699	50,134	62,012	69,347
Net Financial Liabilities^(c)	98,568	103,770	125,845	134,010	140,353	139,866
Net Financial Worth^(d)	(96,189)	(106,376)	(128,986)	(136,507)	(141,442)	(137,959)

(a) Superannuation liabilities are reported net of prepaid superannuation contribution assets.

(b) Net debt comprises the sum of deposits held, borrowings and advances received, minus the sum of cash and cash equivalents, investments, loans and placements and advances paid.

(c) Net financial liabilities equals total liabilities less financial assets excluding equity investments in other public sector entities.

(d) Net financial worth equals total financial assets minus total liabilities.

Table A1.14: Non-financial public sector cash flow statement

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Revised	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m	\$m	\$m
Cash Receipts from Operating Activities						
Taxes Received	30,758	30,805	31,470	33,496	34,884	36,202
Receipts from Sales of Goods and Services	15,626	13,766	14,359	15,015	15,402	15,774
Grant and Subsidies Received	31,911	31,479	32,760	34,306	35,669	37,618
Interest Receipts	471	541	204	167	132	117
Dividends and Income Tax Equivalents	108	187	148	331	123	129
Other Receipts	13,307	11,264	11,327	10,286	9,569	9,394
Total Cash Receipts from Operating Activities	92,181	88,042	90,268	93,600	95,779	99,234
Cash Payments from Operating Activities						
Payments for Employees	(32,958)	(34,563)	(36,255)	(36,840)	(39,089)	(41,729)
Payments for Superannuation	(4,467)	(4,604)	(4,817)	(4,876)	(5,134)	(5,467)
Payments for Goods and Services	(22,403)	(24,115)	(22,474)	(23,493)	(23,791)	(23,190)
Grants and Subsidies Paid	(10,156)	(10,858)	(12,367)	(12,784)	(12,348)	(12,265)
Interest Paid	(2,546)	(2,341)	(2,788)	(3,243)	(3,335)	(3,555)
Other Payments	(6,715)	(5,251)	(5,383)	(4,420)	(3,447)	(3,563)
Total Cash Payments from Operating Activities	(79,246)	(81,732)	(84,083)	(85,658)	(87,144)	(89,768)
Net Cash Flows from Operating Activities	12,935	6,310	6,185	7,943	8,635	9,466
Cash Flows from Investments in Non-Financial Assets						
Sales of Non-Financial Assets	1,229	893	1,823	2,256	2,013	1,643
Purchases of Non-Financial Assets	(19,136)	(21,482)	(25,801)	(22,836)	(21,174)	(18,389)
Assets	(17,907)	(20,589)	(23,978)	(20,580)	(19,161)	(16,746)
Cash Flows from Investments in Financial Assets for Policy Purposes						
Receipts	78	17,041	127	1,033	117	15
Payments	(118)	(184)	(524)	(319)	(193)	(27)
Net Cash Flows from Investments in Financial Assets for Policy Purposes	(40)	16,857	(397)	714	(75)	(12)
Cash Flows from Investments in Financial Assets for Liquidity Purposes						
Receipts from Sale/Maturity of Investments	9,623	18,607	9,333	6,587	3,567	415
Payments for Purchase of Investments	(9,585)	(29,139)	(2,745)	(1,515)	(399)	(2,785)
Net Cash Flows from Investments in Financial Assets for Liquidity Purposes	38	(10,532)	6,587	5,072	3,169	(2,369)
Net Cash Flows from Investing Activities	(17,908)	(14,264)	(17,787)	(14,794)	(16,068)	(19,127)
Cash Flows from Financing Activities						
Advances Received	30	204	170	164	11	29
Advances Repaid	(70)	(154)	(203)	(162)	(44)	(60)
Proceeds from Borrowings	4,855	6,089	10,042	8,270	9,854	11,262
Repayment of Borrowings	(1,997)	(1,384)	(1,642)	(1,834)	(2,564)	(1,565)
Dividends Paid	...	(154)	...	...	...	...
Deposits Received (net)	82	(60)	(14)	(11)	6	6
Other Financing Receipts/ (Payments)	(55)	(18)	0	0	0	0
Net Cash Flows from Financing Activities	2,845	4,523	8,353	6,427	7,262	9,671
Net Increase/(Decrease) in Cash Held	(2,128)	(3,431)	(3,250)	(424)	(170)	10
Derivation of Cash Result						
Net Cash Flows from Operating Activities	12,935	6,310	6,185	7,943	8,635	9,466
Net Cash Flows from Investments in Non-Financial Assets	(17,907)	(20,589)	(23,978)	(20,580)	(19,161)	(16,746)
Dividends Paid	...	(154)	...	...	...	...
Cash Surplus/(Deficit)	(4,971)	(14,433)	(17,793)	(12,638)	(10,525)	(7,280)

A2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND FORECAST ASSUMPTIONS

Scope of the Estimated Financial Statements

The Budget Papers present the Estimated Financial Statements of the general government sector (GGS). These statements comprise the GGS operating statement, GGS balance sheet and GGS cash flow statement. These statements are prepared in accordance with this Statement of Significant Accounting Policies and Forecast Assumptions and include:

- revised estimates for the current year ending 30 June 2019
- estimates for the budget year ending 30 June 2020
- estimates for the three forward years ending 30 June 2021, 2022 and 2023.

Collectively, the statements and the Statement of Significant Accounting Policies and Forecast Assumptions are referred to as the 'Estimated Financial Statements'.

The Estimated Financial Statements are prepared for the New South Wales GGS, which is determined in accordance with the principles and rules contained in the Australian Bureau of Statistics, *Australian System of Government Finance Statistics: Concepts, Sources and Methods 2015 (cat. No. 5514)* (ABS-GFS Manual).

The scope of the GGS is outlined in Appendix A3 of this *Budget Statement*. The GGS comprises government agencies controlled by the State that:

- undertake regulatory functions
- redistribute income and wealth
- provide or distribute goods and services on a non-market basis to individuals and the community and/or provide other services to general government agencies.

Basis of preparation

The Estimated Financial Statements are prepared using the accrual basis of accounting. This basis recognises the effect of transactions and events when they are forecast to occur.

The Statements have been prepared to reflect existing operations and the impact of new policy decisions taken by the NSW Government, where their financial effect can be reliably measured.

The 2018-19 revised estimates are based on the following information provided by agencies:

- actual results for the 10-month period ending 30 April 2019
- updated year end projections.

The Statements also take into account other economic and financial data available to Treasury up to 12 June 2019, including Commonwealth Government funding decisions announced in the *2019-20 Commonwealth Government Budget*.

In keeping with these principles, where the impact of a policy decision or planned event cannot be reliably estimated, the impact is not reflected within the Estimated Financial Statements (e.g. due to uncertainties regarding the timing and amount of future cash flows).

Any estimates or assumptions made in measuring revenue, expenses, other economic flows, assets or liabilities are based on the latest information available at the time, professional judgements derived from experience and other factors considered to be reasonable under the circumstances. Actual results may differ from such estimates. Key assumptions are detailed below, under the headings *Material economic and other assumptions* and *Summary of other key assumptions*.

Accounting policies

Australian Accounting Standards (AAS) do not include requirements or provide guidance on the preparation or presentation of prospective financial statements. However, recognition and measurement principles within AAS have been applied in the presentation of the Estimated Financial Statements to the maximum extent possible.

The Estimated Financial Statements do not include the impact of major asset transactions until they are finalised. The financial impact of these future planned discontinuing operations or restructuring transactions are not recognised due to their commercial-in-confidence nature.

The Estimated Financial Statements, except for the 2018-19 revised estimates, adopt the accounting policies expected to be used in preparing general purpose financial statements for 2019-20. This is a change from the 2018-19 Budget that was prepared on the basis of accounting policies expected to be used in preparing the general purpose financial statements for 2017-18. This change was made to include the estimated impacts of new AAS effective from 2019-20.

Except for the matters set out below under *Changes in accounting policies* and the adoption of AASB 9 *Financial Instruments* (AASB 9) (to be reflected in the *Total State Sector Accounts 2018-19*), the expected 2019-20 accounting policies are not materially different from those applied in the audited *Total State Sector Accounts 2017-18*.

Note 1 *Statement of Significant Accounting Policies* in the *Total State Sector Accounts 2017-18* outlines significant accounting policies, including the principles of consolidation, significant accounting judgements and estimates, and the recognition and measurement policies for revenue, expenses, other economic flows, assets and liabilities.

To ensure that the 2018-19 revised estimates have been prepared on a consistent basis with the 2018-19 actual financial results, the revised estimates do not reflect the new accounting standards that are only effective from 1 July 2019. Consequently, the revised estimates for 2018-19 have not been prepared on the same basis as the budget and forward estimate years.

Changes in accounting policies

The Estimated Financial Statements apply AASB 9 for all years presented. AASB 9 is effective from 1 July 2018, and resulted in changes in accounting policies on classifications and measurement of financial assets and liabilities.

The Estimated Financial Statements apply for the first time AASB 15 *Revenue from Contracts with Customers* (AASB 15), AASB 1058 *Income of Not-for-Profit Entities* (AASB 1058) and AASB 16 *Leases* (AASB 16) – for the 2019-20 estimates and beyond. The nature and effect of the changes are outlined in detail below.

AASB 15 Revenue from Contracts with Customers

AASB 15 establishes a five-step model to account for revenue arising from contracts with customers. It requires revenue to be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Not-for-profit entities (including the public sector) need to determine whether a transaction is a donation (accounted for under AASB 1058) or a contract with a customer (accounted for under AASB 15).

The impact from the adoption of AASB 15 is expected to mainly relate to the recognition of revenue from non-intellectual property licenses. Cash received upfront on most long-term licenses was previously recorded as unearned income liability under 'Other liabilities' and recognised as revenue progressively over the license period. AASB 15 requires that revenue from licences without further performance obligations are recognised at the issuance of the licenses from 2019-20 onwards. Therefore, unearned income liabilities in respect of some licenses have been reversed effective 1 July 2019.

Table A2.1: Impact of AASB 15

	2019-20	2020-21	2021-22	2022-23
	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m
Estimated GGS operating statement				
Revenue from transactions	19	(21)	(18)	(17)
Expenses from transactions	...	...	...	...
Budget result	19	(21)	(18)	(17)
Other economic flows - included in operating result	(6)	(6)	(6)	(6)
Operating result	13	(27)	(24)	(23)
Estimated GGS balance sheet				
Receivables	61	63	64	65
Total assets	61	63	64	65
Other liabilities	(356)	(328)	(302)	(278)
Total liabilities	(356)	(328)	(302)	(278)
Net worth	417	390	367	343
Accumulated funds	417	390	367	343

AASB 1058 Income of Not-for-Profit Entities

AASB 1058 replaces most of the existing requirements in AASB 1004 *Contributions*. The scope of AASB 1004 is now limited mainly to parliamentary appropriations, administrative arrangements and contributions by owners.

Not-for-profit entities (including the public sector) need to determine whether a transaction is a donation (accounted for under AASB 1058) or a contract with a customer (accounted for under AASB 15).

The impact from the adoption of AASB 1058 is expected to mainly relate to changes in the deferral of revenue recognition from certain capital grants to align with the construction of the projects to which they relate. This results in changes to unearned income liabilities under 'Other liabilities' and 'Grants and subsidies' in the budget year and forward years.

Table A2.2: Impact of AASB 1058

	2019-20	2020-21	2021-22	2022-23
	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m
Estimated GGS operating statement				
Revenue from transactions	130	(146)	226	(39)
Expenses from transactions	...	...	...	...
Budget result	130	(146)	226	(39)
Other economic flows - included in operating result	...	...	...	...
Operating result	130	(146)	226	(39)
Estimated GGS balance sheet				
Receivables	...	...	...	...
Total assets	...	...	...	...
Other liabilities	364	510	284	323
Total liabilities	364	510	284	323
Net worth	(364)	(510)	(284)	(323)
Accumulated funds	(364)	(510)	(284)	(323)

AASB 16 Leases

Where the State is a lessee, AASB 16 requires all leases to be accounted for under a single on-balance sheet model similar to the accounting for finance leases under AASB 117 *Leases*. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets and short-term leases (i.e. leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee recognises a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). A lessee is required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Where the State is a lessor, the accounting for lessors under AASB 16 has not significantly changed. However, an intermediate lessor in a sublease is now required to evaluate the lease classification of a sublease with reference to the right-of-use asset instead of the underlying asset of the head lease.

On adoption of AASB 16 from 2019-20 onwards, the State will recognise lease liabilities (included in 'Borrowings at amortised cost') in relation to leases which had previously been classified as 'operating leases' under the principles of AASB 117. These liabilities are measured at the present value of the remaining lease payments, discounted using the State's incremental borrowing rate and amortised over the remaining term of the lease. This results in an increase in 'Borrowings at amortised cost' and 'Interest expense'. The right-of-use assets are recorded at an amount equal to the lease liabilities, adjusted by any prepaid or accrued lease payments immediately before the transition date. Right-of-use assets are subsequently depreciated. The recognition of right-of-use assets results in an increase in 'Property, plant and equipment' with a corresponding increase in 'Depreciation expense'. The net impact on 'Expenses from transactions' is marginal as the increase in interest and depreciation expenses are offset by the decrease in operating lease expenses.

The State will continue to recognise leases of 'low-value' assets and short-term leases as operating expenses.

Some sublease transactions result in a reclassification by sublessors to finance leases, resulting in a decrease in rental income.

Table A2.3: Impact of AASB 16

	2019-20	2020-21	2021-22	2022-23
	Budget	Forward Estimates		
	\$m	\$m	\$m	\$m
Estimated GGS operating statement				
Revenue from transactions	(18)	(19)	(20)	(21)
Expenses from transactions	98	78	66	44
Budget result	(116)	(97)	(86)	(64)
Other economic flows - included in operating result	...	...	...	...
Operating result	(116)	(97)	(86)	(64)
Estimated GGS balance sheet				
Other financial assets	101	93	80	64
Property, plant and equipment	3,613	3,306	3,049	2,767
Total assets	3,714	3,399	3,129	2,831
Borrowings at amortised cost	3,830	3,612	3,428	3,194
Total liabilities	3,830	3,612	3,428	3,194
Net worth	(116)	(214)	(299)	(364)
Accumulated funds	(116)	(214)	(299)	(364)

The State plans to adopt the full retrospective approach option in transitioning to AASB 15 and AASB 1058. This requires the restatement of all comparative years presented as if AASB 15 and AASB 1058 have always been applied for the comparative years presented. For AASB 16, the State plans to adopt the modified retrospective approach option, under which comparative years are not restated for AASB 16. Instead, the modified retrospective approach requires the impact of prior periods to be presented only in the opening balance of accumulated funds of the transition year. For the purposes of the Estimated Financial Statements, the State has presented the impact of adopting the new standards only to the opening balance of the accumulated funds of the budget year 2019-20, which is also the transition year. The revised estimates for 2018-19, therefore, do not reflect the impact of AASB 15, AASB 1058 or AASB 16.

For the purposes of the Estimated Financial Statements, the impact of transition to AASB 15, AASB 1058 and AASB 16 on the GGS accumulated funds as at 1 July 2019 are as follows:

Table A2.4: Impact of new standards on accumulated funds as at 1 July 2019

	\$m
Balance at 1 July 2019 – before new accounting standards	84,579
Impact of AASB 15	405
Impact of AASB 1058	(494)
Impact of AASB 16	...
Restated balance at 1 July 2019 – after new accounting standards	84,490

The expected aggregate impacts of applying the above new accounting standards are reported in the table below.

Table A2.5: Aggregate impact of new standards to key financial information

	Before new accounting standard impacts				Impact of new accounting standards				After new accounting standard impacts			
	2019-20	2020-21	2021-22	2022-23	2019-20	2020-21	2021-22	2022-23	2019-20	2020-21	2021-22	2022-23
	Budget		Forward Estimates		Budget		Forward Estimates		Budget		Forward Estimates	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Revenue from transactions	84,185	87,817	89,829	92,085	131	(185)	189	(76)	84,316	87,632	90,018	92,009
Expenses from transactions	83,201	86,326	87,950	89,366	98	78	66	44	83,300	86,405	88,016	89,410
Budget result	984	1,491	1,880	2,719	32	(264)	123	(120)	1,016	1,227	2,002	2,599
Less: Net acquisition of non-financial assets												
Capital expenditure	21,932	17,400	16,838	13,964	414	350	409	385	22,345	17,750	17,247	14,349
Less: depreciation	5,429	5,801	5,921	6,085	681	690	701	710	6,110	6,491	6,623	6,795
Less: other items	712	1,428	1,007	559	...	...	...	...	712	1,428	1,007	559
Total net acquisition of non-financial assets	15,790	10,171	9,910	7,320	(267)	(340)	(293)	(325)	15,523	9,831	9,618	6,995
Net lending / (borrowing)	(14,807)	(8,680)	(8,030)	(4,601)	299	76	415	205	(14,507)	(8,604)	(7,615)	(4,396)
Total assets	416,505	432,393	448,012	467,523	3,775	3,461	3,193	2,896	420,280	435,854	451,205	470,419
Total liabilities	149,496	151,243	154,296	156,167	3,838	3,795	3,409	3,239	153,334	155,038	157,705	159,406
Net worth	267,008	281,150	293,716	311,356	(63)	(333)	(216)	(343)	266,946	280,816	293,500	311,013
Net debt	8,524	19,361	29,456	35,445	3,830	3,612	3,428	3,194	12,354	22,973	32,884	38,640

There are no other significant changes to AAS or accounting policies adopted in 2019-20 that would significantly impact the Estimated Financial Statements.

New Accounting Standards issued but not effective

Certain new accounting standards and interpretations have been published that are not mandatory for 2019-20. The State has not adopted these early. The assessed impact of these new standards and interpretations is set out below.

AASB 1059 Service Concession Arrangements: Grantors

AASB 1059 *Service Concession Arrangements: Grantors* (AASB 1059) will be effective for reporting periods commencing on or after 1 January 2020. Service concession arrangements (SCA) involve either a public or private sector entity operating a service concession asset to deliver public services on behalf of a public sector grantor.

Currently, under TPP 06-8 *Privately Financed Projects* (TPP 06-8), most SCAs in New South Wales are generally treated as leases or as assets gradually recognised over the concession period.

AASB 1059 will require service concession assets to be recognised immediately at the start of the arrangement or over the construction period, with a corresponding liability to reflect any payments due, and/or the grant of a right, to the operator. Further, AASB 1059 has a broader scope than TPP 06-8, possibly resulting in more arrangements being recognised in the State's statement of financial position.

These changes are expected to significantly increase assets and liabilities in the State's balance sheet and impact the operating statement depreciation and amortisation expenses and income from the amortisation of grant of right liabilities.

The estimated impact of AASB 1059 on future estimated financial statements has not been sufficiently identified and quantified at this stage.

There are no other standards that are not yet effective and that would be expected to have a material impact on the Estimated Financial Statements.

Presentation of the Estimated Financial Statements

The Estimated Financial Statements follow the presentation requirements for GGS reporting contained in AASB 1049 *Whole of Government and General Government Sector Financial Reporting* (AASB 1049).

AASB 1049 harmonises generally accepted accounting principles (GAAP) with Government Financial Statistics (GFS) principles in accordance with the GFS framework adopted by the Australian Bureau of Statistics. The statement of comprehensive income (referred to as the operating statement) classifies income and expenses as either transactions or other economic flows, in order to be consistent with GFS principles, applied from a GAAP perspective.

The net operating balance (i.e. the budget result) is the net result of harmonised GFS-GAAP transactions for the GGS. In the operating statement:

- The *net operating balance* is the net result of *revenue and expenses from transactions*. It excludes *other economic flows*, which capture changes in the volume or value of assets or liabilities that do not arise from transactions with other entities (and which are often outside the control of government)
- The *operating result* is the same under both the harmonised GFS-GAAP and pure GAAP presentations.

Further, AASB 1049 requires:

- the GGS financial statements adopt the recognition, measurement and disclosure requirements of GAAP
- where options exist in GAAP, the GGS financial statements adopt the option that is aligned with GFS, to minimise differences between GAAP and GFS and/or
- where options do not exist in GAAP and there is conflict between GAAP and GFS, GAAP prevails.

Due to the prospective nature of the statements, detailed notes to the Estimated Financial Statements are not required to be presented within the meaning of AAS as outlined in Section 27A (5) of the *Public Finance Audit Act 1983*.

Each year ends on 30 June, all monetary amounts are presented in Australian dollars and rounded to the nearest million dollars (\$m).

Use of a zero ("0") represents amounts rounded to zero. Use of three dots ("...") represents nil amounts.

Tables may not add in all instances due to rounding to the nearest million dollars.

Presentation changes

There have been no presentation changes since the release of the 2018-19 Budget Papers. The presentation of information in the financial estimates remains consistent with GAAP and GFS presentation requirements.

Definitions

Key technical terms, including fiscal aggregates, are defined in the Glossary to this *Budget Statement*.

Material economic and other assumptions

The Estimated Financial Statements have been prepared using the material economic and other assumptions as set out in Table A2.6.

Table A2.6: Key economic performance assumptions^(a)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Outcomes	Forecasts	Forecasts	Forecasts	Projections	Projections
New South Wales population (persons) ^(b)	7,988,000	8,120,000	8,250,000	8,376,000	8,501,000	8,624,000
Nominal gross state product (\$million)	604,400	626,200	649,000	678,200	710,400	745,700
Real gross state product (per cent)	2.6	2¼	2¼	2½	2½	2½
Real state final demand (per cent)	3.4	2½	2½	2½	-	-
Employment (per cent)	3.2	3¼	1½	1¼	1¼	1¼
Unemployment rate (per cent) ^(c)	4.8	4½	4½	4½	4½	4½
Sydney consumer price index (per cent) ^(d)	1.9	1½	1¾	1¾	2¼	2½
Wage price index (per cent) ^(e)	2.1	2½	2½	2¾	3	3
Nominal gross state product (per cent)	4.5	3½	3¾	4½	4¾	5

(a) Per cent change, year average, unless otherwise indicated.

(b) As at 30 June each year.

(c) Year average, per cent.

(d) 2017-18 to 2020-21 excludes ¼ percentage point from tobacco excise increases.

(e) Weighted private and public sector wages.

Source: ABS 3101.0, 5206.0, 5220.0, 6202.0, 6401.0, 6345.0 and Treasury

Summary of other key assumptions

The following section outlines the other key assumptions used in the preparation of the Estimated Financial Statements. The summary takes into account materiality in relation to the GGS's overall financial position and sensitivity to changes in key economic assumptions.

Notwithstanding these key assumptions, agency finance officers apply appropriate professional judgement in determining estimated financial information.

Revenue from transactions

Taxation

Taxation revenue is forecast by assessing economic and other factors that influence the various taxation bases. Payroll tax, for example, involves an assessment of the outlook for employment and wages. Forecasts of government debt guarantee fees take into account an assessment of the level of debt of Public Non-Financial Corporations (PNFC) and their credit rating differential compared with the State as a whole. The forecasts of taxation revenue also involve the analysis of historical information and relationships (using econometric and other statistical methods), and consultation with relevant government agencies.

Grants and subsidies revenue

Forecast grants from the Commonwealth Government are based on the latest available information from the Commonwealth Government and projections of timing of payments at the time of preparation of the Budget. This takes into account the conditions, payment timetable and escalation factors relevant to each type of grant.

The adoption of AASB 1058 from 2019-20 onwards results in changes to estimates, as revenue recognition on certain grants with specific performance obligations are aligned with the timing of the completion of the related performance obligations. For further details, refer to *Changes in accounting policies*.

Goods and Services Tax (GST) grants are forecast based on estimates of the national GST pool by the Commonwealth Government. For 2019-20, the GST forecast is based on the assessed relativity for New South Wales in 2019-20 and the Treasury's population projections. The assessed relativity is based on the three-year average of actual data (2015-16, 2016-17 and 2017-18) as published by the Commonwealth Grants Commission.

Beyond 2019-20, the State's share of GST is based on New South Wales Treasury's forecast relativities, state populations and the Commonwealth's GST pool estimates. The forecast per capita annual relativities are based on the projected fiscal capacity of New South Wales compared with other states and territories.

Sale of goods and services

Revenue from the sale of goods and services is forecast by taking into account all known factors, including:

- estimates of changes in demand for services provided
- expected unit price variations based on proposed fee increases imposed by general government agencies and/or indexation.

Dividend and income tax equivalents from other sectors

Dividend and income tax equivalent revenue from other sectors are estimated by the PNFC and Public Financial Corporations (PFC) sectors. They are based on expected profitability and the agreed dividend policy at the time of the Budget.

Other dividends and distributions

Other dividends include estimates of dividends to be received from investments in entities other than the PNFC and PFC sectors, with the revenue recognised when the right to receive payment is expected to be established. Estimates are based on advice from external parties.

Distributions are mainly from managed fund investments administered by TCorp, with the revenue recognised when the right to receive payment is expected to be established based on advice from TCorp. It excludes estimated fair value movements in the unit price of the investments, which are recognised as 'other economic flows – included in the operating result'.

Fines, regulatory fees and other revenues

Fines, regulatory fees and other revenues include estimates of fines issued by the courts, estimated traffic infringement fines, estimated revenue from enforcement orders and regulatory fees and contributions. It also includes estimated royalty revenue based on assessments of coal volumes and prices and the Australian dollar exchange rate. Other revenue forecasts are adjusted for indexation where appropriate.

Expenses from transactions

To improve the accuracy of budget estimates, consistent with longstanding practice and reflecting historic trends, the Budget includes adjustments:

- to account for parameter and technical adjustments expected to be required to maintain service provision on a no policy change basis, reflecting the historic conservative bias in aggregate spending estimates
- to account for expenses expected to be carried forward into future years reflecting changes in timing of delivery of government activity, consistent with the policy set out in *Treasury Circular NSW TC 15-08*
- to reflect government decisions not yet included in agency estimates, for example due to timing or because they are commercial in confidence or subject to further requirements.

Employee expenses

Employee expenses are forecast based on expected staffing profiles, current salaries, conditions and on-costs. Employee expenses are adjusted over the forecast period for approved wage agreements. Beyond the period of the agreements, allowance is made for further adjustments consistent with the State's wages policy at a net cost of 2.5 per cent per annum, inclusive of scheduled increases in the superannuation guarantee levy. The forecasts for employee expenses also reflect the impact of newly approved initiatives and required efficiency savings.

Superannuation expense (and liabilities)

Superannuation expense comprises:

- For the defined contribution plan, the forecast accrued contribution for the period
- For defined benefit plans, the forecast service cost and the net interest expense. This excludes the re-measurements (i.e. actuarial gains and losses and return on plan assets in excess of the long-term Commonwealth Government Securities (CGS) rate), which are classified as 'other economic flows – other comprehensive income'.

Superannuation expenses for defined contribution plans are based on assumptions regarding future salaries and contribution rates.

Superannuation expenses for defined benefit plans are estimated based on actuarial advice, applying the long-term CGS yield as at 30 June in the prior year to the opening value of net liabilities (gross superannuation liabilities less assets), less benefit payments at the mid-point of the contribution year, plus any accruing liability for the year.

Forecasts of defined benefit superannuation liabilities are based on actuarial estimates of cash flows for the various defined benefit superannuation schemes, discounted using a nominal long-term CGS yield as at 30 June. Gross liability estimates are based on a number of demographic and financial assumptions.

The table below sets out the major financial assumptions used to estimate the superannuation expense and liability in respect of defined benefit superannuation for the Budget and forward estimates period.

Table A2.7: Superannuation assumptions – pooled fund / state super schemes

	2018-19	2019-20	2020-21	2021-22	2022-23
	%	%	%	%	%
Liability discount rate	1.75	1.75	2.00	2.25	2.75
Expected return on investments	7.76	7.40	7.40	7.40	7.40
Expected salary increases	2.70	2.70	3.20	3.20	3.20
Expected rate of CPI ^(a)	1.75	2.00	2.00	2.25	2.50

(a) 2017-18 to 2020-21 includes ¼ percentage point from tobacco excise increases

Depreciation and amortisation

Property, plant and equipment are depreciated (net of residual value) over their respective useful lives. Right-of-use assets are generally depreciated over their respective lease term (from 2019-20 onwards). Depreciation is generally allocated on a straight-line basis.

Depreciation is forecast on the basis of known asset carrying valuations, the expected economic life of assets, assumed new asset investment and asset sale programs. The depreciation expense is based on the assumption that there will be no change in depreciation rates over the forecast period but includes the estimated impact of the current and future revaluation of assets over the forecast period. The depreciation expense may also be impacted by future changes in useful lives, carrying value, residual value or valuation methodology.

Certain heritage assets, including original artworks and collections and heritage buildings, may not have limited useful lives because appropriate custodial and preservation policies are adopted. Such assets are not subject to depreciation. Land is not a depreciable asset.

Intangible assets with finite lives are amortised using the straight-line method. Intangible assets with indefinite lives are not amortised, but tested for impairment annually.

Interest expense

Estimates for interest expense are based on the forecast levels of outstanding borrowings (e.g. debt facilities with NSW TCorp and lease liabilities), other long-term financial liabilities and provisions. Interest expense on new borrowings (including any refinancing of existing borrowings) are based on forward estimates from TCorp.

Other operating expenses

Other operating expenses mainly represent the day-to-day running costs incurred in the normal operations of agencies and include the cost of supplies and services. They are forecast by applying appropriate economic parameters and known activity changes. This includes planned changes in the method of service delivery and the application of government policies. Other operating expenses also reflect the impact of government efficiency strategies, such as efficiency dividends.

Grants and subsidies expense

Grants and subsidies expenses generally comprise cash contributions to local government authorities and non-government organisations. For the GGS, they include grants and subsidies paid to the PNFC and PFC sectors. The forecast grant payments are determined by taking into account current and past policy decisions, the forecast payment schedules and escalation factors relevant to each type of grant.

Other economic flows

Revaluations

The estimates are based on an examination and extrapolation of historical trends in the valuation of property, plant and equipment. The budget and forward estimates years include the estimated impact of revaluations of property, plant and equipment.

Superannuation actuarial gains / losses

The forecast actuarial gains or losses on defined benefit superannuation are based on the revised estimates of the margin of forecast fund earnings in excess of the expected discount rate.

Net gain / (loss) on equity investments in other sectors

The net gain / (loss) on equity investments in other sectors is based on estimates of the PNFC and PFC sectors' forward comprehensive results adjusted for transactions with owners. The underlying management estimates of future comprehensive results are based on current Statements of Corporate Intent. Future distributions to equity holders are based on Treasury's *Commercial Policy Framework*.

Net acquisition of non-financial assets

Sale of non-financial assets

Sale of non-financial assets includes the proceeds from the sale of an intangible asset recognised upfront in GFS but amortised over the term of the arrangement for GAAP. This is presented consistently in the cash flow statement.

Assets

Property, plant and equipment

The estimates of property, plant and equipment over the forecast period are at fair value and take into account planned acquisitions, disposals, and the impact of depreciation, impairment and revaluations. New investments in assets are valued at the forecast purchase price and, where appropriate, recognised progressively over the estimated construction period.

The adoption of AASB 16 from 2019-20 results in the recognition of right-of-use assets, including those from leases previously classified as operating leases, where the State is a lessee. The estimates of right-of-use assets are based on the State's best estimate of the timing of renewals of lease arrangements and the impact of depreciation. Refer to *Changes in accounting policies* for further details on the impacts of adopting AASB 16.

The forward estimates include the estimated impact of revaluations of property, plant and equipment. These estimates are based on an examination of expected cost trends.

To improve the accuracy of budget estimates, consistent with longstanding practice and reflecting historic trends, the Budget includes adjustments:

- to account for capital expenses expected to be carried forward into future years reflecting changes in timing of delivery of government activity, consistent with the policy set out in *Treasury Circular NSW TC 15-08*
- to reflect government decisions on capital expenditure that are not yet included in agency estimates, for example due to timing because they are commercial in confidence or subject to further requirements.

Liabilities

Borrowings

Estimates for borrowings are based on current debt levels (including lease liabilities), amortisation of any premiums or discounts, and the cash flows expected to be required to fund future government activities.

The adoption of AASB 16 from 2019-20 results in the recognition of additional lease liabilities in relation to leases previously classified as operating leases where the State is a lessee. Estimates of lease liabilities are based on the best estimate of the timing of renewals of lease arrangements and impact of amortisation of the liabilities. Refer to *Changes in accounting policies* for further details on the impacts of adopting AASB 16.

Employee provisions

Employee provisions are forecast based on expected staffing profiles and current salaries, conditions and on-costs. For the forecast period, employee benefits are adjusted for approved wage agreements. Beyond the period of the agreements, allowance is made for further adjustments consistent with the State's wages policy at a net cost of 2.5 per cent per annum, inclusive of scheduled increases in the superannuation guarantee levy. The forecasts for employee expenses also reflect the impact of new initiatives and required efficiency savings.

Superannuation provisions

Refer to *Superannuation expense (and liabilities)* (above) for information on assumptions that also impact the measurement of the superannuation provisions.

Other provisions

Other provisions include the State's obligations for several insurance schemes. To estimate future claim liabilities, actuarial assumptions have been applied for future claims to be incurred, claim payments, inflation and liability discount rates. Actual liabilities may differ from estimates.

A3. CLASSIFICATION OF AGENCIES

The financial activities of all governments are measured using the government finance statistics (GFS) framework.¹ All entities controlled by governments are classified into sectors according to the nature of their activities and funding arrangements.

For financial reporting and policy framework purposes, NSW Treasury classifies each NSW Government entity under one of three sectors:

- general government sector
- public non-financial corporations
- public financial corporations.

Together, these sectors make up the total state sector. This is not a GFS term, but it is used to describe the scope of all government activities representing the total state.

The nature of each sector as it relates to NSW Government entities is as follows:

General government sector	<p>The general government sector represents the scope of the Budget. Agencies in this sector generally operate under the Financial Management Framework and carry out policy, regulatory and service delivery functions. This sector includes agencies such as the Ministry of Health, Department of Education, NSW Police Force, Rental Bond Board and Independent Pricing and Regulatory Tribunal.</p> <p>'General government sector' is defined under GFS as the institutional sector comprising all government units and non-profit institutions controlled by the Government.</p>
Public non-financial corporations sector	<p>Agencies in this sector are either commercial or non-commercial.</p> <p>Commercial enterprises generally operate under the Commercial Policy Framework, which aims to replicate disciplines and incentives that drive the efficient commercial practices of private sector businesses. They deliver services to a customer base from which they receive their income. They generally pay dividends and tax-equivalent payments to the general government sector. These agencies include State-owned Corporations such as Sydney Water and Hunter Water Corporations.</p> <p>Non-commercial enterprises address important social objectives and levy charges for services to client groups on a subsidised basis. This includes the New South Wales Land and Housing Corporation, which receives substantial grants from the general government sector to provide these services.</p> <p>'Public non-financial corporations sector' is defined under GFS as resident government controlled corporations and quasi-corporations mainly engaged in the production of market goods and/or non-financial services.</p>
Public financial corporations sector	<p>These agencies are involved in financial services and generally operate under the Commercial Policy Framework. They include the New South Wales Treasury Corporation and Insurance and Care NSW.</p> <p>'Public financial corporations sector' is defined under GFS as resident government controlled operations and quasi-corporations mainly engaged in financial intermediation or provision of auxiliary financial services.</p>

¹ Australian Bureau of Statistics, *Australian System of Government Finance Statistics: Concepts, Sources and Methods*, 2015 Cat No. 5514.0, ABS, Canberra.

The following table lists all entities considered material for the whole-of-government purposes which are controlled by the NSW Government and the GFS sectors under which they are classified². In addition, budget estimates shown in Budget Paper No. 1 include an estimate of the impact of small entities controlled by the NSW Government and not considered material for the whole-of-government purposes.

Table A3.1: Classification of agencies by sector

Material Agencies	General government sector	Public non-financial corporations sector	Public financial corporations sector
Aboriginal Housing Office	•		
Alpha Distribution Ministerial Holding Corporation	•		
Art Gallery of New South Wales	•		
Audit Office of New South Wales	•		
Australian Museum	•		
Barangaroo Delivery Authority <i>(to be abolished and functions transferred to Infrastructure NSW from 1 July 2019)</i>	•		
Biodiversity Conservation Trust of NSW	•		
Building Insurers' Guarantee Corporation	•		
Centennial Park and Moore Park Trust	•		
Cobbora Holding Company Pty Ltd		•	
Crown Finance Entity	•		
Crown Solicitor's Office	•		
Department of Customer Service <i>(to be established from 1 July 2019)</i>	•		
Department of Finance, Services and Innovation <i>(to be abolished from 1 July 2019)</i>	•		
Department of Family and Community Services <i>(to be abolished and merged into the Department of Family and Community Services and Justice from 1 July 2019)</i>	•		
Department of Justice <i>(to be abolished and merged into the Department of Family and Community Services and Justice from 1 July 2019)</i>	•		
Department of Industry <i>(to be abolished and merged into the Department of Planning, Industry and Environment from 1 July 2019)</i>	•		
Department of Planning and Environment <i>(to be abolished and merged into the Department of Planning, Industry and Environment from 1 July 2019)</i>	•		
Department of Education	•		
Department of Customer Service <i>(to be established from 1 July 2019)</i>	•		
Department of Family and Community Services and Justice <i>(to be established from 1 July 2019)</i>	•		
Department of Planning, Industry and Environment <i>(to be established from 1 July 2019)</i>	•		
Department of Premier and Cabinet	•		
Destination NSW	•		
Electricity Assets Ministerial Holding Corporation	•		
Electricity Retained Interest Corporation – Ausgrid	•		
Electricity Retained Interest Corporation – Endeavour Energy	•		
Electricity Transmission Ministerial Holding Corporation	•		
Environment Protection Authority	•		
Environmental Trust	•		
Epsilon Distribution Ministerial Holding Corporation	•		
Essential Energy		•	
Fire and Rescue NSW	•		

² This reflects the structure of the NSW Public Sector to take effect from 1 July 2019 consistent with recent Administrative Arrangements orders. For more information on any machinery of government changes see 'About this Budget Paper' in Budget Paper No.3 *Budget Estimates*.

Material Agencies	General government sector	Public non-financial corporations sector	Public financial corporations sector
First Australian Mortgage Acceptance Corporation (FANMAC) Trusts			•
Forestry Corporation of New South Wales		•	
Greater Sydney Commission	•		
Health Care Complaints Commission	•		
Historic Houses Trust of New South Wales	•		
Home Purchase Assistance Fund	•		
Hunter and Central Coast Development Corporation	•		
Hunter Water Corporation		•	
Independent Commission Against Corruption	•		
Independent Liquor and Gaming Authority	•		
Independent Pricing and Regulatory Tribunal	•		
Information and Privacy Commission	•		
Infrastructure NSW	•		
Insurance and Care NSW			•
Judicial Commission of New South Wales	•		
Landcom		•	
Lands Administration Ministerial Corporation	•		
Law Enforcement Conduct Commission	•		
Legal Aid Commission of New South Wales	•		
Liability Management Ministerial Corporation	•		
Lifetime Care and Support Authority of New South Wales			•
Local Land Services	•		
Long Service Corporation	•		
Luna Park Reserve Trust	•		
Mental Health Commission of New South Wales	•		
Ministry of Health	•		
Multicultural NSW	•		
Museum of Applied Arts and Sciences	•		
Natural Resources Commission	•		
New South Wales Crime Commission	•		
New South Wales Electoral Commission	•		
New South Wales Government Telecommunications Authority	•		
New South Wales Land and Housing Corporation		•	
New South Wales Rural Assistance Authority	•		
New South Wales Treasury Corporation			•
Newcastle Port Corporation		•	
NSW Education Standards Authority	•		
NSW Food Authority	•		
NSW Police Force	•		
NSW Self Insurance Corporation	•		
NSW Trains		•	
NSW Trustee and Guardian	•		
Office of Environment and Heritage <i>(to be abolished and functions transferred to the Department of Premier and Cabinet and the Department of Planning, Industry and Environment from 1 July 2019)</i>	•		
Office of Local Government <i>(to be abolished and functions transferred to the Department of Planning, Industry and Environment from 1 July 2019)</i>	•		
Office of Sport	•		
Office of the Children's Guardian	•		
Office of the Director of Public Prosecutions	•		

Material Agencies	General government sector	Public non-financial corporations sector	Public financial corporations sector
Office of the NSW Rural Fire Service	•		
Office of the NSW State Emergency Service	•		
Office of Transport Safety Investigations	•		
Ombudsman's Office	•		
Parliamentary Counsel's Office	•		
Place Management NSW		•	
Planning Ministerial Corporation	•		
Ports Assets Ministerial Holding Corporation	•		
Property NSW	•		
Public Service Commission	•		
Rail Corporation New South Wales		•	
Rental Bond Board	•		
Roads and Maritime Services <i>(to be abolished and functions transferred to Transport for NSW from 1 July 2019)</i>	•		
Roads Retained Interest Pty Ltd <i>(established June 2018)</i>	•		
Royal Botanic Gardens and Domain Trust	•		
Service NSW	•		
State Archives and Records Authority of New South Wales	•		
State Insurance Regulatory Authority	•		
State Library of New South Wales	•		
State Sporting Venues Authority		•	
State Transit Authority of New South Wales		•	
Sydney Cricket and Sports Ground Trust		•	
Sydney Ferries		•	
Sydney Metro	•		
Sydney Motorway Corporation ³			•
Sydney Olympic Park Authority	•		
Sydney Opera House Trust		•	
Sydney Trains		•	
Sydney Water Corporation		•	
TAFE Commission	•		
Teacher Housing Authority of New South Wales		•	
The Legislature	•		
The Treasury	•		
Transport for NSW	•		
UrbanGrowth NSW Development Corporation <i>(to be abolished and functions transferred to Infrastructure NSW from 1 July 2019)</i>	•		
Venues NSW		•	
Waste Assets Management Corporation		•	
Water Administration Ministerial Corporation	•		
Water NSW		•	
WCX M4 Corporation Pty Ltd ³		•	
WCX M4-M5 Link ³		•	
WCX M5 Corporation Pty Ltd ³		•	
Western City and Aerotropolis Authority <i>(established November 2018)</i>	•		
Western Sydney Parklands Trust	•		
Workers' Compensation (Dust Diseases) Authority	•		
Zoological Parks Board of New South Wales		•	

³ Entities abolished following the sale of 51 per cent stake in WestConnex in August 2018.

A4. 2018-19 BUDGET – OUTCOME AND SUMMARY OF VARIATIONS

Budget outcome for 2018-19

The Budget result for 2018-19 is estimated to be a surplus of \$0.8 billion compared with an original budget surplus of \$1.4 billion.

Total revenue is estimated to be \$81.1 billion in line with the original budget estimate.

Total expenses are estimated to be \$80.3 billion which is \$670 million or 0.8 per cent higher than the original budget estimate of \$79.7 billion.

A detailed explanation of revenue and expense variances by line item is set out in the attached table.

Table A4.1: Summary of variations

Category/Agency	Budget \$m	Revised \$m	Variation \$m	Comment on Major Variations
REVENUE FROM TRANSACTIONS				
Taxation				
Payroll Tax	9,150	9,373	223	Stronger than expected employment growth.
Waste and Environment Levy	568	772	204	Due to higher forecast of leviable waste volumes than expected at Budget.
Other Duties and Taxes	4,859	5,025	167	Mainly due to the Crown Casino licence fee of \$95 million being brought forward to 2018-19.
Stamp Duty	9,523	9,178	(345)	Weaker residential property prices and lower than expected residential transaction volumes. This was partially offset by one-off transfer duty payment associated with the WestConnex transaction.
Land Tax	4,293	4,225	(68)	Revised down following a lower 2017-18 outcome than expected at Budget, as well as lower than expected foreign investor land tax surcharge revenue.
Motor Vehicle Taxes	2,753	2,690	(63)	Lower growth in the total vehicle registrations.
Total Taxation	31,146	31,263	117	
Commonwealth Grants				
General Purpose Grants				
GST Revenue Grants	18,405	17,835	(570)	Lower GST receipts are expected in 2018-19 following a reduction in the national GST pool and NSW population growth.
Other General Purpose Grants	70	53	(17)	Aggregated net minor variances.
Total General Purpose Grants	18,475	17,888	(587)	
National Agreements				
Ministry of Health	6,463	6,741	278	Final reconciliation payments for 2016-17 and 2017-18 from the Commonwealth under the National Health Reform Agreement.
Other National Agreements	3,389	3,390	1	Aggregated net minor variances.
Total National Agreements	9,851	10,130	279	
National Partnership Payments				
Transport for NSW	1,586	1,365	(221)	Commonwealth Government transport contributions have been reprofiled across forward years.
Other National Partnership Payments	1,457	1,483	26	Aggregated net minor variances.
Total National Partnership Payments	3,043	2,848	(195)	
Other Commonwealth Payments	362	410	48	
Other Grants and Subsidies				
Ministry of Health	7	156	149	Reclassification from Fines, Regulatory Fees and Other Revenue to Other Grants and Subsidies.
Other Grants and Subsidies	373	425	53	Aggregated net minor variances.
Total Other Grants and Subsidies	379	581	202	
Total Grants and Subsidies	32,110	31,857	(254)	

Table A4.1: Summary of variations (cont)

Category/Agency	Budget \$m	Revised \$m	Variation \$m	Comment on Major Variations
Sales of Goods and Services				
Transport for NSW and Sydney Metro	3,104	2,571	(533)	Due to transfer of Sydney Metro Northwest into the General Government Sector.
Other	6,409	6,226	(183)	Aggregated net minor variances.
Total Sales of Goods and Services	9,513	8,797	(716)	
Interest Revenue				
Crown Finance Entity	95	206	111	Higher cash and investments in term deposits.
Other	228	325	97	Aggregated net minor variances.
Total Interest Revenue	323	531	208	
Dividend and Income Tax Equivalent Income from Other Sectors				
Dividends from the PFC Sector	118	266	148	Final dividend received from the Sydney Motorway Corporation at the time of the 51 per cent sale to Sydney Transport Partners.
Income Tax Equivalents from the PNFC Sector	339	299	(40)	Various small reductions in profits across the PNFC sector.
Dividends from the PNFC Sector	1,341	1,321	(21)	Primarily due to higher drought-driven operating costs of Sydney Water, including costs associated with the desalination plant.
Income Tax Equivalents from the PFC Sector	26	35	10	Aggregated net minor variances.
Total Dividend and Income Tax Equivalent Income from Other Sectors	1,823	1,921	98	
Other Dividends and Distributions				
NSW Self Insurance Corporation	310	536	226	Increased investment distributions following better than expected investment performance.
Crown Finance Entity	770	999	229	Higher than expected distributions from investments managed by TCorp including; Restart NSW Fund, Social Affording Housing Fund and NSW Generations Funds
Other	242	261	19	Aggregated net minor variances.
Total Other Dividends and Distributions	1,322	1,796	474	
Fines, Regulatory Fees and Other Revenue				
Mineral Royalties	1,914	2,074	161	Higher thermal coal prices and a lower than expected exchange rate.
Ministry of Health	381	176	(205)	Reclassification from Fines, Regulatory Fees and Other Revenue to Other Grants and Subsidies.
Other	2,548	2,713	164	Aggregated net minor variances.
Total Fines, Regulatory Fees and Other Revenue	4,843	4,962	120	
TOTAL REVENUES	81,081	81,128	47	

Table A4.1: Summary of variations (cont)

Category/Agency	Budget \$m	Revised \$m	Variation \$m	Comment on Major Variations
EXPENSES FROM TRANSACTIONS				
Employee				
NSW Self Insurance Corporation	603	819	215	Higher than expected workers' compensation insurance claims resulting from the latest actuarial valuation.
Department of Education	8,106	8,247	141	Reflects a minor increase in daily teaching costs across all schools.
Service NSW	138	217	79	Growth in service centre volumes driven by the Cost of Living programs.
Ministry of Health	12,142	12,206	64	Increase in employee expenses driven by increased hospital activity and complexity.
Crown Finance Entity	1,141	1,190	49	Update in the actuarial valuation and change in discount rate applied to Long Service Leave valuations.
Other	9,483	10,111	628	Net remaining increases across a number of agencies for additional policy measures including drought relief, partially offset by reclassifications from other operating expenses and grants and subsidies.
Total Employee	31,613	32,789	1,176	
Superannuation Interest Cost				
Crown Finance Entity	1,464	1,403	(61)	Updated actuarial valuations and lower discount rate applied in valuing defined benefit plans.
Other	6	24	18	Aggregated net minor variances.
Total Superannuation Interest Cost	1,470	1,426	(43)	
Other Superannuation				
Crown Finance Entity	381	404	23	Result of an update in actuarial valuations.
Other	2,624	2,734	109	Aggregated net minor variances.
Total Other Superannuation	3,006	3,138	132	
Depreciation and Amortisation				
Roads & Maritime Services	1,539	1,609	70	Higher asset revaluations and associated depreciation of road pavement, traffic signalling and traffic control assets.
Transport for NSW	596	664	69	Higher asset revaluations and associated depreciation of Country Rail Network (CRN) assets, and the transfer of STA bus assets to Transport NSW in the General Government sector.
Department of Finance, Services and Innovation	95	151	56	Mainly due to change in depreciation policy for ICT projects.
Other	2,760	2,896	137	Aggregated net minor variances.
Total Depreciation and Amortisation	4,989	5,321	331	

Table A4.1: Summary of variations (cont)

Category/Agency	Budget \$m	Revised \$m	Variation \$m	Comment on Major Variations
Interest Expenses				
NSW Self Insurance Corporation	322	144	(179)	Reduced unwind of discount of outstanding claims liabilities resulting from the change to the risk-free discount rate.
Other	1,722	1,707	(15)	Aggregated net minor variances.
Total Interest Expenses	2,044	1,850	(194)	
Other Operating				
NSW Self Insurance Corporation	855	1,103	248	Increase in incurred insurance claims resulting from the latest actuarial valuation.
Department of Justice	528	615	87	Higher costs in Correctional Centre Management.
Transport for NSW and Sydney Metro	4,520	4,034	(486)	Transfer of Sydney Metro Northwest into the General Government Sector.
Other	15,697	15,726	29	Aggregated net minor variances.
Total Other Operating	21,600	21,478	(123)	
Grants, Subsidies and Other Transfer Expenses				
Crown Finance Entity	1,093	621	(472)	Mainly due to the reprofiling of Restart infrastructure projects to future years.
Department of Industry	765	544	(221)	Due to delays in land divestment to Local Aboriginal Land Councils, and lower payments to external training providers.
New South Wales Rural Assistance Authority	21	139	118	Additional grants for the Government's Emergency Drought Relief Package.
Other	13,055	13,020	(35)	Aggregated net minor variances.
Total Grants, Subsidies and Other Transfer Expenses	14,934	14,324	(610)	
TOTAL EXPENSES FROM TRANSACTIONS	79,656	80,326	670	
BUDGET RESULT - SURPLUS/(DEFICIT)	1,425	802	(623)	

Table A4.1: Summary of variations (cont)

Category/Agency	Budget \$m	Revised \$m	Variation \$m	Comment on Major Variations
Capital Expenditure				
Roads & Maritime Services	4,887	5,593	706	Western Harbour Tunnel enabling works at Rozelle and bring forward of other road projects.
Department of Planning and Environment	399	94	(305)	Contracting and construction delays for the Walsh Bay and Powerhouse Museum redevelopments.
Other	12,044	12,178	134	Aggregated net minor variances.
Total Capital Expenditure	17,329	17,864	535	
OTHER KEY FISCAL AGGREGATES				
Sales of Non-Financial Assets				
Other	650	502	(148)	Aggregated net minor variances.
Total Sales of Non-Financial Assets	650	502	(148)	
Depreciation and Amortisation				
Total Agencies	4,989	5,321	331	As above.
Total Depreciation and Amortisation	4,989	5,321	331	
Changes in Inventories				
Other	42	2	(40)	Minor decrease in inventories.
Total Change in Inventories	42	2	(40)	
Assets Acquired Using Finance Leases				
Other	1,925	1,847	(77)	Aggregated net minor variances.
Total Assets Acquired Using Finance Leases	1,925	1,847	(77)	
Other Movements in Non-Financial Assets				
Other Movements in Non-Financial Assets	40	214	174	Aggregated net minor variances.
NET LENDING	(10,263)	(11,451)	(1,188)	

A5. TAX EXPENDITURE AND CONCESSIONAL CHARGES STATEMENT

Favourable tax treatment or lower fees or service charges may be granted to certain individuals, groups or organisations to support policy objectives. This tax expenditure and concessional charges statement recognises that such special treatment is economically equivalent to increasing expenses, and has the same effect on the budget outcome.

Tax expenditure estimates measure the additional tax that would have been payable if 'benchmark' (or standard) tax structures had been applied to all taxpayers and economic behaviour had remained unchanged. Tax expenditures arise from deviations from the benchmarks, and include specific tax exemptions, allowances and deductions, reduced tax rates, deferral of tax liabilities and tax credits.

Concessional charges are included for government agencies that provide goods and services to certain users at a lower fee or charge than to the wider community, in pursuit of economic or social policy goals, such as reducing the cost of living. The provision of these concessions may be supported directly from the Budget, or indirectly through a reduction in agency obligations to make dividend or other payments, or a reduction in agency retained earnings. These concessions have a budget cost, regardless of whether they are the subject of a specific intra-government transfer.

Judgement is required in delineating the 'concessional' and 'structural' features of a particular tax or service delivery scheme. The approach adopted is to treat the general application of a tiered tax schedule or charging regime as a structural element of the benchmark, rather than a concession to those paying less than the highest marginal rate of tax. Similarly, providing lower public transport fares for all children is included in the benchmark rather than as a concession. However, subsidised travel for eligible school children and senior citizens is treated as a concession. Provisions to prevent double taxation or to otherwise support the conceptual structure of a tax, rather than provide a benefit to a particular group of taxpayers, are generally excluded.

Caution should be exercised when using these estimates. They may not be comparable to estimates in other jurisdictions, which may use different definitions of the 'structural' and 'concessional' elements of taxes and charges. Similarly, changes to the benchmark definition and the classification of concessions may limit the comparability of some estimates to those in earlier budgets. Importantly, the estimates do not measure the amount of revenue that could be expected if the relevant concessional treatment were abolished, nor do they provide a reliable indication of the economic costs and benefits. This is because the concessions themselves influence behaviour patterns and levels of activity, which could be quite different in their absence.

A5.1 Overview of the estimates

Tax expenditures and concessional charges are listed in the following pages and, where possible, an estimate of the costs associated with each of the major items is provided to assist comparison with the budgetary cost of direct outlays.

In 2019-20, total measured tax expenditures and concessions provided by the New South Wales Government are expected to amount to \$8.8 billion, or 10.4 per cent of total New South Wales revenue.

Tax expenditures

Table A5.1 provides a summary of the total value of major tax expenditures (those valued at \$1.0 million or greater) for each of the main revenue sources. The estimates are for the financial years 2017-18 to 2019-20, except for land tax, which uses calendar years 2018, 2019, and 2020. The total value of major quantifiable tax expenditures is an estimated \$6.7 billion or 21.1 per cent of tax revenue in 2019-20.

Table A5.1: Major tax expenditures by type

Tax	2017-18		2018-19		2019-20	
	Tax Exp. \$m	Tax Exp. as % of tax revenue collected	Tax Exp. \$m	Tax Exp. as % of tax revenue collected	Tax Exp. \$m	Tax Exp. as % of tax revenue collected
Transfer Duty	712	8.2	647	8.8	653	9.5
General and Life Insurance Duty	1,023	104.1	1,080	106.6	1,151	108.5
Payroll Tax	1,693	19.2	1,808	19.3	1,881	19.2
Land Tax	1,023	27.4	1,127	26.7	1,170	25.8
Taxes on Motor Vehicles	586	21.5	686	25.5	765	27.6
Gambling and Betting Taxes	877	37.3	938	35.9	1,013	38.5
Parking Space Levy	71	66.7	71	64.6	72	64.6
Total	5,985	19.1	6,358	20.3	6,707	21.1

Changes to the estimates

The estimates in Table A5.1 reflect policy changes since the 2018-19 Budget. From 1 July 2019, retirement visa holders will be exempt from foreign investor surcharge. This affects land tax and transfer duty estimates. From 1 July 2019, the payroll tax threshold will increase to \$900,000 and transfer duty thresholds will be indexed to the Sydney consumer price index (CPI). These policy changes affect the tax expenditure estimates for payroll tax and transfer duty.

The Toll Relief Program, broadened in the 2018-19 Half-Yearly Review, affects motor vehicle weight tax and registration fees. The primary producer heavy vehicle registration rebate affects motor vehicle weight tax expenditure. New revenue measures are outlined in Chapter 5.

Concessions

Table A5.2 classifies, by function, the major concessions provided by the NSW Government. The total value of major concessions, which accrue primarily to pensioners, older Australians and school students, is estimated at \$2.1 billion in 2019-20.

Table A5.2: Concessions by function

Function	2017-18 \$m	2018-19 \$m	2019-20 \$m
Public Order and Safety	11	12	11
Education	608	647	661
Health	264	289	299
Transport	444	464	516
Housing and Community	535	525	563
Economic Affairs	11	12	12
Recreation, Culture and Religion	6	7	6
Environmental Protection	14	12	15
Total	1,894	1,968	2,084

Education concessions, the major component of which is the School Student Transport Scheme, account for around a third of the total estimated cost of concessions. Housing and community concessions account for around a quarter of the total cost of concessions. These concessions mostly relate to concessional charges and rebates to low income households and pensioner concession card holders for utilities and council rates. Transport concessions, the major component of which are concessions to pensioners, seniors and welfare beneficiaries, account for around a quarter of the total.

2017-18 and 2018-19 estimates for public transport concessions and the School Student Transport Scheme were revised down from last year's estimates following updated patronage data. 2018-19 public transport concessions were revised down by approximately 44 per cent and the School Student Transport Scheme by approximately 17 per cent.

A5.2 Detailed estimates of tax expenditures

Transfer duty (including 'landholder' duty)

The benchmark tax base includes all transfers of dutiable property as defined in Chapter 2 of the *Duties Act 1997*, including NSW land, land use entitlements, transferable floor space, and partnership interests. Indirect acquisition of land under Chapter 4 of the *Duties Act 1997* (landholder duty) is also included.

The benchmark tax structure comprises a tiered rate scale with marginal tax rates varying from 1.25 to 5.5 per cent over six steps. A premium marginal rate of 7 per cent applies for residential property valued above \$3.0 million.

From 1 July 2019, transfer duty thresholds will be indexed to the Sydney Consumer Price Index. Surcharge purchaser duty applies to purchases of residential land by foreign persons at a rate of 8 per cent.

The *Duties Act 1997* includes a number of exemptions designed to exclude the application of duty (apart from a nominal charge) to transactions where:

- duty has already been applied to an associated legal instrument; or
- the change in legal ownership does not produce a change in beneficial ownership.

Exemptions that fall under the first of these two categories are not included as tax expenditure, as exemptions of this nature are designed to avoid the double taxation that could occur if the exemption were not provided. Exemptions that fall under the second of these two categories are also not included, as they are designed to support the underlying structure of transfer duty, rather than to provide benefit to a particular group of taxpayers. Examples of this second

category include exemptions for changes in trustees, and the rearranging of assets within subsidiaries of the same corporate group.

Table A5.3: *Transfer duty – major tax expenditures*

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Charitable/non-profit organisations/clubs			
An exemption is granted for transactions of charitable or benevolent organisations, as set out in Section 275 of the <i>Duties Act 1997</i> .	38	36	37
Government			
Councils and county councils			
The transfer of property to a council or county council is exempt under the <i>Local Government Act 1993</i> .	13	12	13
Individuals/families			
First Home Buyer concessions and exemptions			
From 1 July 2017, exemptions or concessions are available to first homebuyers for the purchase of a new or existing home up to a value of \$800,000, or vacant land for homebuilding up to \$450,000. Under the previous arrangements, first homebuyer concessions were not available for the purchase of established homes or for homes valued above \$650,000.	479	426	438
Transfer of residences between spouses or de facto partners			
An exemption is granted, subject to the property being their principal place of residence and jointly held after transfer.	33	29	30
Transfers of matrimonial property consequent upon divorce			
An exemption is provided for transfers of property in the break-up of marriage, de facto or domestic relationships under the <i>Family Law Act 1975 (Cwlth)</i> .	103	97	94
Purchases by tenants of Housing NSW and Aboriginal Housing Office			
An exemption is provided for purchases of a principal place of residence.	1	1	1
Rural			
Intergenerational rural transfers			
An exemption is granted for transfers of rural land used for primary production between generations, or between siblings, to facilitate younger family members taking over family farms.	43	44	39
Other			
Other Legislation			
An exemption is granted in other legislation for certain transfers of dutiable property.	2	1	2

Transfer duty – other major tax expenditures (> \$1 million)¹

- Only nominal duty is charged on transfers of property to a beneficiary entitled to it under the will of a deceased person.
- For 'off the plan' purchases by owner occupiers, duty may be deferred until completion of the sale or 12 months after the contract, whichever occurs first.

¹ Items listed under the 'other major tax expenditures' headings are those where the value of the tax expenditure is estimated to be more than \$1 million in at least one year, but there is insufficient data available on which to base a reliable estimate.

Transfer duty – minor tax expenditures (< \$1 million)

The following are exempt from transfer duty:

- approved equity release schemes for aged home owners
- certain purchases of manufactured relocatable homes (caravans)
- call option assignments, subject to certain conditions
- transfer of a liquor licence in certain circumstances under the *Liquor Act 2007*
- transfer of property related to a joint government enterprise that has the function of allocating funds for water savings projects
- purchase of a principal place of residence by tenants of Housing NSW, the Community Housing Program administered by Housing NSW and the Aboriginal Housing Office
- transfers where public hospitals are the liable party
- transfer of properties gifted to a special disability trust
- instruments executed by or on behalf of a council or county council under the *Local Government Act 1993*, not connected with a trading undertaking
- transfers for the purpose of amalgamation or de-amalgamation of clubs under the *Registered Clubs Act 1976*
- instruments executed by or on behalf of agencies within the meaning of the *Convention on the Privileges and Immunities of the Specialised Agencies* approved by the General Assembly of the United Nations in 1947
- transfers between associations of employees or employers registered under the *Workplace Relations Act 1996 (Cwlth)* for the purpose of amalgamation
- transfer of property to the NSW Aboriginal Land Council or Local Aboriginal Land Councils
- transfers of property between licensed insurers, and between the State Insurance Regulatory Authority (SIRA) and licensed insurers, under the *Workers Compensation Act 1987*
- acquisition of an interest in a primary producer that is not 'land rich'.

Concessional duty is charged in relation to:

- acquisitions in unit trust schemes, private companies or listed companies with land holdings in New South Wales of \$2.0 million or more, where the acquisition is for the purpose of securing financial accommodation
- buy-back arrangements of widely held unit trust schemes for the purpose of re-issuing or re-offering the units for sale, subject to certain criteria
- amalgamations of certain Western Lands leases under the *Western Lands Act 1901* where transfer duty has been paid on the transfer of other such leases in the previous 3 years.

The following are exempt from surcharge purchaser duty:

- Holders of subclass 410 (retirement) and 405 (investor retirement) visas from 1 July 2019.

A5.3 General insurance duty

The benchmark tax base for general insurance is all premiums paid for insurance policies, excluding life insurance, insurance covering property of the Crown in right of New South Wales, crop and livestock insurance from 1 January 2018 and lenders mortgage insurance from 1 July 2017. The benchmark tax rate is 9 per cent of the premium paid.

Table A5.4: General insurance duty – major tax expenditures

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Business			
Exemption for workers compensation premiums	254	280	320
Marine and cargo insurance An exemption is provided for marine insurance covering hulls of commercial ships and the cargo carried by land, sea or by air.	8	8	9
Small business exemptions From 1 January 2018, an insurance duty exemption is provided to small businesses for commercial vehicles, professional indemnity, and product and public liability.	25	52	54
Individuals/families			
Concessional rates for Type B general insurance, as identified in Section 233 of the <i>Duties Act 1997</i> A concessional rate of 5 per cent is applied to certain categories of general insurance, including motor vehicle (excluding compulsory third party), aviation, disability income, occupational indemnity and hospital and ancillary health benefits (where not covered by private health insurers).	279	297	309
Compulsory third party motor vehicle insurance An exemption is provided for third party motor vehicle personal injury insurance (green slip), as per the <i>Motor Accidents Act 1988</i> and the <i>Motor Accidents Compensation Act 1999</i> .	230	204	212

General insurance duty – minor tax expenditures (< \$1 million)

The following are exempt:

- insurance by non-profit organisations with the main aim being a charitable, benevolent, philanthropic, or patriotic purpose
- societies or institutions whose resources are used wholly or predominantly for the relief of poverty, the promotion of education, or any purpose directly or indirectly connected with defence or the amelioration of the condition of past or present members of the naval, military or air forces of the Commonwealth or their dependants or any other patriotic objectives
- insurance by the NSW Aboriginal Land Council or Local Aboriginal Land Councils
- insurance covering mortgages or pools of mortgages acquired for issuing mortgage backed securities
- separate policies covering loss by fire of tools, implements of work or labour used by any working mechanic, artificer, hand crafter or labourer
- redundancy insurance in respect of a housing loan that does not exceed \$124,000
- reinsurance.

A5.4 Life insurance duty

For temporary or term life insurance policies, life insurance riders, and trauma or disability insurance policies, the benchmark tax base is the first year's premium on the policies and the benchmark rate is 5 per cent. For group term insurance policies, duty of 5 per cent of the premium payable in any succeeding year in respect of any additional life covered by the policy is also charged.

The benchmark tax base for all other life insurance policies is the total sum insured. The benchmark tax rate is \$1 on the first \$2,000 and 20 cents for every additional \$200 or part thereof.

Table A5.5: Life insurance duty – major tax expenditures

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Individuals/families			
Superannuation			
An exemption is granted to all group superannuation investment policies that are for the benefit of more than one member.	201	211	219
Annuities			
An exemption is granted to annuities.	26	28	29

A5.5 Motor vehicle stamp duty

The benchmark tax base is the value of all purchases and transfers of motor vehicles. The benchmark tax rate for passenger vehicles is \$3 per \$100, or part thereof, for vehicles valued up to \$44,999, and \$1,350 plus \$5 per \$100 for vehicles valued at \$45,000 or more.

Table A5.6: Motor vehicle stamp duty – major tax expenditures

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Business			
New demonstrator motor vehicle			
An exemption is granted to licensed motor dealers and wholesalers under the <i>Motor Dealers Act 1974</i> .	100	98	100
Individuals/families			
Caravans and camper trailers			
An exemption is provided for transfers of registration of caravans and camper trailers.	35	45	46
Transfers on divorce or breakdown of a de facto relationship			
An exemption is granted for the transfer of registration to one of the parties to a divorce or separation in a de facto relationship.	3	3	3
Transfer of ownership of a deceased registered owner			
An exemption is granted for the transfer of registration to a nominated legal personal representative or to the person beneficially entitled to the vehicle in the estate.	9	9	9

Table A5.6: Motor vehicle stamp duty – major tax expenditures (cont.)

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Government/public amenities			
Local councils			
An exemption is granted for the transfer of registration into the name of a local council, not being for a trading undertaking.	11	10	10
Pensioners/concession card holders/disadvantaged			
War veterans and impaired members of the Defence Force			
An exemption is granted to veterans who are eligible for a totally and permanently incapacitated (TPI), extreme disablement adjustment or intermediate service pension or 70 per cent or more of the general disability pension, and to current or former members of the Defence Force with a disability, assessed as 50 or more impairment points, who have received compensation or a special rate disability pension.	2	2	2

Motor vehicle stamp duty – minor tax expenditures (< \$1 million)

The following are exempt:

- applications to register a heavy vehicle trailer, not previously registered under the Commonwealth or another Australian jurisdiction
- applications to register a heavy vehicle trailer, previously registered in the name of the applicant under the Commonwealth or another Australian jurisdiction
- all vehicles registered by non-profit charitable, benevolent, philanthropic or patriotic organisations
- vehicles specially constructed for ambulance or mine rescue work
- vehicles weighing less than 250kg used for transporting invalids
- vehicles registered by a Livestock Health and Pest Authority (now administered by Local Land Services), established under the *Rural Lands Protection Act 1998*
- vehicles registered by the NSW Aboriginal Land Council or Local Aboriginal Land Councils
- motor vehicles registered conditionally under the *Road Transport Act 2013*.

A concessional rate of duty applies to vehicles modified for use by disabled persons.

A5.6 Payroll tax

The payroll tax benchmark was aggregate annual gross remuneration in excess of \$750,000 paid by a single or group taxpayer up to 30 June 2018. From 1 July 2018 to 30 June 2019 the payroll tax benchmark was aggregate annual gross remuneration in excess of \$850,000 paid by a single or group taxpayer. From 1 July 2019 to 30 June 2020 the payroll tax benchmark is aggregate annual gross remuneration in excess of \$900,000 paid by a single or group taxpayer. The benchmark tax rate is 5.45 per cent.

Table A5.7: Payroll tax – major tax expenditures

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Business			
Apprentices			
A full exemption/rebate applies to wages paid to apprentices or to employees in an approved non-profit group apprenticeship scheme.	54	58	60
Trainees			
A full exemption/rebate is provided for wages paid to trainees or to employees in an approved non-profit group traineeship scheme.	36	39	40
Maternity Leave			
An exemption is granted for maternity leave payments for a period of up to 14 weeks, or its equivalent at a reduced rate of pay.	38	40	42
Redundancy payments			
An exemption is provided for the Commonwealth tax-free part of a genuine redundancy or approved early retirement scheme payment.	4	4	5
Charitable/non-profit organisations/clubs			
Charitable institutions			
An exemption is granted to non-profit charitable, benevolent, patriotic or philanthropic organisations for wages paid to employees engaged exclusively in the normal work of these institutions.	298	353	367
Not-for-profit private hospitals			
An exemption is granted to non-profit private hospitals for wages paid to persons engaged exclusively in work of a kind ordinarily performed by a hospital.	19	20	21
Government/public amenities			
Public hospitals, Local Health Districts and Ambulance Service of NSW			
An exemption is granted for wages paid to persons engaged exclusively in the normal work of these organisations.	721	753	784

Table A5.7: Payroll tax – major tax expenditures (cont)

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Local councils An exemption is granted to councils, county councils and their wholly owned subsidiaries, except for wages paid in connection with certain activities, such as the supply of electricity, gas, water or sewerage services, or the conduct of parking stations, hostels or coal mines. A full list of exclusions can be found in the <i>Payroll Tax Act 2007</i> .	227	237	247
Schools and colleges An exemption is granted to not-for-profit schools and colleges (other than technical schools, technical colleges or those carried on by or on behalf of the State of NSW) which provide education at or below, but not above, the secondary level of education.	259	267	277
Religious institutions An exemption is granted for wages paid to persons engaged exclusively in work of a kind ordinarily performed by religious bodies.	36	37	39

Payroll tax – minor tax expenditures (< \$1 million)

The following are exempt:

- wages paid to an employee who is on leave from employment by reason of service in the Defence Force
- wages paid to persons employed under the Community Development Employment Project administered by Aboriginal and Torres Strait Islander Corporations
- wages paid by the Australian-American Fulbright Commission
- wages paid by the Commonwealth War Graves Commission
- wages paid to members of the official staff by a consular or other non-diplomatic representative of another country or by a Trade Commissioner in Australia representing any other part of the Commonwealth of Nations
- wages paid for a joint government enterprise that has the function of allocating funds for water saving projects
- wages paid by the Governor of a State
- wages paid to employees while the employees are providing volunteer assistance to the State Emergency Services or Rural Fire Brigades (but not in respect of wages paid or payable as recreation leave, annual leave, long service leave or sick leave)
- adoption leave payments for a period of up to 14 weeks
- paternity leave payments for a period of up to 14 weeks.

A5.7 Land tax

The benchmark tax base is the average of the last three years unimproved land value of all land owned, on 31 December of the previous year, that is above the indexed threshold for that year (as defined in the *Land Tax Management Act 1956*). This excludes land used:

- for owner-occupied residences
- by the Commonwealth Government
- by the NSW Government.

The benchmark tax rate for the 2019 land tax year is \$100 plus 1.6 per cent of the land value between the thresholds of \$692,000 and \$4,231,000, and 2 per cent thereafter. Surcharge land tax applies to residential land owned by foreign persons at the rate of 2 per cent per year. The benchmark tax base for surcharge land tax excludes certain commercial residential property.

Table A5.8: Land tax – major tax expenditures

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Business			
Racing clubs An exemption is granted for land owned by or held in trust for any club for promoting or controlling horse racing, trotting or greyhound racing which is used primarily for the purposes of their meetings.	14	15	16
Employer and employee organisations An exemption is granted for land owned by or held in trust for employer and employee organisations for that part not used for a commercial activity open to members of the public.	4	5	5
Co-operatives An exemption is granted for land owned by a co-operative under the Co-operatives National Law (NSW) that has its objects listed in the <i>Co-operation Act 1923</i> .	16	17	18
Child care centres and schools An exemption is granted for land used as a residential child care centre licensed under the <i>Children and Young Persons (Care and Protection) Act 1998</i> or a school registered under the <i>Education Act 1990</i> .	7	7	8
Government/public amenities			
Cemeteries and crematoriums An exemption is provided for land owned by or in trust for use as a cemetery or crematorium.	24	26	27
Public and private hospitals An exemption is provided for land owned by or in trust for public or private hospitals (including nursing homes) and Local Health Districts.	31	34	35
Individuals/families			
Early payment discount A discount of 1.5 per cent is available where the full amount of land tax is paid within 30 days of issue of the notice of assessment.	34	35	35
Retirement Visa Holders An exemption from surcharge land tax for holders of subclass 410 (retirement) and 405 (investor retirement) visas.	...	...	3

Table A5.8: Land tax – major tax expenditures (cont.)

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Pensioners/concession card holders/disadvantaged			
Retirement villages An exemption is granted for land used as retirement villages, and residential parks predominantly occupied by retired persons.	174	192	199
Boarding houses for low-income persons An exemption is granted for land used for boarding houses for which the rent charged is less than the amount prescribed by the guidelines.	10	12	12
Religious institutions			
Religious societies An exemption is provided for land owned by or in trust for a religious society carried on solely for religious, charitable or educational purposes.	22	24	25
Rural			
Land used for primary production An exemption is granted for land used for primary production. To qualify, land must be used for primary production for the purpose of profit on a continuous or repetitive basis.	688	759	787

Land tax – other major tax expenditures (> \$1 million)

The following are exempt:

- land owned by or in trust for any club or body of persons which is used primarily for the purpose of a game or sport and not for the pecuniary profit of the members
- buildings (or part thereof) occupied by a society, club or association and not carried on for pecuniary profit of members
- land owned by or in trust for an entity which is used solely for charitable or educational purposes and not for the pecuniary profit of members
- land owned by a society registered under the *Friendly Societies (NSW) Code*
- land used for the Sydney Light Rail
- public gardens, recreation grounds or reserves
- land owned and used by a local council
- public authorities representing the Crown
- New South Wales State and Local Aboriginal Land Councils
- fire brigades, ambulances or mines rescue stations
- religious societies' places of worship and residences of clergy, ministers or orders of the society
- land used to hold agricultural shows, which is owned by, or held in trust for, a society established for the purpose of holding, promoting and funding such shows.

Land tax – minor tax expenditures (< \$1 million)

The following are exempt:

- low cost accommodation within 5 km of Sydney GPO
- Primary Products Marketing Boards, Local Land Services and Agricultural Industry Service committees
- community land development
- land subject to a conservation agreement in perpetuity under the *National Parks and Wildlife Act 1974* or a trust registered under the *Nature Conservation Trust Act 2001*
- land owned, held in trust or leased by the Nature Conservation Trust of NSW, or land subject to a permanent conservation or trust agreement
- land that is the subject of a BioBanking agreement
- land owned by a joint government enterprise that has the function of allocating funds for water saving projects
- land used solely as a police station
- land owned by RSL (NSW Branch), being Anzac House
- principal place of residence of a person with a disability, in a Special Disability Trust.

A concession is provided for unoccupied flood-labile land.

A5.8 Vehicle weight tax

The benchmark tax base is all vehicles (except Commonwealth vehicles) intended for on-road use. The benchmark tax rates, which vary by vehicle type, weight, usage and other factors, are updated annually by the NSW Government.

From 1 January 2019, charges for cars, station wagons and trucks up to 4.5 tonnes Gross Vehicle Mass are based on a 12 step graduated weight scale, ranging from:

- \$215 (0 - 975kg) to \$1,201 (4,325 - 4,500kgs) for private use vehicles
- \$350 (0 - 975kg) to \$2,272 (4,325 - 4,500kgs) for business use vehicles.

From 1 January 2019, charges for trailers and caravans up to 4.5 tonnes Gross Vehicle Mass are based on a 12 step graduated weight scale, ranging from:

- \$0 (0 - 254kg) to \$1,201 (4,325 - 4,500kgs) for private use vehicles
- \$104 (0 - 254kg) to \$2,002 (4,325 - 4,500kgs) for business use vehicles.

Table A5.9: Vehicle weight tax – major tax expenditures

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Business			
General purpose plant			
Concessions are provided for machines that cannot carry any load other than tools and accessories necessary for the operation of the vehicle.	33	42	49
Private Vehicles			
Toll Relief			
From 1 July 2018, eligible NSW motorists who spend \$25 a week or more on tolls, on average, over a 12 month period will receive free registration. From 1 July 2019, eligible motorists who spend \$15 a week or more on tolls, on average, over a 12 month period will receive half-price registration.	...	33	64
Government/public amenities			
Roadwork equipment			
An exemption is granted for any motor vehicle, plough, bulldozer, mechanical scoop or shovel, road grader, road roller or similar machinery owned by a local council that is used for the purposes of road repair, maintenance or construction, removal of garbage or night soil, bushfire fighting or civil defence work, or for any roller, lawn mower or similar machinery used solely or principally for the rolling or maintenance of tennis courts, cricket pitches, lawns or pathways.	6	5	5
Commonwealth Government vehicles			
Any vehicle leased to a Commonwealth Authority is exempt from tax under Section 16 (2) (d) of <i>Commonwealth Vehicles (Registration and Exemption from Taxation) Act 1997 (Cwlth)</i> .	1	1	1
Concessions provided under Sections 16 and 17 of the <i>Motor Vehicles Taxation Act 1988</i> including vehicles specially constructed for the work of conveying sick or injured persons or to carry out mine rescue, and agricultural vehicles that do not travel on a road.	2	2	2
Pensioners/concession card holders/disadvantaged			
Selected social security recipients			
An exemption is granted for any motor vehicle used substantially for non-business purposes owned by holders of Pensioner Concession Cards, Department of Veterans' Affairs (DVA) Totally and Permanently Incapacitated Cards or DVA Gold War Widows Cards.	300	311	332
Rural			
Primary producers			
Primary producer concessions include, for motor vehicles not greater than 4.5 tonnes of gross vehicle mass, private rates rather than business rates for cars and station wagons and 55 per cent of business rates for trucks, tractors and trailers.	29	63	69

Vehicle weight tax – minor tax expenditures (< \$1 million)

The following are exempt:

- motor vehicles (not government owned) used principally as an ambulance
- motor vehicles (not government owned) used by the State Emergency Service
- motor vehicles on which a trader's plate is being used in accordance with the *Road Transport (Vehicle Registration) Act 1997* or the regulations under that Act
- motor vehicles owned by Aboriginal Land Councils
- motor vehicles of consular employees and trade missions.

Concessions are provided as follows:

- a concessional rate of 55 per cent of business rates (or 30 per cent if outside the Sydney metropolitan area, Newcastle or Wollongong districts) is applied to any motor vehicle that is used solely or principally as a tow truck with a crane and hook
- a concessional rate of 88 per cent is provided for mobile cranes used for private use
- a concessional rate of tax is applied to any motor vehicle that is owned by a Livestock Health and Pest Authority (now administered by Local Land Services) and is used solely for carrying out the functions of the board
- a concessional rebate of \$100 from vehicle registration is given to first and second year apprentices registered with the NSW Department of Education.

A5.9 Motor vehicle registration fees

The benchmark tax base is all vehicles intended for private on-road use. From 1 July 2019, the standard registration fee for light vehicles (up to 4.5 tonnes Gross Vehicle Mass) is \$67 per annum but a range of other charges are levied for temporary or conditional registration, for registration transfer or cancellation, for special permits and on heavy vehicles.

Table A5.10: Motor vehicle registration fees – major tax expenditures

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Pensioners/concession card holders/disadvantaged			
Selected social security recipients			
An exemption is granted to holders of Pensioner Concession Cards, DVA Totally and Permanently Incapacitated Cards and DVA Gold War Widows Cards (subject to income and disability pension rate thresholds) for a single vehicle used substantially for social or domestic purposes.	56	58	61
Private Vehicles			
Toll Relief Program			
From 1 July 2018, eligible NSW motorists who spend \$25 a week or more on tolls, on average, over a 12 month period will receive free registration. From 1 July 2019, eligible motorists who spend \$15 a week or more on tolls, on average, over a 12 month period will receive half-price registration.	...	6	12

Motor vehicle registration fees – minor tax expenditures (< \$1 million)

- An exemption is provided for Mobile Disability Conveyance.

A5.10 Gambling and betting taxes

The benchmark for gaming machines in hotels and registered clubs is defined to be the rates of taxation applying to hotels, which vary based on a progressive rate scale depending on the level of annual profits from gaming machines. From 1 January 2019, the benchmark for betting taxes will include a point of consumption (PoC) tax levied on all bets placed with Australian based wagering operators by New South Wales residents. The benchmark rate for PoC tax is 10 per cent of New South Wales net wagering revenue.

Table A5.11: Gambling and betting taxes – major tax expenditures

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Charitable/non-profit organisations/clubs			
Club gaming machines			
Poker machines installed in clubs registered under the <i>Registered Clubs Act 1976</i> are taxed at lower rates than poker machines installed in hotels.	877	888	907
Business			
Totalizator licensee PoC tax offset			
A PoC tax credit will be provided to the totalizator licensee in recognition of existing betting taxes paid and racing parity arrangements to achieve a competitively neutral outcome.	...	50	106

Gambling and betting taxes – minor tax expenditures (< \$1 million)

- A full rebate of tax is provided to racing clubs operating non-TAB Ltd pools.

A5.11 Parking space levy

The benchmark is the number of off-street parking spaces in Category 1 areas (City of Sydney, North Sydney and Milsons Point business districts) or Category 2 areas (Chatswood, Parramatta, St Leonards and Bondi Junction business districts).

The benchmark levy is indexed annually to movements in the Sydney CPI, over the year to the previous March quarter. For 2017-18, the benchmark levy was \$2,390 per space in Category 1 areas and \$850 per space in Category 2 areas. For 2018-19, the benchmark levy is \$2,440 per space in Category 1 areas and \$870 per space in Category 2 areas.

Table A5.12: Parking space levy – major tax expenditures

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Business			
General exemptions and concessions for Category 1 and 2 areas			
An exemption is granted for certain parking spaces for bicycles and motor cycles, residents of the same or adjoining premises, use under the mobility parking scheme, loading and unloading of goods or passengers, cranes and other plant, overnight parking of emergency service vehicles, private vehicles parked on land owned by councils, religious organisations or bodies, charities or benevolent institutions, persons providing services on a casual basis, unused casual parking or unleased tenant parking.	60	60	61
Additional exempt parking spaces in Category 2 areas			
An exemption is granted for spaces for customers attached to retail outlets, hotels, motels, clubs, restaurants, medical centres, car hire and sales, repair and wash establishments and funeral parlours.	11	11	11

A5.12 Detailed estimates of concessions

Details of concessions by function are shown below for major concessions worth \$1.0 million or more.

Table A5.13: Public order and safety – major concessions

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Pensioners/concession card holders/disadvantaged			
Court interpreting and translation services			
Multicultural NSW provides translation and interpreting services in NSW courts.	5	5	5
Court fee concessions			
Court fees may be reduced or waived, subject to guidelines issued by the Attorney General, in circumstances where a person's capacity to pay may otherwise limit his or her access to justice.	3	3	3
Government/public amenities			
Concessions for NSW State Hallmark Events			
The NSW Police Force does not charge for all additional police costs associated with crowd control and traffic management services for designated NSW State Hallmark Events such as the Royal Easter Show.	3	4	3

Public order and safety – minor concessions (< \$1 million)

- The NSW Police Force does not charge for additional policing services for minor sporting events and agricultural shows in the northern, southern or western region, or for some or all of the additional policing services provided for non-commercial events run by charities and not-for-profit organisations meeting appropriate criteria.

Table A5.14: Education – major concessions

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Students			
School Student Transport Scheme			
The School Student Transport Scheme provides subsidised travel to and from school for eligible students on government and private bus, rail, and ferry services, long distance coaches and in private vehicles where no public transport services exist.	522	544	564
Jobs of Tomorrow (STEM) Scholarships			
Students training in science, technology, engineering or maths-related courses through Smart and Skilled are eligible for a \$1,000 scholarship.	6	6	3
Pensioners/concession card holders/disadvantaged			
Smart and Skilled – VET concessions and exemptions			
Fee concessions are available to Commonwealth welfare beneficiaries and people with a disability, as well as their dependents and partners, undertaking Certificate IV and below qualifications. Fee exemptions are available to students with a disability, as well as their dependents and partners, for their first qualification in a calendar year. Fee exemptions are also available to Aboriginal students.	68	85	94
Smart and Skilled Fee-free scholarships			
Concession-eligible 15-30 year olds are entitled to one fee-free scholarship per year and two fee-free scholarships over four years. In 2016, scholarships were extended to individuals aged 15-17 who are in out-of-home care and individuals aged 18-30 who have previously been in out-of-home care.	12	12	...

Table A5.15: Health – major concessions

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Pensioners/concession card holders/disadvantaged			
Ambulance service for concessional patients Free ambulance transport is provided to holders of Pensioner, Health Care, or Department of Veterans' Affairs concession cards.	210	231	238
Outpatient Pharmaceutical Scheme for concessional patients Pharmaceuticals are provided to concessional patients at a discounted price or free of charge once the safety net threshold is reached.	22	23	24
Concessional car parking fees From 1 July 2017, car parking concessions are provided to certain categories of patients, and their carers, which recognise regular or long term hospitalisation and treatment.	12	14	16
Life Support and Medical Energy Rebates Scheme A rebate is provided for energy costs for eligible recipients and costs associated with certain life support systems.	12	13	13
Medical Energy Rebate Assistance is provided for households that use air conditioning to assist with a medically diagnosed inability to manage body temperature.	3	3	3
Spectacles Program The Stronger Communities Cluster assists those who are most vulnerable and disadvantaged in the community to acquire spectacles and other vision aids such as contact lenses.	5	5	5

Table A5.16: Transport – major concessions

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Pensioners/concession card holders/disadvantaged			
Public transport concessions Pensioners, seniors, welfare beneficiaries and students travel for less than full fare on bus, rail, taxi and ferry services (excluding School Student Transport Scheme).	337	330	344
Home and Community Care Program & Community Transport Program Transport for NSW provides community transport services to frail aged and younger people with disabilities, and their carers, under the Home and Community Care Transport Sub-program. Transport for NSW also provides subsidised transport for people with special needs due to physical conditions, significant social disadvantages or geographical isolation under the Community Transport Program.	79	98	105
Driver's licence fee exemption Transport for NSW provide a driver's licence fee exemption to holders of Pensioner Concession Cards, DVA Totally and Permanently Incapacitated Cards and DVA Gold War Widows Cards, subject to income and disability rate thresholds, where the vehicle owned by the licence holder is used substantially for social and domestic purposes.	28	36	67

Table A5.17: Housing and Community – major concessions

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Charitable/non-profit organisations/clubs			
Crown land rent concessions			
Rent concessions to various Crown land tenure holders in circumstances where individuals or organisations experience difficulty making payments by the due date, and in circumstances to recognise the level of community benefit provided by groups and organisations.	17	12	12
Exempt properties water rate concession			
A partial discount is provided on Sydney Water Corporation and Hunter Water Corporation charges to owners of properties used for non-profit provision of community services and amenities (principally councils, religious bodies and charities):			
• Sydney Water Corporation	18	18	19
• Hunter Water Corporation.	2	2	2
Pensioners/concession card holders/disadvantaged			
Low Income Household Rebate			
Energy bill rebates are available to customers who hold eligible concession cards.	231	226	240
Pensioner water rate concession			
Funding is provided to Sydney Water Corporation and Hunter Water Corporation to provide Pensioner Concession Card holders, who are direct customers, with a rebate for their water and sewerage charges.			
• Sydney Water pensioners receive a 100 per cent discount on the fixed water service charge, an 80 per cent discount on the wastewater service charge, and a 50 per cent discount on the stormwater service charge.	125	123	127
• Hunter Water pensioners receive a rebate on the water, sewerage and stormwater service charge. Environmental levy charges are also waived.	14	14	15
Local council rates concession			
Local council rates are reduced for holders of Pensioner Concession Cards.	76	76	79
Individuals/families			
Energy Accounts Payment Assistance			
Energy bill rebates are available to assist people experiencing a short term financial crisis or emergency to pay their electricity or gas bill.	20	21	21
Family Energy Rebate			
Energy bill rebates are available to families who have received the Family Tax Benefit.	4	6	9
Gas Rebate			
A rebate is provided to eligible households to assist with gas bills.	27	26	29
Hardship and Low Income Schemes			
Funding is provided to Sydney Water Corporation and Hunter Water Corporation to provide concessions through hardship and low income schemes for customers in financial hardship.	1	1	2
Self-Funded Retiree Energy Rebate			
Assistance for self-funded retiree energy bills.	...	...	10

Housing and Community – minor concessions (< \$1 million)

- Essential Energy provides an offset to the cost of concessions on water charges given to eligible customers.
- WaterNSW grants exemptions from fixed availability charges to a number of customers, which include pensioners, schools and charities.
- Sydney Water Corporation provides discounted septic pump-out fees to residences in the Blue Mountains that are residential-zoned but not connected to the sewerage network.

Table A5.18: *Economic affairs – major concessions*

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Pensioners/concession card holders			
Fishing licence concession			
Fishing licence concessions are provided to eligible persons.	9	9	9
Business			
Sydney Startup Hub rental subsidy			
Rental discounts to Sydney Startup Hub tenants who meet subsidy criteria	2	3	3

Economic affairs – minor concessions (< \$1 million)

- Forestry Corporation of NSW provides discounts to charities seeking permits for non-profit events and provides discounts to pensioners for firewood.

Table A5.19: *Recreation, culture and religion – major concessions*

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Seniors/children/disadvantaged/special groups			
Recreational vessel registration and boat driving licence			
Transport for NSW provide a 50 per cent concession on recreational vessel registration and recreational boating licences to holders of Pensioner Concession Cards and Repatriation Health Cards.	3	4	4
Zoo admissions			
The Taronga Conservation Society Australia provides discounted entry to its zoological parks (including Taronga Zoo in Sydney and the Taronga Western Plains Zoo in Dubbo) for Concession Card holders, tertiary education students and school students.	2	2	2
Australian Museum admissions			
The Australian Museum offers free admission to children aged 16 years or under and reduced admission charges to seniors, pensioners and the unemployed.	1	1	...

Recreation, culture and religion – minor concessions (< \$1 million)

- The Sydney Living Museum offers concessional admission charges to the unemployed, children, pensioners, seniors and students. The Sydney Living Museum provides bus subsidies to regional schools for museum visits and a sleep over program for regional and rural school students.
- The Sydney Opera House provides concessional charges on guided tours for children, pensioners, seniors, students and school group tours. Concession tickets are available to many Sydney Opera House productions for Australian pensioners/seniors, full-time students and children.
- The Sydney Opera House provides a supported venue hire rate to select charitable organisations, community groups or arts organisations that the Sydney Opera House supports or has an existing relationship with, on a case-by-case basis.
- The Sydney Opera House, through the Access Program, provides accessible performances and programs for people with disabilities, including free tailored excursions and tours, performing arts workshops and supported music programs.
- The Museum of Applied Arts and Sciences provides concessional admission charges for children, students, seniors and the unemployed. Country residents are entitled to a concession on the Museum's household membership.
- Transport for NSW offers a concession on private mooring licences to holders of Pensioner Concession Cards or DVA Gold Cards endorsed with Totally and Permanently Incapacitated, Extreme Disablement Adjustment or war widow/er.

Table A5.20: *Environmental protection – major concessions*

	2017-18 \$m	2018-19 \$m	2019-20 \$m
Seniors/children/disadvantaged/special groups			
Entry to national parks			
Holders of Pensioner Concession Cards, seniors, volunteers and community groups receive free or discounted entry to national parks.	14	12	15

Environmental protection – minor concessions (< \$1 million)

- Game and Pest Management Trust Fund provides a discounted rate on game hunting licences for eligible pensioners and minors.
- NSW National Parks and Wildlife Service offer fee concessions for a range of activities.

B. FISCAL RISKS AND BUDGET SENSITIVITIES

The 2019-20 Budget is prepared, in part, on forecasts and assumptions subject to variations. This appendix outlines some of the risks inherent in the budget and presents the potential budget result and/or balance sheet impacts of these risks (if realised) and sensitivities resulting from changes in specified variables. In the analysis presented throughout this appendix, all variables other than those being tested adopt the same forecasts and assumptions used in preparing the 2019-20 Budget.

The summary of sensitivities in this appendix should be used as a 'rule of thumb' estimated impact for a change in the relevant variable. The sensitivity analysis presented assumes either a 1 per cent or 1 percentage point change to the specified variable in each year. A positive impact from the variable change will improve the State's budget position or net worth, while a negative impact weakens the budget position or net worth.

Several specific fiscal risks are also outlined in this appendix. These could potentially have a positive or negative impact on the budget and forward estimates. Due to the uncertainty surrounding these risks, the potential impacts have not been incorporated into the 2019-20 Budget. For further information on the State's contingent assets and liabilities see Appendix C of this Budget Paper.

B.1 Operating statement risks and sensitivities

State taxation revenue

Taxation revenue is dependent on underlying economic drivers such as property volumes and prices, employment and employee compensation. Changes in these underlying drivers can have a significant impact on revenue collected.

The largest State tax is payroll tax, and the main driver of payroll tax is total employee compensation. Variations in employment, wages, and other forms of employee compensation can cause movements in payroll tax revenue. The labour market is also exposed to macro-economic uncertainties. These include external trade shocks, enterprise bargaining outcomes, and changes in household demand. Movements in any of these could result in revised employment or wage growth outcomes, with flow-through effects on payroll tax.

Transfer duty makes up about 8.2 per cent of forecast 2019-20 general government sector revenue and a delay in the forecast residential property recovery, or a less robust return to growth, could detract from the State's budget result. Conversely, a stronger recovery could improve the result. Revenue from large commercial transactions is becoming a greater share of transfer duty over time. Since large transactions are more volatile than activity in the residential property market, this increases the risk of upward or downward revisions to transfer duty.

Other state taxes are typically less volatile, following changes in the broader NSW economy. Motor vehicle and gambling taxes and other stamp duties broadly follow consumption patterns across the State, which can change suddenly, influenced by numerous factors including employment and house price growth.

Table B.1: Revenue sensitivities – state taxation revenues

Revenue source and assumptions	2019-20	2020-21	2021-22	2022-23	2019-20 Sensitivities
	Budget	Forward estimates			
	\$m	\$m	\$m	\$m	
State tax revenues					
<u>Factors affecting state tax revenues</u>					
Dwelling price growth	60	68	77	81	+ 1% movement in factor^(a)
Dwelling sales growth	50	57	65	68	
Change in employment growth	111	116	122	128	
Change in growth of average compensation of employees	110	115	121	127	

(a) 1 per cent movement in factor is a 1 percentage point increase.

GST and other Commonwealth payments

The GST revenue that New South Wales receives is affected by the amount collected nationally (the pool size) and the State's share (its relativity). A rise in New South Wales' own source revenue relative to other states, or a reduction in its assessed need for expenditure relative to other states, or an increase in National Agreement and National Partnership payments relative to other states, may put downward pressure on the State's relativity and therefore GST revenue.

As identified in Chapter 2, there are significant short and medium term risks for New South Wales from the subdued outlook for nominal household consumption and dwelling investment.

The 2019-20 Commonwealth Budget scenario analysis¹ indicates a 0.5 per cent fall in nominal consumption growth compared with that forecast in 2019-20 would reduce national GST receipts by \$0.3 billion in 2019-20 and \$0.5 billion in 2020-21. This would reduce New South Wales GST revenue by \$373 million over the four years to 2021-22, while a greater fall in nominal consumption growth and national GST receipts would lead to a commensurate fall in the State's GST revenue.

Changes in the fiscal circumstances of other states also present risks to New South Wales' GST revenue:

- downside risks exist if New South Wales' transfer duty revenue is stronger than expected or if it is lower than expected in other states
- upside risks also exist. For example, an increase in Western Australia's iron ore royalties in 2019-20 would increase New South Wales' GST revenue.

The Commonwealth Grants Commission (CGC) 2020 Methodology Review also presents near term risks for New South Wales. This five-yearly review will lead to changes in how the CGC calculates each state and territories' GST requirement. Possible data revisions could also have redistribution impacts. Outcomes from the Review will affect New South Wales' GST share from 2020-21 to 2025-26.

To minimise risks regarding GST revenue forecasting, Treasury will conduct a review of its GST revenue forecasting framework to ensure it continues to support good decision-making through high-quality GST revenue forecasts. Changes to this framework will be implemented over the next 12 months.

¹ Commonwealth Budget 2019-20, Budget Paper 5, Statement 7: Forecasting Performance and Scenario Analysis, Scenario 2: Alternative paths for household consumption growth

The budget result is also affected by variations in National Agreement and National Partnership payments and any associated spending obligations. The volatility arises from new or re-negotiated programs and infrastructure projects, the termination of existing agreements and changes to payment profiles.

Royalties

New South Wales' mineral royalties are primarily derived from coal, most of which is exported to East Asia. Royalties revenue is sensitive to changes in foreign exchange rates, global coal prices and domestic production. Mineral royalties are also exposed to other domestic and external global risks that contribute to its significant volatility as a revenue source. Mineral royalties are generally affected by three factors:

- coal export volumes – an increase in coal volumes increases the quantity of coal that royalties are charged on, hence increasing revenue
- coal export prices – an increase in coal export prices increases the value of coal exports and so increases royalties revenue
- exchange rates – an appreciation of the Australian-US exchange rate reduces the Australian dollar value of coal exports, putting downward pressure on royalties revenue due to coal exports being transacted in US dollars

Table B.2: Revenue sensitivities – state taxation royalties

Revenue source and assumptions	2019-20	2020-21	2021-22	2022-23	2019-20 Sensitivities
	Budget	Forward estimates			
	\$m	\$m	\$m	\$m	
Royalties ^(b)					
<u>Factors affecting NSW Royalties</u>					+ 1% movement in factor ^(a)
Coal export volumes (Mt)	16	18	17	17	
Coal export prices (\$US)	16	18	18	18	
Australian-US dollar exchange rate	(19)	(18)	(18)	(18)	

(a) 1 per cent movement in factor is a 1 percentage point increase.

(b) Royalty sensitivities do not include changes to non-coal revenue or to the composition of coal types.

General expense risks

Some expenditure risks are largely within the Government's control and can be actively managed, whereas other risks are primarily outside of its control. For example, expenditure linked to Commonwealth payments, interest rate changes or natural disasters are exogenous risks, while impacts associated with existing government policy, employee expenses or the reprofiling of expenditure can be more actively managed.

The State's largest operating expense is for employee related expenses, which includes salaries, wages, superannuation expenses and employment on-costs. Employee related expenses are impacted by factors including new enterprise bargaining agreements, as well as the overall size and composition of the workforce. Changes in these parameters can impact the budget result. Since 2011, the NSW Public Sector Wages Policy has helped to mitigate this risk.

The Government also incurs other operating expenses related to the non-labour costs of delivering services such as the maintenance and depreciation of assets, electricity, insurance and fuel. The cost of these inputs are subject to changes in market fluctuations, which can impact the Budget. For example, changes to inflation could increase the cost of goods and services, which may outweigh the positive impacts of own-source revenues.

Table B.3: Expense sensitivities

Expense source and assumptions	2019-20	2020-21	2021-22	2022-23	2019-20 Sensitivities
	Budget	Forward estimates			
	\$m	\$m	\$m	\$m	
Expenses					
<u>Factors affecting expenses</u>					+ 1% movement in factor ^(a)
Employee expenses (excl super)	(343)	(348)	(368)	(394)	
Cost of goods and services	(208)	(219)	(215)	(199)	
Government services demand growth					
<u>Factors affecting expenses</u>					+ 1% movement in factor ^(a)
Health and Education expenses	(402)	(413)	(430)	(446)	

(a) 1 per cent movement in factor is a whole 1 per cent increase.

Growth in demand for government services, from factors such as higher than forecast population growth and other external events represents a further risk to expenses.

Health and education services represent a significant proportion of public sector expenditure and increases in demand for these services can worsen the budget result. Similarly, a decrease in Commonwealth Government payments towards these services will worsen the budget result if the same level of service is maintained. Higher than forecast demand for public transport services can also impact the budget result if additional services or infrastructure are required to meet this demand.

The 2019-20 Budget incorporates several savings initiatives as well as policy measures and election commitments being funded from within existing agency budgets. Changes to factors – such as demand growth or inflation – could impact agency budgets and risk the ability of agencies to meet these commitments from within existing budget allocations.

Other expenditure challenges that could impact the budget result include:

- higher maintenance, depreciation and operating costs associated with the Government's record infrastructure program
- extension of existing time-limited programs
- unforeseen legal expenses or costs associated with litigation
- changes to parameters that impact the liabilities and associated expenditure for superannuation, long service leave, other employee provisions and insurance provisions (see below for further balance sheet risks and sensitivities).

Investment revenue and borrowing costs

The Budget is susceptible to the performance of global financial markets and changes in interest rates. Higher interest rates may result in higher costs for new borrowings, while at the same time providing higher interest revenue. Financial market movements could result in investment returns above or below estimates, which then impact revenue. Adopting the recently introduced Attribution Managed Investment Trust AMIT regime for the NSW Generations Fund and the Social and Affordable Housing Fund will help provide greater certainty with respect to these funds' investment returns.

Table B.4: Financial markets and interest rates sensitivities

Expense / Revenue source and assumptions	2019-20	2020-21	2021-22	2022-23	2019-20 Sensitivities
	Budget	Forward estimates			
	\$m	\$m	\$m	\$m	
Financial markets and interest rates					
Investment Revenue ^(a)	244	242	248	265	+ 1% movement in factor
Interest Revenue ^(b)	9	10	10	10	
Interest Expenses ^(b)	(39)	(112)	(183)	(295)	

(a) 1 per cent movement in factor is a 1 percentage point increase in investment returns.

(b) 1 per cent movement in factor is a 1 percentage point increase in interest rates.

NSW Treasury continues to develop financial risk management strategies that optimise and protect the State's balance sheet. For example, this year Treasury and TCorp have worked closely to assist agencies with foreign exchange risk management. This approach results in greater cost certainty and cost-efficient arrangements and will continue to be applied to provide cost effective and consistent management of foreign exchange, interest rate and commodity price risks.

B.2 Balance sheet risks and sensitivities

Risks to the State's balance sheet include unanticipated changes to the value of existing assets and liabilities (i.e. as shown on the balance sheet) and the potential recognition of contingent assets and liabilities (i.e. not shown on the balance sheet as the accounting recognition criteria are not yet met).

Investment funds held by New South Wales are exposed to a number of inherent market risks which subject them to short-term volatility in returns, particularly in those with a higher weighting to growth assets. Each fund comprises a different underlying type of investment, with associated risks and investment horizons. The risks and performance of the funds are monitored closely, and the Strategic Asset Allocations are reviewed annually to reflect current risks and market conditions.

Liabilities for superannuation and long service leave are estimated with reference to assumed rates of investment returns, salary growth, inflation, discount rates and other factors. Changes in these parameters can affect defined benefit superannuation and long service leave liabilities.

The State also faces a range of potential obligations that are non-quantifiable, which can be broadly grouped into commercial transactions and other contingent liabilities. As an example, the Government provided limited general warranties to purchasers and lessees under several energy transactions and has also retained responsibility for the costs associated with remediating pre-existing contamination at several power station sites.

Investments

The State holds a number of investment funds which are managed by TCorp, including the NSW Generations Fund, NSW Infrastructure Future Fund, Social and Affordable Housing Fund and the Treasury Managed Fund.

The NSW Generations Fund (NGF)

The NGF was seeded with an initial balance of \$10.0 billion in November 2018 from sales proceeds from the successful WestConnex transaction and balance sheet reserves. The *NSW Generations Funds Act 2018* requires that the funds in the NGF can only be directed towards the repayment of the State's debt.

Since inception, the NGF's investment performance has been very strong, returning 8.5 per cent in the five months to April 2019, well above expectations. The NGF's value at 30 April 2019 was \$10.8 billion, which equates to an investment gain of approximately \$802.0 million since it was established.

The NGF investment strategy (i.e. the mix of assets it is invested in) is aligned to its long-term investment horizon and its policy aim of achieving intergenerational equity. As such, the Fund is well-placed for higher returns within a considered level of risk. Reflecting this, the NGF is invested in a diverse range of assets including domestic and international equities, bonds, property and infrastructure. Under the prevailing governance arrangements, Treasury endorses the risk appetite and the NGF Advisory Board endorses the investment strategy to the Treasurer.

The NSW Infrastructure Future Fund (NIFF)

The NIFF continues to deliver steady returns and TCorp's management has achieved long-term investment returns superior to fixed term deposits or cash.

Since its inception in December 2016, the NIFF has generated gains of over \$2.0 billion. This represents a net return of 6.2 per cent per annum since inception, and 4.6 per cent for the last 10 months to 30 April 2019. This investment return is well above the rate available from holding funds in the Treasury Banking System. The balance of the NIFF was at \$18.1 billion as at 30 April 2019, which comprises proceeds from asset recycling transactions, Commonwealth Government Asset Recycling Initiative payments, proceeds from Waratah Bonds, windfall tax revenue, and investment earnings.

The NIFF is invested strategically in a mix of defensive and growth assets to provide higher returns than if simply left in cash. This asset allocation is designed to provide liquidity to fund the future requirements of the Restart NSW and Rebuilding NSW expenditure programs.

Social and Affordable Housing Fund (SAHF)

The SAHF was seeded with \$1.1 billion of asset recycling proceeds in August 2017. As at 30 April 2019, the SAHF had a balance of \$1.2 billion and has returned 9.3 per cent since inception and 6.7 per cent for the last 10 months to 30 April 2019, outperforming its strategic asset allocation benchmark and increasing funding for new and affordable housing stock.

TCorp manages the SAHF to provide a stable income stream over a 25-year period, facilitating the delivery and ongoing servicing of social and affordable homes from a mix of private and non-profit consortia.

Treasury Managed Fund (TMF)

The TMF provides funding for the State's self-insurance scheme covering participating government entities for their insurable risk exposures. The TMF receives contributions from NSW government entities and holds assets to meet the cost of liabilities when they arise.

As at 30 April 2019, the TMF had a balance of \$8.5 billion and has returned 6.8 per cent for the 10 months to April 2019. Since inception in March 1999, it has returned 6.8 per cent per annum exceeding both its strategic asset allocation benchmark and investment objective.

The fund has a relatively high exposure to growth assets including domestic and international equities as well as unlisted assets such as property and infrastructure. The TMF's investment strategy supports its investment and policy objectives over the long term – within an acceptable level of risk. This provides the Government with confidence that unforeseen losses can be managed with minimal impact to the State Budget.

Superannuation and long service leave liabilities

Forecast liabilities for superannuation and long service leave are based on a wide range of parameters. These include assumptions around salary growth, inflation, investment returns and discount rates. A change in any of these parameters may affect the actual liabilities of superannuation and long service leave. The long service leave liability is also subject to variations in the rate of employee retention.

Table B.5: Superannuation liabilities

Net financial liabilities (NFL) source and assumptions	2019-20	2020-21	2021-22	2022-23	2019-20 Sensitivities
	Budget	Forward estimates			
	\$m	\$m	\$m	\$m	
Superannuation liabilities ^(b)					
<u>Factors affecting superannuation liabilities</u>					
Change in public sector wages and salaries	(140)	(260)	(350)	(420)	+ 1% movement in factor ^(a)
Change in Sydney CPI	(770)	(1,500)	(2,150)	(2,950)	
Change in investment return ^(c)	350	720	1,110	1,530	
Change in discount rate	11,200	...	...
<u>Factors affecting superannuation liabilities</u>					
Change in public sector wages and salaries	140	260	340	400	- 1% movement in factor ^(a)
Change in Sydney CPI	770	1,600	2,250	3,100	
Change in investment return ^(c)	(350)	(710)	(1,090)	(1,480)	
Change in discount rate	(12,900)	...	...

(a) 1 per cent movement in factor is a 1 percentage point change.

(b) For producing superannuation liabilities sensitivities, AASB 119 *Employee Benefits* is used.

(c) A positive effect (e.g. improved investment returns) reduces NFL (improves the financial position), while a negative effect (e.g. higher public sector wages) increases NFL (weakens the financial position).

An increase in public sector salaries will increase the superannuation entitlements of those employees on a defined benefit scheme that are still in the workforce, while an increase in CPI will increase the benefit payments to all members as their pension is indexed by the Sydney CPI. An increase in the investment return on superannuation assets will increase the proportion of the defined benefit that can be funded and will hence improve the budget result. For an explanation of the unfunded superannuation liability, refer to Chapter 6 of this *Budget Statement*.

B.3 Specific fiscal risks

National Redress Scheme for survivors of institutional child sexual abuse

On 9 March 2018, the NSW Government announced it would opt-in to the National Redress Scheme for survivors of institutional child sexual abuse. Liabilities for the Scheme are forecast based on a wide range of actuarially based parameters. These include assumptions about the exposure and latency of reporting abuse in New South Wales, and the number of applicants. Adjustments may be made to these parameters once more applications are received, and more data becomes available. This may affect the actual liabilities and expenses of redress over the 10-year life of the Scheme.

Civil litigation claims of institutional child sexual abuse

Survivors of institutional child sexual abuse may choose to pursue civil litigation rather than opting into the redress scheme. Civil claims currently represent a contingent liability and there continues to be significant uncertainty around these claims. Once more data becomes available on the proportion of survivors opting to pursue redress instead of civil action, and of the claims in the Civil Court system, the ability to reliably measure the liability may become clearer and brought to account appropriately.

Drought

New South Wales is experiencing severe drought conditions. Water restrictions are in effect, commencing in Sydney, the Blue Mountains and Illawarra in June 2019. Sustained drought conditions could result in lower than projected water sales. In turn, this may result in lower dividend and distribution revenue from the public non-financial corporations sector, adversely affecting the budget result.

Continued drought conditions could require additional concurrent expenditure for:

- repairs for breaks and leaks from drying soils
- infrastructure planning
- funding of water efficiency programs
- conservation campaigns
- further water restriction roll outs.

Infrastructure related risks

Infrastructure projects

The cost of the State's total estimated infrastructure program is \$93.0 billion and may vary during the project life cycle, including as a result of changes to project delivery schedules. Factors such as availability of expert labour and capital equipment, weather and cost escalations can also impact project estimates.

Maintenance and depreciation from the State's infrastructure program

The delivery of the Government's record infrastructure program is contributing to increases in depreciation and maintenance expenditure as assets are completed, many beyond the forward estimates.

From 2011-12 to 2018-19, the compound annual growth rate of depreciation expenses was 8.6 per cent, which is higher than the 4.4 per cent growth rate for total expenses. This trend is expected to continue across the budget and forward estimates. Depreciation expenses are forecast to grow at an average rate of 6.3 per cent across the budget and forward estimates (compared with 2.7 per cent for total expenses). The Government's use of Public Private Partnerships in delivering its infrastructure program helps to partially mitigate the risks associated with maintenance costs, as they can be passed onto private sector contractors.

Looking to the future, the Government will continue to monitor and develop strategies to help manage the budget impacts from depreciation and maintenance expenditure associated with a growing capital program.

Restart NSW

This Budget includes the estimated impact of expensing funds from the Restart NSW fund to government agencies (capital expenditure) and non-government proponents, principally local councils (recurrent expenditure). These estimates include assumptions around the expenditure profiles of approved projects and unapproved projects (on the assumption that a formal approval will be forthcoming).

Changes to the timing of these approvals and project delivery schedules may affect the estimates. Unreserved balances in Restart NSW are not reflected in the Budget until a reservation or commitment is made. See Chapter 3 of the *Infrastructure Statement* for more information.

Financial reporting and accounting related risks

Impacts of new accounting standards

The Australian Accounting Standards Board has issued several new Australian Accounting Standards (AAS) (see Appendix A2).

The 2019-20 Budget incorporates the estimated impacts of the new AAS that come into effect from 2019-20, including AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for Profit Entities* and AASB 16 *Leases*. The impacts from these standards are largely associated with the reprofiling of revenues to align with how contracted obligations are completed over time, as well as the requirement for most leases to be reported on the balance sheet, with corresponding impacts on capital expenditure, interest, depreciation and operating expenses.

The 2019-20 Budget does not include the financial impacts associated with AASB 1059 *Service Concession Arrangements: Grantors*, the new AAS that comes into effect from 2020-21. The application of this standard requires the recognition of service concession assets and related liabilities at the commencement of service concession arrangements. This is expected to significantly increase assets and liabilities in the State's balance sheet, and also to impact the budget result. The NSW Government is still assessing its financial impacts on the forward estimates.

C. CONTINGENT ASSETS AND LIABILITIES

Contingent assets and liabilities are uncertain and depend on a particular event occurring before being reflected on the State's balance sheet (see Box C.1 for technical definitions of contingent assets and liabilities).

The recognition of a contingent asset or liability on the State's balance sheet can significantly impact the State's budget. By identifying and, where possible, quantifying these contingent assets and liabilities, the Government is able to better manage risks and opportunities.

Box C.1: Accounting definition of contingent assets and liabilities

Accounting standard AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* defines:

A contingent asset as:

- a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent liability as:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- a present obligation that arises from past events but is not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets

Contingent assets are classified as either quantifiable, where their financial value is known or can be reasonably estimated, or non-quantifiable, where their financial value cannot be reasonably determined.

The State has no material, quantifiable contingent assets reported as at 30 April 2019.

Non-quantifiable contingent assets

Table C.1 notes the State's non-quantifiable contingent assets.

Table C.1: General government non-quantifiable contingent assets

Contingent Asset	Nature of the contingent asset
Asbestos Injury Compensation Fund	The State has the ability to recoup any potential future loans it may be required to provide to the Fund.
Eastern Creek Alternative Waste Treatment Plant	The Crown Entity holds a guarantee, a contingent asset, which fully offsets the same contingent liability.
HIH Insurance	Potential proceeds relating to the liquidation of HIH Insurance.

Contingent liabilities

Contingent liabilities are also classified as either quantifiable or non-quantifiable. Table C.2 lists the State's quantifiable contingent liabilities as at 30 April 2019.

Table C.2: General government quantifiable contingent liabilities

	General Government Sector	
	2019 ^(c)	2018 ^(d)
	\$m	\$m
Department of Justice ^(a) (Claims in Respect of Compensation)	492	492
Roads and Maritime Services (Land Acquisitions and Other)	692	892
Department of Education ^(b) (Contractual Claims, Litigation and Other)	733	0
Other Agencies	22	13
	1,939	1,397

(a) The Victims' Support Scheme (VSS) was created on 3 June 2013 through the *Victims' Rights and Support Act 2013* and has contingent claims within a range of \$282 million to \$492 million based on the latest actuarial valuation.

(b) The Public Service Association (PSA) has filed a major industrial case with the Industrial Relations Commission (IRC) seeking an increase in pay for all Support Administration Staff (SAS). If awarded in full, the cost to the department dated from 1 July 2017 to 30 June 2019 is estimated to be \$733 million including related on-costs.

(c) As of reporting date at 30 April 2019.

(d) As of reporting date at 30 June 2018.

Non-quantifiable contingent liabilities

The State faces a range of potential obligations that are non-quantifiable, which have been broadly grouped into the following categories:

- commercial transactions
- other contingent liabilities.

As set out in Table C.3, the State is party to non-quantifiable contingent liabilities relating to commercial transactions. As an example, under several energy transactions the Government provided limited general warranties to purchasers and lessees. The Government has also

retained responsibility for the costs associated with remediating pre-existing contamination at several power station sites.

Table C.3: Commercial transaction-related non-quantifiable contingent liabilities

Transactions	Nature of the contingent liabilities
Transactions related to Delta Electricity's Western Assets, Eraring Energy, Vales Point Power Station, Colongra Power Station and Macquarie Generation	Various contingent liabilities, including: <ul style="list-style-type: none"> • Pre-completion contamination and land remediation liability • General Warranties • Coal haul road liability • Ash dam liability • Where an option is exercised under the handback deed, remediation of Vales Point and Site Land • Barnard River Scheme native title indemnity • Deed of indemnity for directors and senior management.
Transactions related to facilities at Port Kembla, Port Botany and Enfield and the Port of Newcastle	The State has indemnified the lessees in respect of pre-existing environmental contamination.
Sale of Pacific Power International	The State must compensate the trustee of the Energy Industry Superannuation Scheme funds for a shortfall of assets in the reserves of the fund related to the transfer of defined benefit scheme membership to Aurecon.
Transactions related to Sydney Ferries, Eraring and Delta West Power Stations	The State bears the risk of the employer's superannuation guarantee contributions being insufficient to fund the defined employee benefits for certain ex-public-sector employees. Indemnities have also been provided to the private sector employer in respect of certain losses suffered.
Transactions related to the lease of TransGrid, Ausgrid and Endeavour Energy	General Warranties and Deed of Indemnity.

The State also holds non-quantifiable contingent liabilities relating to various other matters, as set out below in Table C.4.

Table C.4: Other non-quantifiable contingent liabilities

Contingent liabilities	Nature of the contingent liabilities
Native Title	Contingent liabilities in respect to Native Title, under both the <i>Native Title Act 1993 (Cth)</i> and the <i>Native Title (New South Wales) Act 1994</i> .
Aboriginal Land Claims	Assets in the form of reserved Crown land may be reduced in value from applications made under the <i>Aboriginal Land Rights Act 1983 (NSW)</i> .
Stolen Generations Reparation Scheme	Stolen Generations survivors may seek remediation from the Stolen Generations Reparation Scheme. Due to timing, probability and uncertainty of the total numbers of claimants, reliable costs are unable to be estimated.
Contaminated Land	A number of Crown land sites in the State have been assessed as being potentially contaminated and needing remediation. Most are subject to preliminary site investigations or clean up works which might not incur a financial liability.
Litigation outside of the National Redress Scheme	People abused whilst in the care of NSW Government institutions who do not apply for and accept an offer of redress through the National Redress Scheme for Survivors of Institutional Child Sexual Abuse, can pursue legal action as an alternative. The potential liability to the State of these potential claims is currently unquantifiable.
Other litigation	State agencies and corporations are subject to various claims and litigation in the normal course of operations. The quantum of these claims cannot accurately be determined.
Unclaimed money – Consolidated fund	The State treats the receipt of unclaimed money to the Consolidated Fund as income. However, claims can be legally lodged for several years after the money is paid into the Fund.
StateFleet interest rate exposure	The Government's motor vehicles are financed by an internal arrangement managed by StateFleet and funded by TCorp. The facility is funded through a portfolio of debt.
NSW Treasury Corporation (TCorp) ¹	TCorp has made undertakings on behalf of other government authorities for their performance under contracts with third parties, which are recoverable from the government authority participants.
Land Acquisition	Claims have been made against the State for compensation for land acquired under the <i>Land Acquisition (Just Terms Compensation) Act 1991</i> .
Asbestos Injury Compensation Fund	The State has issued a loan facility to the Asbestos Injury Compensation Fund. In October 2016, other Australian jurisdictions agreed to share the default risk.
Contracts with private sector parties	The Government has guaranteed the obligations and performance of various statutory authorities with private sector party contracts.
Guarantee on local government loans	The State provides TCorp with a guarantee on all loans to local governments.

¹ The State has a triple-A credit rating, representing an extremely remote chance of default on any borrowings. For this reason, Government Entities' borrowings are not considered contingent liabilities.

D. HISTORICAL FISCAL INDICATORS

This Appendix reports the key fiscal indicators for the general government and non-financial public sector from 1996-97. Data are presented in accordance with Australian Accounting Standard AASB 1049 *Whole of Government and General Government Sector Financial Reporting*, consistent with the financial statements presented in Appendix A1 Statement of Finances.

The below tables are contained in this Appendix.

- Table D.1 General government sector operating statement aggregates
- Table D.2 General government sector balance sheet and financing indicators
- Table D.3 Non-financial public sector operating statement aggregates
- Table D.4 Non-financial public sector balance sheet and financing indicators
- Table D.5 New South Wales credit metrics

Historical data from 2008-09 are consistent with data published in annual Outcomes Reports and Budget Papers. As Outcomes Reports and Budget Papers prior to 2008-09 were prepared in accordance with Government Finance Statistics, historical data prior to 2008-09 reflect data that have been backcast to be consistent with AASB 1049. The historical series have also been adjusted from 2005-06 to incorporate the retrospective application of amended AASB 119 *Employee Benefits* and the recognition of a share of assets and liabilities of Law Courts Limited and Murray-Darling Basin Authority in accordance with AASB 11 *Joint Arrangements*.

Table D.1: General government sector operating statement aggregates

	Taxation Revenue			Total Revenue			Expenses			Net Operating Balance		Capital Expenditure		Net Lending/ (Borrowing)		GSP ^(d) (current prices)
	\$m	Per cent of GSP	Per cent growth - nominal	\$m	Per cent of GSP	Per cent growth - nominal	\$m	Per cent of GSP	Per cent growth - nominal	\$m	Per cent of GSP	\$m	Per cent of GSP	\$m	Per cent of GSP	\$m
1996-97	11,724	5.8	n.a.	26,089	12.8	n.a.	25,278	12.4	n.a.	811	0.4	2,607	1.3	(581)	(0.3)	203,428
1997-98	12,897	6.0	10.0	27,335	12.7	4.8	26,017	12.1	2.9	1,317	0.6	2,736	1.3	(420)	(0.2)	214,695
1998-99	14,115	6.2	9.4	28,950	12.8	5.9	27,900	12.3	7.2	1,050	0.5	3,002	1.3	(123)	(0.1)	226,441
1999-00	15,185	6.3	7.6	30,556	12.6	5.5	28,530	11.8	2.3	2,026	0.8	2,733	1.1	1,345	0.6	241,679
2000-01	13,337	5.2	(12.2)	32,091	12.6	5.0	30,584	12.0	7.2	1,507	0.6	2,859	1.1	545	0.2	255,166
2001-02	13,210	5.0	(1.0)	33,843	12.8	5.5	32,263	12.2	5.5	1,580	0.6	3,102	1.2	588	0.2	264,592
2002-03	14,146	5.1	7.1	36,070	12.9	6.6	34,315	12.3	6.4	1,755	0.6	3,349	1.2	464	0.2	279,119
2003-04	15,018	5.0	6.2	37,657	12.5	4.4	36,502	12.2	6.4	1,155	0.4	3,332	1.1	44	0.0	300,102
2004-05	15,300	4.8	1.9	39,085	12.4	3.8	38,844	12.3	6.4	241	0.1	3,343	1.1	(660)	(0.2)	315,881
2005-06	15,902	4.8	3.9	42,652	12.8	9.1	41,472	12.5	6.8	1,180	0.4	3,949	1.2	(317)	(0.1)	332,374
2006-07	17,697	5.0	11.3	44,720	12.7	4.8	44,651	12.6	7.7	69	0.0	4,295	1.2	(1,775)	(0.5)	352,995
2007-08	18,554	4.9	4.8	47,449	12.6	6.1	47,298	12.6	5.9	151	0.0	4,689	1.2	(1,798)	(0.5)	376,630
2008-09	17,885	4.5	(3.6)	49,684	12.6	4.7	51,258	13.0	8.4	(1,574)	(0.4)	5,264	1.3	(3,940)	(1.0)	394,513
2009-10	19,129	4.6	7.0	56,344	13.6	13.4	56,453	13.7	10.1	(109)	(0.0)	7,286	1.8	(3,736)	(0.9)	413,303
2010-11	20,395	4.6	6.6	57,168	12.9	1.5	57,015	12.8	1.0	153	0.0	7,046	1.6	(4,097)	(0.9)	444,477
2011-12	20,660	4.4	1.3	59,003	12.7	3.2	59,604	12.8	4.5	(551)	(0.1)	5,881	1.3	(3,255)	(0.7)	464,772
2012-13	21,980	4.6	6.4	60,130	12.5	1.9	61,891	12.9	3.8	(1,731)	(0.4)	7,872	1.6	(4,138)	(0.9)	479,854
2013-14	24,295	4.9	10.5	66,005	13.3	9.8	64,757	13.1	4.6	1,247	0.3	8,546	1.7	(1,236)	(0.2)	495,303
2014-15	26,067	5.1	7.3	69,617	13.6	5.5	66,736	13.0	3.1	2,881	0.6	9,484	1.8	(126)	(0.0)	513,529
2015-16	29,088	5.4	11.6	74,532	13.8	7.1	69,867	13.0	4.7	4,664	0.9	9,351	1.7	392	0.1	538,513
2016-17	30,789	5.3	5.8	78,139	13.5	4.8	72,551	12.6	3.8	5,724	1.0	10,546	1.8	3,039	0.5	576,716
2017-18 ^(a)	31,326	5.2	1.7	80,672	13.3	3.2	76,491	12.7	5.4	4,181	0.7	12,121	2.0	(2,762)	(0.5)	604,400
2018-19 ^(b)	31,263	5.0	(0.2)	81,128	13.0	0.6	80,326	12.8	5.0	802	0.1	17,864	2.9	(11,451)	(1.8)	626,200
2019-20 ^(c)	31,841	4.9	1.8	84,316	13.0	3.9	83,300	12.8	3.7	1,016	0.2	22,345	3.4	(14,507)	(2.2)	649,000
2020-21 ^(c)	33,876	5.0	6.4	87,632	12.9	3.9	86,405	12.7	3.7	1,227	0.2	17,750	2.6	(8,604)	(1.3)	678,200
2021-22 ^(c)	35,296	5.0	4.2	90,018	12.7	2.7	88,016	12.4	1.9	2,002	0.3	17,247	2.4	(7,615)	(1.1)	710,400
2022-23 ^(c)	36,665	4.9	3.9	92,009	12.3	2.2	89,410	12.0	1.6	2,599	0.3	14,349	1.9	(4,396)	(0.6)	745,700

(a) Restated.

(b) Revised.

(c) Estimate.

(d) Gross State Product.

Table D.2: General government sector balance sheet and financing indicators

	Borrowings ^(d)		Interest Expense		Net Debt ^(e)		Net Financial Liabilities ^(f)	
	\$m	Per cent of GSP	\$m	Per cent of revenue	\$m	Per cent of GSP	\$m	Per cent of GSP
1996-97	13,604	6.7	1,551	5.9	11,478	5.6	29,860	14.7
1997-98	14,795	6.9	1,490	5.5	10,823	5.0	29,441	13.7
1998-99	17,680	7.8	1,362	4.7	10,392	4.6	28,377	12.5
1999-00	15,857	6.6	1,348	4.4	9,771	4.0	24,590	10.2
2000-01	12,432	4.9	1,021	3.2	6,893	2.7	23,651	9.3
2001-02	11,211	4.2	868	2.6	5,422	2.0	24,502	9.3
2002-03	10,570	3.8	803	2.2	3,638	1.3	25,418	9.1
2003-04	11,189	3.7	789	2.1	2,970	1.0	25,072	8.4
2004-05	11,872	3.8	1,190	3.0	2,826	0.9	31,363	9.9
2005-06	12,404	3.7	1,209	2.8	1,483	0.4	32,066	9.6
2006-07	13,060	3.7	1,289	2.9	3,645	1.0	28,820	8.2
2007-08	13,874	3.7	1,320	2.8	5,663	1.5	34,079	9.0
2008-09	16,662	4.2	1,488	3.0	8,170	2.1	53,212	13.5
2009-10	19,075	4.6	1,674	3.0	9,161	2.2	57,716	14.0
2010-11	22,530	5.1	1,877	3.3	7,960	1.8	55,932	12.6
2011-12	26,885	5.8	2,082	3.5	14,127	3.0	80,497	17.3
2012-13	29,060	6.1	2,220	3.7	11,907	2.5	70,437	14.7
2013-14	31,040	6.3	2,249	3.4	6,869	1.4	70,715	14.3
2014-15	31,511	6.1	2,243	3.2	5,461	1.1	74,371	14.5
2015-16	31,847	5.9	2,209	3.0	(57)	(0.0)	87,611	16.3
2016-17	32,814	5.7	2,149	2.8	(9,344)	(1.6)	65,690	11.4
2017-18 ^(a)	32,446	5.4	1,994	2.5	(11,195)	(1.9)	69,068	11.4
2018-19 ^(b)	37,162	5.9	1,850	2.3	(8,818)	(1.4)	73,614	11.8
2019-20 ^(c)	50,238	7.7	2,278	2.7	12,354	1.9	92,493	14.3
2020-21 ^(c)	56,461	8.3	2,648	3.0	22,973	3.4	99,050	14.6
2021-22 ^(c)	63,940	9.0	2,768	3.1	32,884	4.6	103,722	14.6
2022-23 ^(c)	72,974	9.8	2,946	3.2	38,640	5.2	101,800	13.7

(a) Restated.

(b) Revised.

(c) Estimate.

(d) Includes borrowings and derivatives at fair value including finance leases and borrowings at amortised cost.

(e) Net debt consists of the sum of deposits held, advances received, loans and other borrowings less the sum of cash and deposits, advances paid and investments, loans and placements.

(f) Net financial liabilities equal total liabilities less financial assets, excluding equity in other public sector entities.

Table D.3: Non-financial public sector operating statement aggregates

	Revenue		Expenses		Net Operating Balance		Capital Expenditure ^(d)		Net Lending/ (Borrowing)	
	\$m	\$m	\$m	Per cent of GSP	\$m	Per cent of GSP	\$m	Per cent of GSP	\$m	Per cent of GSP
1996-97	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1997-98	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1998-99	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1999-00	40,271	37,763	2,508	1.0	5,460	2.3	523	0.2		
2000-01	43,960	41,731	2,229	0.9	5,365	2.1	1,081	0.4		
2001-02	43,666	41,320	2,346	0.9	6,080	2.3	16	0.0		
2002-03	45,865	44,209	1,656	0.6	6,697	2.4	(747)	(0.3)		
2003-04	47,875	46,681	1,194	0.4	6,706	2.2	(1,048)	(0.3)		
2004-05	48,130	47,841	289	0.1	6,937	2.2	(2,178)	(0.7)		
2005-06	51,524	49,071	2,453	0.7	8,318	2.5	(1,217)	(0.4)		
2006-07	54,348	51,489	2,859	0.8	9,706	2.7	(2,121)	(0.6)		
2007-08	57,709	55,592	2,117	0.6	11,138	3.0	(3,757)	(1.0)		
2008-09	61,021	60,400	621	0.2	13,268	3.4	(7,104)	(1.8)		
2009-10	64,699	62,002	3,734	0.9	16,340	4.0	(6,089)	(1.5)		
2010-11	67,492	66,754	1,143	0.3	14,855	3.3	(6,475)	(1.5)		
2011-12	70,226	68,917	1,301	0.3	13,067	2.8	(5,532)	(1.2)		
2012-13	70,349	68,869	1,699	0.4	14,143	2.9	(5,070)	(1.1)		
2013-14	75,181	72,836	2,367	0.5	13,869	2.8	(3,527)	(0.7)		
2014-15	78,244	74,052	4,204	0.8	13,408	2.6	(1,202)	(0.2)		
2015-16	81,086	77,261	3,634	0.7	16,175	3.0	(3,971)	(0.7)		
2016-17	82,096	78,047	5,058	0.9	18,198	3.2	(2,721)	(0.5)		
2017-18 ^(a)	85,482	82,766	2,716	0.4	17,884	3.0	(6,730)	(1.1)		
2018-19 ^(b)	83,981	86,079	(2,098)	(0.3)	23,199	3.7	(16,835)	(2.7)		
2019-20 ^(c)	86,891	89,406	(2,514)	(0.4)	27,739	4.3	(19,830)	(3.1)		
2020-21 ^(c)	89,857	91,943	(2,086)	(0.3)	23,849	3.5	(14,342)	(2.1)		
2021-22 ^(c)	93,727	94,641	(914)	(0.1)	22,671	3.2	(12,147)	(1.7)		
2022-23 ^(c)	96,858	97,450	(592)	(0.1)	18,775	2.5	(7,836)	(1.1)		

(a) Restated.

(b) Revised.

(c) Estimate.

(d) Before 2011-12 Capital Expenditure is reported as purchases of non-financial assets plus non-financial assets acquired using finance leases. Post 2011-12 Net Capital Expenditure is used.

Table D.4: Non-financial public sector balance sheet and financing indicators

	Borrowings ^(d)		Interest Expense		Net Debt ^(e)		Net Financial Liabilities ^(f)	
	\$m	Per cent of GSP	\$m	Per cent of revenue	\$m	Per cent of GSP	\$m	Per cent of GSP
1996-97	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1997-98	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1998-99	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1999-00	23,686	9.8	1,971	4.9	19,102	7.9	36,809	15.2
2000-01	23,334	9.1	1,778	4.0	18,273	7.2	37,676	14.8
2001-02	22,337	8.4	1,627	3.7	15,627	5.9	39,300	14.9
2002-03	22,218	8.0	1,574	3.4	13,127	4.7	42,104	15.1
2003-04	23,362	7.8	1,523	3.2	11,834	3.9	42,370	14.1
2004-05	25,731	8.1	1,995	4.1	12,012	3.8	54,127	17.1
2005-06	27,673	8.3	2,014	3.9	9,801	2.9	50,723	15.3
2006-07	32,125	9.1	2,179	4.0	20,481	5.8	51,627	14.6
2007-08	33,048	8.8	2,326	4.0	22,605	6.0	58,142	15.4
2008-09	39,687	10.1	2,763	4.5	28,943	7.3	80,446	20.4
2009-10	45,497	11.0	3,127	4.8	32,666	7.9	88,276	21.4
2010-11	50,911	11.5	3,534	5.2	32,389	7.3	86,236	19.4
2011-12	55,364	11.9	3,897	5.5	39,641	8.5	112,127	24.1
2012-13	59,313	12.4	3,909	5.6	40,093	8.4	105,318	21.9
2013-14	63,630	12.8	4,019	5.3	37,733	7.6	133,452	26.9
2014-15	63,870	12.4	3,977	5.1	36,442	7.1	117,411	22.9
2015-16	64,135	11.9	3,698	4.6	29,403	5.5	128,739	23.9
2016-17	54,684	9.5	3,113	3.8	9,048	1.6	92,075	16.0
2017-18 ^(a)	58,152	9.6	3,189	3.7	9,871	1.6	98,568	16.3
2018-19 ^(b)	61,694	9.9	2,831	3.4	13,113	2.1	103,770	16.6
2019-20 ^(c)	77,252	11.9	3,311	3.8	37,699	5.8	125,845	19.4
2020-21 ^(c)	85,012	12.5	3,690	4.1	50,134	7.4	134,010	19.8
2021-22 ^(c)	94,084	13.2	3,820	4.1	62,012	8.7	140,353	19.8
2022-23 ^(c)	104,317	14.0	4,014	4.1	69,347	9.3	139,866	18.8

(a) Restated.

(b) Revised.

(c) Estimate.

(d) Includes borrowings and derivatives at fair value including finance leases and borrowings at amortised cost.

(e) Net debt consists of the sum of deposits held, advances received, loans and other borrowings less the sum of cash and deposits, advances paid and investments, loans and placements.

(f) Net financial liabilities equal total liabilities less financial assets, excluding equity in other public sector entities. Before 2004-05, only net financial worth is reported for the Non-Financial Public Sector.

Table D.5: New South Wales credit metrics

	Gross Debt/Receipts ^(d)	Gross Interest Paid/Receipts ^(e)	Non-Commercial Gross Debt/Revenues ^(f)
1996-97	78.3	6.6	81.0
1997-98	73.7	6.3	76.8
1998-99	77.4	5.7	85.5
1999-00	66.1	4.9	71.9
2000-01	59.3	4.1	57.4
2001-02	55.1	3.6	50.1
2002-03	51.9	3.4	48.2
2003-04	51.4	3.3	46.8
2004-05	53.3	3.3	50.6
2005-06	51.5	3.3	39.6
2006-07	58.3	3.3	40.8
2007-08	54.8	3.3	44.5
2008-09	62.4	3.3	56.0
2009-10	62.4	3.5	57.9
2010-11	72.7	3.8	59.0
2011-12	76.1	4.2	66.7
2012-13	80.4	4.3	75.0
2013-14	79.9	4.2	72.8
2014-15	79.0	4.2	68.5
2015-16	76.1	3.9	60.6
2016-17	64.0	3.4	66.7
2017-18 ^(a)	71.4	3.0	64.4
2018-19 ^(b)	78.5	2.9	52.1
2019-20 ^(c)	84.2	3.1	65.1
2020-21 ^(c)	88.5	3.4	67.8
2021-22 ^(c)	95.9	3.6	73.6
2022-23 ^(c)	98.4	3.9	80.5

(a) Restated.

(b) Revised.

(c) Estimate.

(d) Gross debt as ratio to operating receipts in Non-Financial Public Sector. S&P substantially updated their rating methodology at 30 June 2014.

(e) Interest paid as a ratio of operating receipts in Non-Financial Public Sector. Three-year average. S&P substantially updated their rating methodology at 30 June 2014.

(f) Total state gross non-commercial debt as ratio to general government revenues.

E. PERFORMANCE AND REPORTING UNDER THE FISCAL RESPONSIBILITY ACT 2012

The *Fiscal Responsibility Act 2012* (FRA) requires the Government to report on performance against the FRA's objective, targets and principles as part of the budget papers.

The FRA sets the policy objective of maintaining the State's triple-A credit rating, supported by two fiscal targets and three principles of sound financial management (see Table E.1).

Table E.1: *Fiscal Responsibility Act 2012 – object, targets and principles*

Object	Fiscal targets	Fiscal principles
Maintain the triple-A credit rating	1) Expense growth kept below long-term average revenue growth	1) Responsible and sustainable spending, taxation and infrastructure investment: <ul style="list-style-type: none"> aligning general government revenue and expense growth stable and predictable taxation policies investment in infrastructure that has the highest benefit for the community
	2) Eliminate unfunded superannuation liabilities by 2030	2) Effective financial and asset policies: <ul style="list-style-type: none"> performance management and reporting asset maintenance and enhancement funding decisions risk management practices
		3) Achieving intergenerational equity: <ul style="list-style-type: none"> policy to have regard for its effects on future generations the current generation to fund the cost of its services

Review of the FRA

Five years after the FRA's commencement in 2012, the Treasurer was required to review the FRA to determine whether its policy objective remains valid and the terms remain appropriate for achieving the objective. In 2018, the review was tabled in each House of Parliament and stated the following key findings:

- the Government has met the FRA's objective and targets, and has pursued the principles of the FRA. Recent initiatives such as the NSW Generations Fund and the *Government Sector Finance Act 2018* further support the objective
- the objective to maintain a triple-A credit rating is unique but an appropriate mechanism to support fiscal discipline
- the Commonwealth downgrade remains a risk to maintaining the State's triple-A rating. This risk should be managed appropriately by the NSW Government continuing to maintain a sustainable operating position and levels of debt consistent with a triple-A credit rating. The principles of the FRA should continue to be adhered to, in particular '*responsible and sustainable spending, taxation and infrastructure investment*' and '*achieving intergenerational equity*'

- the current targets support the objective of the FRA, with adherence to the 5.6 per cent expense growth cap helping to deliver solid budget results over the prior five years. With revenue pressures that may put pressure on the operating position over the medium term, the Government should continue to maintain a sustainable operating position to ensure debt levels remain manageable
- The Government should continue to pursue the principles of sound financial management to support the objective of the FRA, with work to date demonstrating a significant modernisation of the State's financial framework.

Performance

Maintaining the triple-A credit rating

New South Wales continues to meet the objective of the FRA. Both major credit rating agencies – S&P Global and Moody's – reaffirmed the State's triple-A credit rating in September 2018.

As a sub-sovereign, the credit rating for States and Territories is capped by the rating on the sovereign, the Commonwealth Government. In July 2016, S&P placed the Commonwealth on a negative outlook, which flowed through to New South Wales (and the other triple-A rated States and Territories). In September 2018, S&P Global revised the Commonwealth's rating outlook from negative to stable, and S&P subsequently revised the New South Wales outlook back to stable.

New South Wales is one of only five comparable sub-sovereigns outside the United States to hold a triple-A credit rating from both Moody's and S&P Global (refer Table E.2).

Table E.2: New South Wales is one of five states rated triple-A by Moody's and S&P Global^(a)

Moody's	S&P Global
New South Wales (AU)	New South Wales (AU)
Victoria (AU)	Victoria (AU)
British Columbia (CA)	Australian Capital Territory (AU)
Saskatchewan (CA)	British Columbia (CA)
Baden-Wuerttemberg (DE)	Vaud (CH)
Bavaria (DE)	Zurich (CH)
Brandenburg (DE)	Baden-Wuerttemberg (DE)
	Bavaria (DE)
	Saxony (DE)

(a) Sub-sovereigns in bold text reflect a triple-A rating issued by both rating agencies.

Note: shows sub-sovereigns comparable to the State of New South Wales i.e. states, provinces, landers, cantons etc. Abbreviations: AU (Australia), CA (Canada), CH (Switzerland) and DE (Germany)

Chart E.1: New South Wales has the highest credit ratings possible in Australia



Meeting the FRA targets and principles

The FRA sets out two fiscal targets and three principles of sound financial management to help support the object of the Act, as described in Table E.1.

Target 1 – Expense growth below long-term average revenue growth

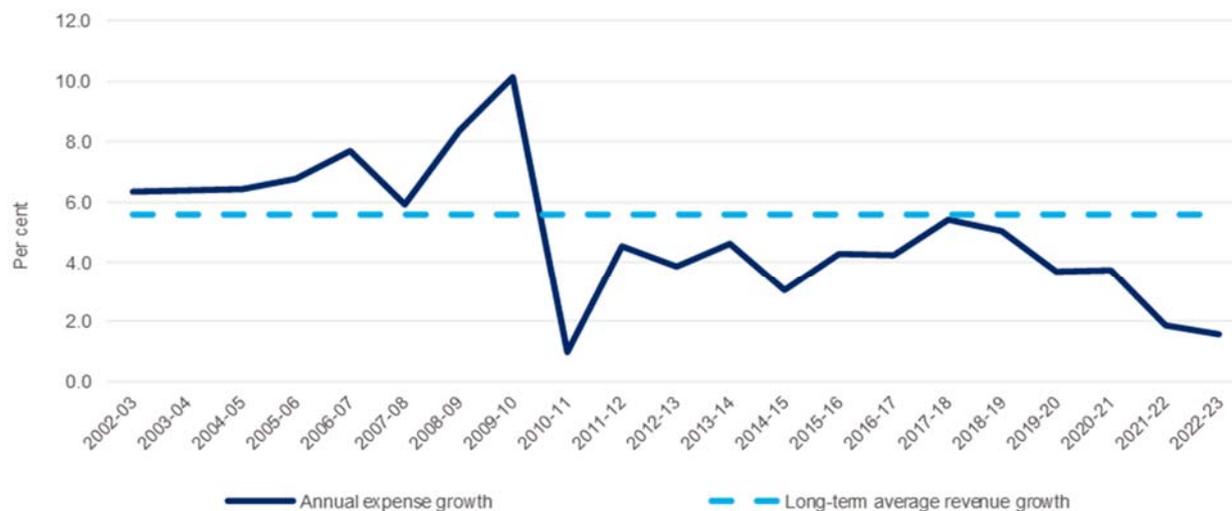
The FRA requires annual general government expense growth to be maintained below the long-term average general government revenue growth (5.6 per cent as set in the *Fiscal Responsibility Regulation 2013*).

This limit on expense growth has been supported by the Government's 2.5 per cent public sector wages policy and various savings measures such as efficiency dividends.

The Government has achieved this target since the introduction of the FRA in 2012 and is projected to continue to do so over the budget and forward estimates in the 2019-20 Budget (see Chart E.2).

Over the long-term, there is a divergence in the revenue outlook from long-term revenue growth (which was noted in the review of the FRA). As revenue pressures emerge over the medium term, the Government will need to not only carefully manage expense growth, but maintain a sustainable operating position and manageable debt levels.

Chart E.2: General government annual expense growth



Target 2 – Fully funding the State’s superannuation liabilities by 2030

The FRA requires the Government to fully fund the State’s unfunded superannuation liabilities by 2030. If not properly managed, unfunded super liabilities may result in long-term financial imbalance that impacts intergenerational equity and puts pressure on the credit rating.

To achieve this target, the Government makes annual cash contributions to the State’s defined benefit superannuation schemes in line with a funding plan set at each triennial review of the schemes. This funding plan takes into account any changes in both the asset (e.g. market returns) and the liability (e.g. demographic and actuarial assumptions) components of the schemes. Following the latest triennial review in October 2018, it was confirmed that New South Wales remains on track to fully fund the State’s superannuation liabilities by 2030.

Total state unfunded super liabilities are estimated to be \$61.0 billion at June 2019 and are projected to decline to \$40.9 billion at June 2023, reaching zero at June 2030 (see Chapter 6 for further analysis).

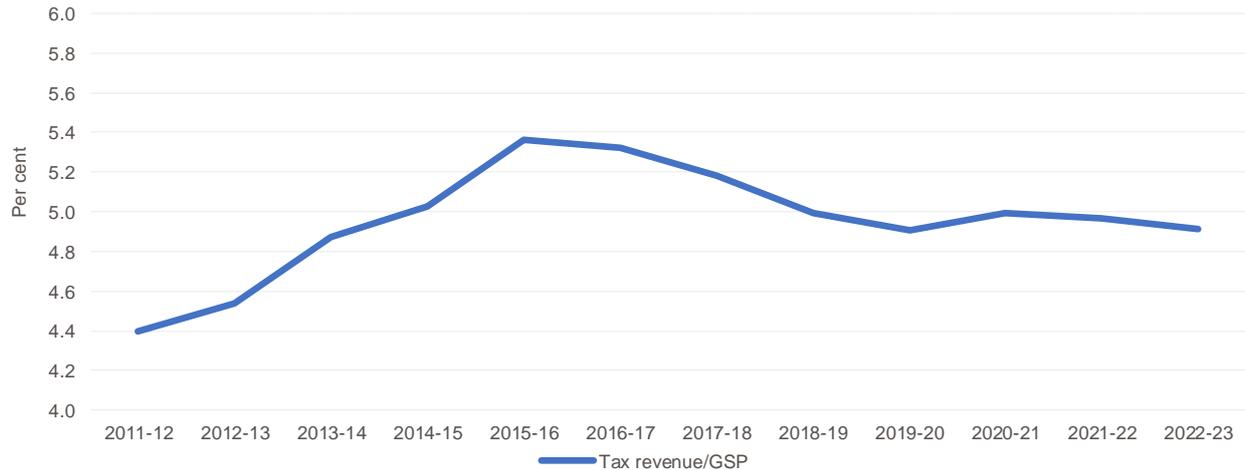
Principle 1 – Responsible and sustainable spending, taxation and infrastructure investment

The principle of responsible and sustainable spending, taxation and infrastructure investment includes aligning general government revenue and expense growth, stable and predictable taxation policies, and investment in infrastructure that has the highest benefit for the community. This underpins the ability to maintain a strong and sustainable fiscal position, shown by an operating position appropriate for current conditions, and debt that can be sustainably managed while providing recurrent services and infrastructure investment.

Keeping general government expense growth below the long-term revenue growth rate of 5.6 per cent as per the FRA target reflects the commitment to responsible and sustainable spending.

State taxation has remained consistent and low, with the ratio of tax receipts to gross state product (GSP) declining from 5.4 per cent in 2015-16 to a projected 5.0 per cent in 2018-19, and remaining around that ratio across the forward estimates (as shown in Chart E.3).

Chart E.3: Taxation revenue, ratio to GSP



The Government continues to deliver its infrastructure program with total investment in the general government sector reaching \$71.7 billion over the four years to 2022-23.

The sustainability of this investment is made possible by financing predominantly through operating surpluses and the proceeds from the asset recycling program, which have moderated the need for additional debt.

The State continues its transformation to an outcome budgeting framework. The 2018-19 Budget set out the 46 State Outcomes providing a “citizen perspective” of the Budget. Another major milestone was reached in December 2018 with the release of Treasury’s Policy and Guidelines Paper on *Outcome Budgeting* (TPP18-09). This provides guidance on developing and maintaining the outcomes framework, the financial and non-financial requirements for performance reporting, and the timetables for finalising outcome, performance and equity measures.

Principle 2 – Effective financial and asset management policies

The principle of effective financial and asset management policies includes having sound policies and processes for performance management and reporting, asset maintenance and enhancement, funding decisions and risk management practices.

The Government has continued to focus on the State’s balance sheet management, funding decisions and risk management through the inter-departmental Assets and Liabilities Committee (ALCO). This includes improved cash management and optimisation of the State’s balance sheet and a whole-of-government foreign exchange risk policy.

Some additional reforms and policies implemented by the Government include:

- the passage of the *Government Sector Finance Act 2018* which modernises financial structures, principles, guidelines and controls across the entire public sector
- establishment of the NSW Generations Fund
- strengthened reporting and management of contingent assets and liabilities
- the first issuance of Green Bonds (in November 2018) to fund projects delivering environmental and social benefits.

Principle 3 – Progress in achieving intergenerational equity

The principle of intergenerational equity includes ensuring any policy decisions have regard to their financial effects on future generations, and that the current generation funds the cost of the services delivered today.

The FRA commits the Government to ensure that policy decisions are made with consideration to their financial effects on future generations. Each budget reports the impact of its measures on the long-term fiscal gap, which is a summary indicator of the budget's financial effect on future generations.¹ The 2016 Intergenerational Report highlighted that if current trends continue, a widening fiscal gap will emerge where expenditure would exceed revenues resulting in a fiscal gap of 3.4 per cent of GSP by 2055-56.

There is no change to the fiscal gap as a result of measures in this Budget. Savings initiatives such as reducing expenditure to reflect recent machinery of government changes allow the Government to invest in new services and infrastructure for the NSW community without further impacting long-term fiscal sustainability. This shows that prudent budget management continues to be effective in limiting the financial burden shifted to future taxpayers.

With intergenerational challenges on the horizon, the Government became the first state in Australia to create a vehicle to support intergenerational equity by establishing the NSW Generations Fund in 2018. The dedicated debt retirement fund is projected to grow to more than \$28 billion over the next decade, strengthening the State's balance sheet and supporting intergenerational equity for the people of New South Wales.

¹ The fiscal gap is calculated for the general government sector and is the difference between the base period primary balance as a share of GSP and the primary balance as a share of GSP at the end of the projection period, on a no policy change basis. The primary balance is the gap between spending and revenue excluding interest transactions but including net capital expenditure. A positive gap implies that fiscal pressures will be building over the projection period.

F. ECONOMIC SCENARIO ANALYSIS

The 2019-20 Budget relies on forecasts and judgements about the future of the economy, based on information available at the time of preparation. These forecasts are subject to some inherent uncertainties such as changes in behaviours, evolving relationships between variables and unexpected events or shocks.

This appendix explores the impact of variations in some key economic parameters on other areas of the economy, the overall macroeconomic outlook and general government tax revenues. This is intended to provide a greater insight into the interdependencies within our complex economy, that a partial sensitivity analysis does not capture.

These scenarios were selected to cover plausible economic events that could affect New South Wales over the forecast horizon. The modelling takes account of linkages between key international, Australian and New South Wales economic aggregates, but does not account for any monetary policy or fiscal policy response.

The summary of the results should be interpreted with care as economic events tend to be unique in nature, with the scenarios presented in this appendix unlikely to completely reflect any future shock on the State economy. Any departures from the specified scenario would result in different impacts on the economic and revenue outlook.

F.1 Impact of variations in key forecast assumptions

This scenario analysis is intended to compliment the central economic outlook as presented in Chapter 2 by quantifying some of the key risks to the overall narrative. Two scenarios were considered: a positive shock to the NSW workforce participation rate; and a negative shock to house prices, where NSW prices fall slightly more than the rest of Australia.

The economic and revenue impact of these scenarios was modelled using the Centre of Policy Studies (CoPS) Victoria University Regional Model Tax (VURMTAX)¹ and presented as a deviation from baseline.

Higher workforce participation rate

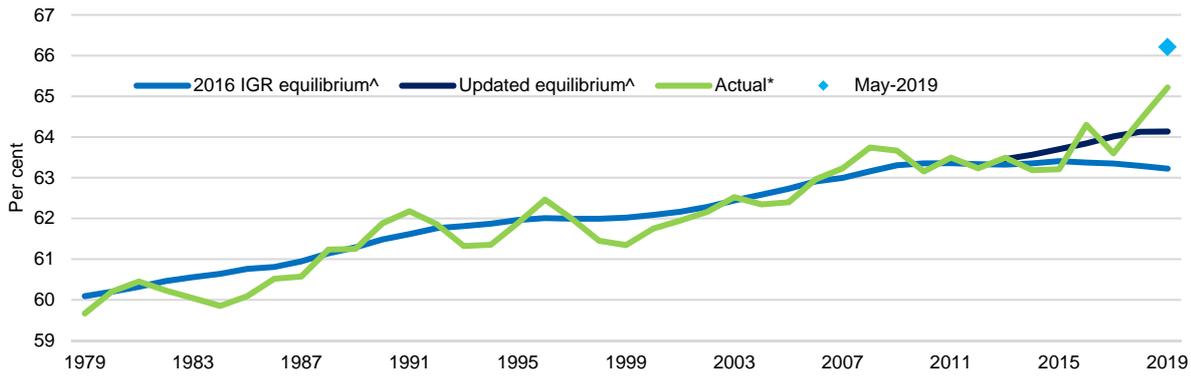
The New South Wales workforce participation rate has outperformed expectations over the last few years. It has surpassed the long run equilibrium participation rate modelled in the 2016 Intergenerational Report (IGR), reaching a new record high of 66.2 per cent in May 2019 (see Chart F.1).

Much of this increase can be put down to strong labour market conditions encouraging new entrants into the labour force, especially women. Although the rise in the participation rate has been greater than cyclical drivers and higher migration would suggest. This means there has likely been a change to underlying long-run structural drivers of workforce participation. It is unclear, however, what has driven this and how much is structural and long lasting.

Nevertheless, current forecasts assume that much of the recent increase in the participation rate is cyclical in nature and will partially diminish over the forecast horizon. It is possible, however, that this assumption of cyclicity is incorrect and a larger share of the recent increase in the participation rate is structural and therefore more persistent.

¹ VURMTAX is a dynamic computable general equilibrium model of Australia's six states and two territories, with each region modelled as an economy in its own right. See Adams, Philip, Dixon, Janine and Horridge, Mark (2015), 'The Victoria University Regional Model (VURM): Technical Documentation, Version 1.0', CoPS/IMPACT Working Paper Number G-254 for more detail on the model.

Chart F.1: The NSW equilibrium participation rate has shifted up since the 2016 IGR, with actuals continuing to exceed expectations



*Actual for 2018-19 is a year to date average.

^Driven by both changes in age composition (impacted by migration, births and deaths) and underlying participation rate trends by age & sex (structural trends).

Source: ABS 6202.0, 6291.0.55.001 and NSW Treasury

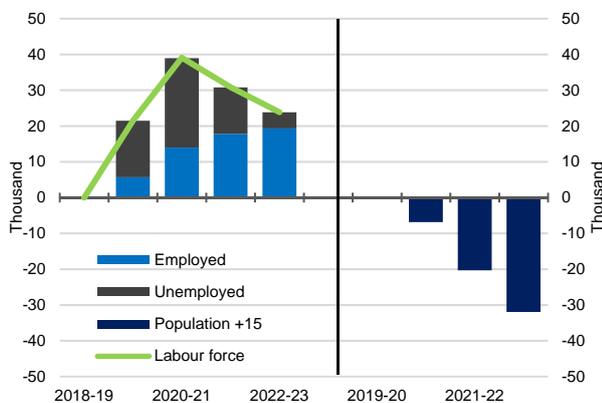
This scenario assumes that the participation rate holds up at around its current annual highs over the forecast period. This is comparable to the participation rate being 0.5 percentage points higher in the Budget year and 1.0 percentage point higher in each year thereafter. In this case, the shock to the participation rate is not the result of higher demand for workers and is treated as an exogenous increase in supply of additional workers. A demand driven shock, where workers have been encouraged to participate by businesses, would yield different results.

Macroeconomic impact over the Budget and forward estimates

The higher participation rate has the immediate effect of increasing the supply of labour within New South Wales. The increase in supply is accommodated by a rise in both New South Wales employment and a temporary rise in unemployment (see Chart F.2). Unemployment increases because the local economy is not able to fully absorb the additional workers until economic growth expands to meet this new supply of workers.

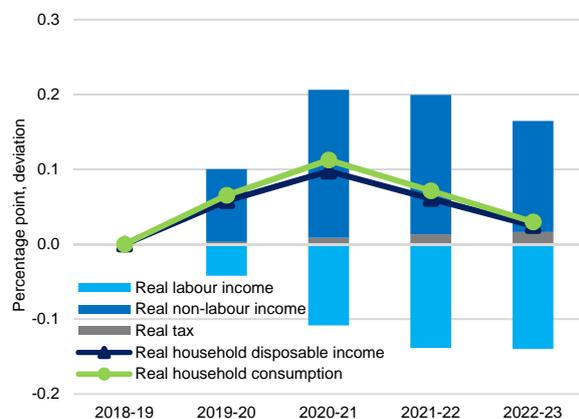
The higher local unemployment rate flows through to lower real wages growth in New South Wales relative to the rest of Australia. With more participants in the labour market, businesses have more applicants to choose from, allowing them to reduce wages relative to the base case. Lower wages make labour relatively cheaper for businesses and lifts employment and business profits.

Chart F.2: Higher participation rate lifts jobs and lowers population



Source: CoPS, Victoria University and NSW Treasury

Chart F.3: Household consumption lifts in line with higher real household income



Source: CoPS, Victoria University and NSW Treasury

In a delayed response to higher relative wages in the rest of Australia, New South Wales workers move interstate to chase higher relative wages. This increased outflow of population helps to reduce the local unemployment rate and soften the fall in wages within New South Wales. It is this rebalancing of the labour market that helps relative real wages return to the base line in the longer term. The stickiness of wages, makes this adjustment only gradual.

Overall, the impact on the NSW economy is positive, albeit with some short-term trade-offs. Higher employment and real household income results in increased household consumption (see Chart F.3). Additionally, higher business profits results in increased business investment. Ultimately, gross state product (GSP) is around a ¼ percentage point higher than under the baseline after four years (see Table F.1).

Table F.1: The effect of higher participation on major economic parameters

Financial year estimate ^(a)	2019-20	2020-21	2021-22	2022-23
State final demand	0.1	0.2	0.1	0.1
Gross state product	0.1	0.2	0.3	0.3
Employment	0.1	0.3	0.4	0.5
Unemployment rate	0.3	0.5	0.3	0.1
Consumer price index	0.0	(0.1)	(0.3)	(0.3)
Nominal wages	(0.2)	(0.7)	(0.9)	(1.0)
Working age population	0.0	(0.1)	(0.3)	(0.5)

(a) Figures reported are the per cent change in the level of each parameter relative to the baseline.

Source: CoPS, Victoria University and NSW Treasury

This scenario does not fully reflect actual outcomes over recent years because it is an entirely exogenous increase in supply, rather than a shock driven by a combination of higher demand and supply of workers. It does, however, help illuminate some of the short-run effects of the recent record high participation rate. It helps to explain the recent strength in employment, solid economic growth and some of the weakness in wages growth and inflation despite the very low local unemployment rate.

Revenue impact over the Budget and forward estimates

Under this scenario, overall tax revenues are largely unchanged after four years (see Table F.2). Higher household consumption in New South Wales and nationally raises the national GST pool, increasing NSW GST revenue. In contrast, payroll tax collections are marginally lower, with more modest nominal wages offsetting a higher level of employment. With a larger economy and lower wages, the economy has become more internationally competitive, lifting coal royalties slightly.

Table F.2: The effect of higher participation on major revenue parameters

Financial year estimate ^(a) (\$, million)	2019-20	2020-21	2021-22	2022-23
Payroll tax	(7)	(27)	(45)	(52)
Land tax	0	8	14	11
Transfer duty	7	14	11	9
Coal royalties	1	3	5	7
Other tax revenue	(1)	(7)	(17)	(22)
GST revenue	6	17	26	33
Total revenue	6	7	(5)	(14)

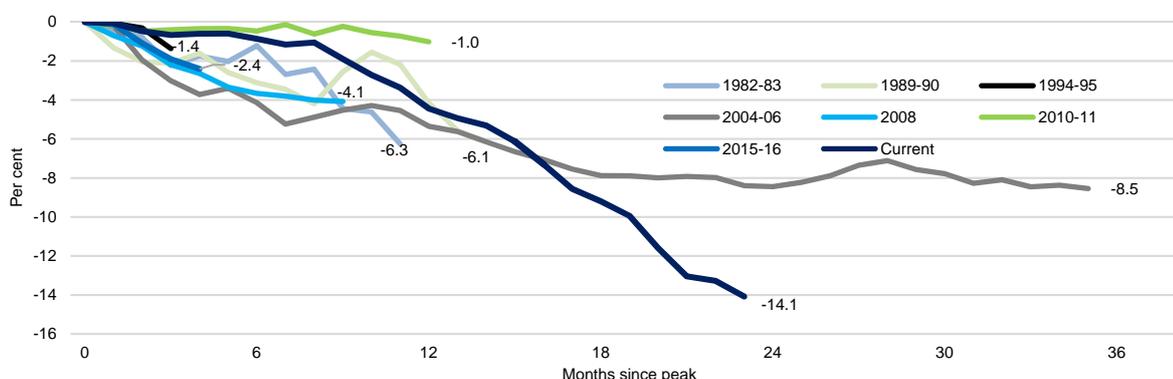
(a) Figures reported are the change in the level of each parameter relative to the baseline.

Source: CoPS, Victoria University and NSW Treasury

Lower New South Wales and national house prices

Following several years of strong growth, Sydney house prices have fallen dramatically from their peak in mid-2017. In May, Sydney’s median house price was down over 14 per cent from its peak, the largest nominal decline since the early 1980s (see Chart F.4). Both softer demand and increasing housing supply have led to the current price declines. Additional drivers have included tighter credit conditions, affordability challenges, low rental yields and reduced investor and owner occupier sentiment.

Chart F.4: The largest decline in Sydney house prices since the early 1980s*



* Stratified median sales price of houses, seasonally adjusted

Source: CoreLogic and NSW Treasury

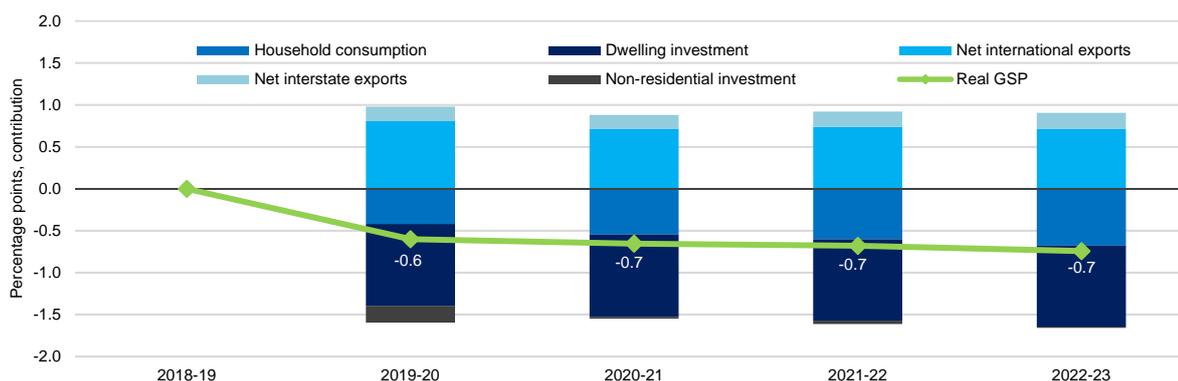
Current forecasts assume that house prices will stabilise from late-2019. This is consistent with improving auction clearance rates, lower interest rates and a gradual improvement in household income growth. There is the risk, however, that this does not eventuate, and house prices continue to decline. The weakness in housing finance commitments and rental price growth provide the strongest basis for this risk. Affordability also remains an issue. Despite the recent fall, house prices are still around 60 per cent higher than in late-2011, leaving house price to income ratios still stretched, suggesting further downside risk.

Hence, this scenario examines the impact of a further fall in house prices. In New South Wales, house prices are negatively shocked by 10 per cent, while the rest of Australia experiences a fall of 7 per cent, roughly matching relativities seen in the current downturn. The fall in house prices originates as a reduction in homebuyers demand for housing. Lower house prices result in lower conveyance duty, which partially offsets the effect of falling house prices on economic activity.

Macroeconomic impact over the Budget and forward estimates

The fall in house prices has a negative impact on the NSW economy (see Table F.3). GSP is about three-quarters of a percentage point lower after four years (see Chart F.5). This is the result of falls in dwelling investment and household consumption, slightly offset by improved international and interstate trade.

Chart F.5: Lower dwelling investment drives much of the decline in gross state product



Source: CoPS, Victoria University and NSW Treasury

Residential construction activity is most negatively affected by the shock to house prices. This fall in housing investment occurs because new residential construction projects have become less economical. Developers no longer receive a return on investment that compensates them for the risk, and the cost of construction hasn't fallen by the same degree.

The resulting fall in household consumption is consistent with less household income and a negative wealth effect. Lower economic activity reduces demand for employment, causing the unemployment rate to trend higher and wages to slow. Increased interstate migration outflows somewhat mute the decline in wages relative to the rest of Australia.

Partially offsetting these declines is an increased contribution from international and interstate trade. An increased contribution from international trade is the result of a lower Australian dollar, increasing international demand for exports and reduced domestic demand for more expensive imports. Interstate trade contributes more because the State's imports from the rest of the country decline, consistent with weaker local consumption.

Table F.3: The effect of lower house prices on major economic parameters

Financial year estimate ^(a)	2019-20	2020-21	2021-22	2022-23
State final demand	(1.6)	(1.6)	(1.7)	(1.7)
Gross state product	(0.6)	(0.7)	(0.7)	(0.7)
Employment	(0.7)	(0.6)	(0.6)	(0.5)
Unemployment rate	0.7	0.3	0.2	0.1
Consumer price index	(0.5)	(0.3)	(0.4)	(0.3)
Nominal wages	(0.6)	(0.7)	(1.0)	(1.1)
Working age population	0.0	(0.2)	(0.3)	(0.4)

(a) Figures reported are the per cent change in the level of each parameter relative to the baseline.

Source: CoPS, Victoria University and NSW Treasury

Revenue impact over the Budget and forward estimates

The softer economic outlook flows through to substantially lower tax collections (see Table F.4). Residential transfer duty collections fall sharply because property valuations collapse and the turnover of property declines. Payroll tax collections fall because employment and wages decline. GST receipts fall because national household consumption and dwelling investment is weaker. Along with this, the State's share of GST revenue also falls as the rest of Australia's population expands due to interstate migration. Offsetting lower revenues slightly is higher coal royalties in response to an improvement in international competitiveness, via a lower currency and wages.

Table F.4: The effect of lower house prices on major revenue parameters

Financial year estimate ^(a) (\$, million)	2019-20	2020-21	2021-22	2022-23
Payroll tax	(139)	(144)	(178)	(194)
Land tax	0	(87)	(121)	(145)
Transfer duty	(477)	(516)	(545)	(561)
Coal royalties	41	33	32	30
Other tax revenue	(80)	(73)	(91)	(96)
GST revenue	(345)	(364)	(382)	(403)
Total revenue	(1,001)	(1,151)	(1,285)	(1,370)

(a) Figures reported are the change in the level of each parameter relative to the baseline.

Source: CoPS, Victoria University and NSW Treasury

GLOSSARY

2019 Pre-election Budget Update	The Pre-election Budget Update was released by the Treasury Secretary on 5 March 2019. As required under the <i>Parliamentary Budget Officer Act 2010</i> , the Pre-election Budget Update provided an update to the State's economic and fiscal outlook following the release of the 2018-19 Half-Yearly Review.
ABS Government Finance Statistics GFS Manual (ABS GFS)	The ABS publication Australian System of Government Finance Statistics: Concepts, Sources and Methods as updated from time to time.
Appropriation	The authority given to Parliament for the expenditure of monies from the consolidated fund for the annual services of Government and the Legislature. This authority is given to Ministers by the annual Appropriation Act.
Budget result (net operating balance)	The budget result represents the difference between expenses and revenues from transactions for the general government sector. This measure is equivalent to the net operating balance adopted in accounting standard AASB 1049 <i>Whole-of-Government and General Government Sector Financial Reporting</i> .
Capital expenditure	This is expenditure relating to the acquisition or enhancement of property, plant and equipment (including land and buildings, plant and equipment and infrastructure systems) and intangibles (including computer software and easements). Capital expenditure also includes assets acquired using finance leases.
Capital grants	Amounts paid or received for capital purposes for which no economic benefits of equal value are receivable or payable in return.
Cash surplus/(deficit)	Net cash flows from operating activities plus net cash flows from acquisition and disposal of non-financial assets (less distributions paid for the public non-financial corporation (PNFC) and public financial corporation (PFC) sectors).
Classification of the functions of government – Australia (COFOG-A)	A system of classification for revenue, expenses, and transactions in non-financial assets, according to the primary purpose for the outlay (e.g. health, education, transport). This replaces the former government purpose classification (GPC) breakdown.
Contingent assets and liabilities	Possible future assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly in control of the State.
Cluster	NSW Government entities have been consolidated into clusters reflecting broad policy areas of Government. These clusters are not legal entities. They are administrative arrangements that bring together a group of different legal and administrative entities.
Cluster grants	This represents the appropriation passed on by the principal agencies to the other government agencies within the cluster to fund their services.
Comprehensive Result (Change in net worth)	Change in net worth (comprehensive result) is revenue from transactions less expenses from transactions plus other economic flows and measures the variation in a government's accumulated assets and liabilities.
Concessional charges	Concessional charges apply to goods and services provided by government agencies at a lower fee or charge to certain members of the community, compared to the wider population, to pursue an economic or social policy goal such as reducing the cost of living.
Consolidated Fund	The fund is established under s39 of the <i>Constitution Act 1902</i> which includes all public monies collected, received or held by any person for or on behalf of the State.
Crown Entity	Includes the Crown Finance Entity and the Consolidated Fund.

Crown Finance Entity	The Crown Finance Entity acts as the residual entity for NSW whole-of-government transactions that are not the responsibility of any other state public sector agency. Major assets reported by the Crown Finance Entity include investments for the NSW Infrastructure Future Fund and Social Affordable Housing Fund.
Current grants	Amounts paid or received for current purposes for which no economic benefits of equal value are receivable or payable in return.
Fiscal aggregates	These are analytical balances that are useful for macroeconomic purposes, including assessing the impact of a government and its sectors on the economy. AASB 1049 <i>Whole-of-Government and General Government Sector Financial Reporting</i> prescribes the net operating balance (budget result), net lending/borrowing (fiscal balance), change in net worth (comprehensive result), net debt, net worth, and cash surplus/(deficit).
Fiscal gap	The fiscal gap is the difference between the base period primary balance as a share of gross state product (GSP) and the primary balance as a share of GSP at the end of the projection period, on a no policy change basis. The primary balance is the gap between spending and revenue excluding interest transactions but including net capital expenditure. A positive gap implies that fiscal pressures will be building over the projection period.
<i>Fiscal Responsibility Act 2012 (FRA)</i>	The Act sets out both medium-term and long-term fiscal targets and principles providing a framework for budgeting in New South Wales.
Forward estimates	Refers to the period from 2020-21 to 2022-23.
General government sector (GGS)	This is an ABS classification of agencies that provide public services (such as health, education and police), or perform a regulatory function. General government agencies are funded in the main by taxation (directly or indirectly).
government / Government	'government' refers to the institution of government and is used as a pronoun in these budget papers (e.g. government department). The 'Government' refers to the present Government constituted by the Executive.
Government finance statistics (GFS)	A system of financial reporting developed by the International Monetary Fund and used by the Australian Bureau of Statistics to classify the financial transactions of governments and measure their impact on the rest of the economy.
<i>Government Sector Finance Act 2018</i>	The <i>Government Sector Finance Act 2018</i> creates the financial management framework for the government sector in New South Wales that promotes and supports sound financial management, budgeting, performance, financial risk management, transparency and accountability in the government sector. This Act will eventually replace four other Acts. <ul style="list-style-type: none"> • The GSF Act replaced the <i>Public Authorities (Financial Arrangements) Act 1987</i> from 1 December 2018. • The GSF Act is proposed to replace the <i>Annual Reports (Departments) Act 1985</i> and <i>Annual Reports (Statutory Bodies) Act 1984</i> from 1 July 2020. • The <i>Public Finance and Audit Act 1983</i> is proposed to be renamed the <i>Government Sector Audit Act 1983</i> from 1 July 2020 once all provisions other than those dealing with the Auditor-General, audit matters and the Public Accounts Committee have been omitted and replaced by the GSF Act.
Grants for on-passing	All grants paid to one institutional sector (for example, a state government) to be passed on to another institutional sector (for example, local government or a non-profit institution). For New South Wales, these primarily comprise grants from the Commonwealth Government to be on-passed to specified private schools, and to specified local government authorities.
Gross state product (GSP)	The total market value of final goods and services produced within a state.
Half-Yearly Review	Required under legislation, the Half-Yearly Review provides an update to the economic and financial assumptions released in the Budget.

Interest expense	Costs incurred in connection with the borrowing of funds. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of finance lease repayments, and amortisation of discounts or premiums in relation to borrowings. Where discounting is used, the carrying amount of a liability increases in each period to reflect the passage of time. This increase is also recognised as an interest expense.
Machinery of Government (MoG)	MoG changes vary in scope and can involve: the abolition or creation of new government entities; the merger or absorption of entities; and small or large transfers of policy, program or service delivery responsibilities to other entities.
National Agreement (please also see National Specific Purpose Payments)	National Agreements define the objectives, outcomes, outputs and performance indicators, and clarify the roles and responsibilities that guide the Commonwealth and the States in the delivery of services across a particular sector. The sectors include; Health, Education, Skills and Workforce, Disability and Indigenous.
National Partnership Payment (NPP)	A Commonwealth Government grant to States and Territories to support the delivery of specified outputs or projects, to facilitate reforms or to reward the delivery of nationally significant reforms. Each NPP is supported by a National Partnership Agreement which defines mutually agreed objectives, outputs and performance benchmarks.
National Specific Purpose Payments (SPP)	A Commonwealth Government grant made to the States and Territories under the associated National Agreement. These grants must be spent in the key service delivery sector (Health, Education, Skills and Workforce, Disability and Indigenous) for which it is provided. States are free to allocate the funds within that sector to achieve the mutually agreed objectives specified in the associated National Agreement.
Net acquisition of non-financial assets	This is purchases (or acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in inventories and other movements in non-financial assets. Purchases and sales (or net acquisitions) of non-financial assets generally include accrued expenses and payables for capital items. Other movement in non-financial assets include non-cash capital grant revenue/expenses such as developer contribution assets.
Net financial assets	See net financial worth.
Net debt	Net debt equals the sum of financial liabilities (deposits held, advances received, loans and other borrowings) less the sum of financial assets (cash and deposits, advances paid and investments, loans and placements).
Net financial liabilities (NFL)	This is the total liabilities less financial assets, other than equity in PNFCs and PFCs. It is a more accurate indicator than net debt of a jurisdiction's fiscal position. This is because it is a broader measure than net debt in that it includes significant liabilities other than borrowings (for example, accrued employee liabilities such as superannuation and long service leave entitlements). For the PNFC and PFC sectors, it is equal to negative net financial worth. For the general government sector NFL, excluding the net worth of other sectors results in a purer measure than net financial worth as, in general, the net worth of other sectors of government is backed up by physical assets.
Net financial worth	Net financial worth measures a government's net holdings of financial assets. It is calculated from the balance sheet as financial assets less liabilities. It is a broader measure than net debt, in that it incorporates provisions made (such as superannuation) as well as holdings of equity. It includes all classes of financial assets and liabilities, only some of which are included in net debt.
Net interest on the net defined benefit liability/asset	This is the change during the period to the net defined benefit liability/asset that arises from the passage of time.
Net lending/(borrowing)	This is the financing requirement of government, calculated as the net operating balance less the net acquisition of non-financial assets. It also equals transactions in financial assets less transactions in liabilities. A positive result reflects a net lending position and a negative result reflects a net borrowing position.
Net operating balance (budget result)	This is calculated as revenue from transactions less expenses from transactions.
Net worth	This is an economic measure of wealth and is equal to total assets less liabilities.

Nominal dollars/prices	This shows the dollars of the relevant period. No adjustment is made each time period for inflation.
Non-financial public sector (NFPS)	This is a sub-sector formed by the consolidation of the general government sector and public non-financial corporations (PNFC) sector.
Operating Result	This is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner movements in equity'.
Other economic flows	These are the changes in the volume or value of an asset or liability that do not result from transactions (that is, revaluations and other changes in the volume of assets).
Outcome indicator	Measures the effectiveness and performance of the government in achieving specific State Outcomes.
Payables	A liability that includes short and long-term trade creditors, and accounts payable.
Program group	A group of aligned activities aimed at delivering an agreed State Outcome. These activities may be performed by more than one agency.
<i>Public Finance and Audit Act 1983</i>	An Act to make provision with respect to the administration and audit of public finances and for other purposes. From 1 July 2020, the <i>Public Finance and Audit Act 1983</i> will be renamed the <i>Government Sector Audit Act 1983</i> , with the elements relating to the financial matters of the State replaced by the <i>Government Sector Finance Act 2018</i> .
Public Private Partnerships (PPP)	The creation of an infrastructure asset through private sector financing and private ownership for a concession period (usually long term). The Government may contribute to the project by providing land or capital works, through risk sharing, revenue diversion or purchase of the agreed services.
Public financial corporations (PFC)	An ABS classification of agencies that have one, or more, of the following functions: <ul style="list-style-type: none"> • that of a central bank • the acceptance of demand, time or savings deposits or • the authority to incur liabilities and acquire financial assets in the market on their own account.
Public non-financial corporations (PNFC)	Government controlled agencies where user charges represent a significant proportion of revenue and the agencies operate within a broadly commercial orientation.
Receivables	An asset that includes short and long-term trade debtors, accounts receivable and interest accrued.
Recurrent expenditure	* see Total expenses
Restart NSW	A fund established by the NSW Government in 2011. Funds deposited into Restart NSW come from asset recycling transactions, Commonwealth Government asset recycling initiative payments, proceeds from Waratah Bonds, windfall tax revenue and investment earnings.
Services	These are the 'end products' or direct services that are delivered to clients or recipients, the broader community or another government agency. They are expected to contribute to Government priorities.
Social Impact Investments (SII)	Social impact investments aim to achieve social returns as well as financial returns, with measurement of both. For government, partnering in such transactions is a way of harnessing capital and expertise from across public, private and not-for-profit sectors in order to tackle social challenges.
Special deposit account	A Special deposits account is to consists of: <ol style="list-style-type: none"> (a) all accounts of money that the Treasurer is, under statutory authority, required to hold otherwise than for or on account of the Consolidated Fund, and (b) all accounts of money that are directed or authorised to be paid to the special deposits account by or under legislation.

State Owned Corporation (SOC)	Government entities (mostly PNFCs) which have been established with a governance structure mirroring as far as possible that of a publicly listed company. NSW state owned corporations are scheduled under the <i>State Owned Corporations Act 1989</i> (Schedule 5).
State Outcomes	The outcomes which the government is seeking to achieve for the people of New South Wales.
Superannuation interest cost	This is the net interest on the net defined benefit liability/asset determined by multiplying the net defined benefit liability/asset by the discount rate (government bond rate).
Other superannuation expense	This includes all superannuation expenses from transactions except superannuation interest cost. It generally includes all employer contributions to accumulation schemes and the current service cost, which is the increase in defined benefit entitlements associated with the employment services provided by employees in the current period. Superannuation actuarial gains/losses are excluded as they are disclosed as an other economic flow.
Surplus/deficit (net result)	In Budget Paper No.3 <i>Budget Estimates</i> this is the agency accounting result which corresponds to profit or loss in private sector financial reports. It equals the net cost of services adjusted for government contributions. This is not the same as the budget result or the GFS cash surplus/(deficit).
Tax expenditure	Measures the additional tax that would have been payable if standard (or benchmark) tax rates had been applied to all taxpayers. Expenditures can include specific exemptions, reduced tax rates, allowances, deductions and deferral of tax liabilities. Equivalent amounts may be paid as rebates.
Total expenses	The total amount of expenses incurred in the provision of goods and services, regardless of whether a cash payment is made to meet the expense in the same year. It does not include expenditure on the purchase of assets. It also excludes losses, which are classified as other economic flows.
Total revenues	This is the total amount of revenue due by way of taxation, Commonwealth Government grants and from other sources (excluding asset sales) regardless of whether a cash payment is received. It excludes gains, which are classified as other economic flows.
Total state sector	This represents all agencies and corporations owned and controlled by the NSW Government. It comprises the general government, public non-financial corporations and public financial corporations.
Uniform Presentation Framework (UPF)	The uniform presentation framework provides uniformity in presentation of financial information so that users of the information can make valid comparisons between jurisdictions. A new framework was introduced in February 2019 which aligns the UPF with the ABS GFS Manual updates.

* terms used when referring to the Restart NSW and Rebuilding NSW programs

To gain a better understanding of the terminology and key aggregates used in these budget papers, a glossary of terms can be found in Note 37 of the Report on State Finances 2017-18.

Budget Speech

2019-20



Circulated by The Hon. Dominic Perrottet MP, Treasurer

New South Wales

2019-20 Budget Speech

Delivered on 18 June 2019 by
The Hon. Dominic Perrottet MP, Treasurer

BUILDING A BETTER NEW SOUTH WALES

Introduction

Just over a month ago, North West Metro opened to the public for the very first time.

An eight year dream realised - with time and money to spare.

Over a million people have already boarded these new trains.

The nation's first driverless Metro, right here in New South Wales.

The first step in a game changing network that will forever alter the landscape of our city and our State.

Saving people time.

Connecting our communities.

Growing our economy.

But North West Metro is more than just a project.

It is a monument to the difference between spin and substance.

First promised by those opposite 34 years ago - and cancelled 4 times.

Promised once by our government - and delivered - on time and under budget.

Our bold decisions have unleashed a mega building program on a scale never before seen in the history of our nation.

And North West Metro is just one of many dividends the people of New South Wales will now receive for placing their trust in us.

The Newcastle Light Rail is running.

Western Sydney Stadium has opened.

The new WestConnex M4 Tunnel is about to.

The CBD Light Rail

NorthConnex

And the WestConnex New M5 Tunnel.

This is just the first wave of projects that will breathe new life into our State.

After these open, along will come the second:

A new Football Stadium

Walsh Bay Arts Precinct

The Australian Museum

A redeveloped Barangaroo

The Princes Highway to the south

And the Pacific Highway to the north

Then even more will come online:

Sydney Gateway

The M4-M5 Link Tunnels

Precincts in Ultimo & Redfern

The Rozelle Interchange

A Powerhouse Museum in Western Sydney

Parramatta Light Rail

And after these, still more:

The F6

The Sydney Modern Art Gallery

Sydney Metro City & South West

A renovated Central Station

The Western Harbour Tunnel

The Great Western Highway

The M12 Motorway

Sydney Metro West

North South Metro Rail Link

And the brand new Western Sydney Aerotropolis.

Wave after wave of projects, forever transforming New South Wales.

We're launching the biggest school building program since Federation.

190 projects - in every corner of the State:

Bungendore to Bangalow, Milton to Merrylands, Penshurst to Picton.

And a hospital building blitz that has never been seen before:

Liverpool to Lismore, Coffs Harbour to Campbelltown, Gosford to Goulburn

Bankstown to Blacktown, St George to Shoalhaven, Randwick to Ryde.

We have taken windfall revenues and lazy assets and are transforming them into bricks, mortar, concrete and steel.

Roads, rail, metros and motorways.

Schools, hospitals, museums and stadiums.

Every project we build standing in silent testimony to which party is on the right side of history.

And we are not even halfway through our ambitious agenda for New South Wales.

Our infrastructure investment is now approaching **\$100 billion**.

A new golden century for New South Wales.

The compound effect of vision, passion and determination.

The Liberals and Nationals are not content to simply sit here as passive custodians of the status quo.

We are relentlessly ambitious for the people of our State.

We share their big dreams and their drive to achieve them.

And together we forge ahead, pioneers in prosperity, so our people are free to achieve.

Even as we sit here today, our machines are grinding away, carving another crossing under the most famous harbour in the world.

A crossing that will one day be used by our children and grandchildren.

Just as we stand on the shoulders of those who have come before us - we are building a better future for those who will come after us.

Most good governments have their legacies written long after they are gone.

But our legacy is appearing before our very eyes.

In March, the people of New South Wales made a choice.

A choice that also echoed around the nation just a few weeks ago.

To put their faith in a Premier and a party that will always put them first.

The party that knows you don't need to pull someone else down to lift yourself up.

The party of Menzies' forgotten Australians.

This last election was a referendum on values and ambition.

And the people always get it right.

We thank them for the trust they have placed in us.

And now we are getting straight to work, getting the job done for New South Wales.

Economic Context

In 2011, we faced significant challenges.

A slower economy, higher unemployment and ageing infrastructure.

Our response was to dare to do things differently.

Our record construction program isn't just the foundation of our future.

It's been a pillar of our economy too.

In recent years, New South Wales has been leading the pack, powering the nation.

Almost half a million jobs have been added in just 4 years.
This year unemployment fell to its lowest rate since records began.
And regional New South Wales added more jobs than every other region combined.
Workforce participation is at record highs.
Youth unemployment fell to record lows.
And it's working women driving our State forward.
Our exceptional strength has seen us outperform.
Growing above trend.
Recording the fastest per capita growth of any state.
Contributing the lion's share of national prosperity.
Adding record numbers of jobs.
And attracting increased levels of business investment.
But today we face a new set of challenges.
The global economic outlook is weaker than it was 12 months ago.
Our farmers are battling what some are calling the worst drought in living memory.
Our housing market has undergone the biggest downturn in four decades.
And with wage growth still slow, homeowners are cautious with their spending.
But just as we overcame the challenges of the past - so too will we overcome these new challenges.
While our growth is forecast to be slower,
It is strong for this point in the economic cycle - a testament to the resilience and flexibility of our economy and the working men and women of our State.
We enter the future equipped with the tools that will see us return to trend growth:
Strong labour market conditions
Recent policy stimulus
A solid export sector
And our record construction program, the cornerstone of our economy.

Budget Result

While we are optimistic, the current economic headwinds have fiscal consequences too.
The soft housing market has wiped **\$10.6 billion** in forecast stamp duty from the Budget since 2017.
The federal budget in April cut a further **\$2.3 billion** in GST receipts as consumers tighten their belts.
These drastic fluctuations are a fact of life in our federal system.
And a weak and fragile budget would buckle under the strain.

But I am pleased to inform the House - despite the largest revenue write downs in our history - Fortress New South Wales is standing strong.

Today I can announce a projected operating surplus for 2018-19 of **\$802 million**, and average surpluses of **\$1.7 billion** each year to 2023.

Net debt is again negative - for the fourth year in a row.

Our net debt to GSP - the lowest of any mainland state.

And our Triple-A rating is once again secured.

Our wealth is also growing - a shared prosperity in which we all have a stake.

Our net worth will surpass **\$310 billion** by 2023, fast approaching a third of a trillion dollars.

That's because we've swapped old assets for new ones - and are building like never before.

Our collective wealth is now invested in outstanding schools, world class hospitals, exceptional sporting facilities and state-of-the-art transport.

Savings

One of the hallmarks of our government has been running a public service that is focused on the needs of our citizens.

That means a bigger, better frontline.

And a leaner, more agile back-office.

This Budget continues that journey, reflecting changes to the public service announced in April.

This means 10 departments will be reduced to 8.

While our frontline is again boosted, we will drive more efficiencies in our back-office and contingent labour expenses across government.

We will also reduce spending on consultants and contractors, abolish bonuses for the highest paid department executives and bring long-service leave benefits into line with community standards.

Strong Financial Management

While we have tightened our own belts, other states have gone down a different path - cutting wages for their workers and increasing taxes on their people.

These short-term measures may help plug holes in their budgets - but they cause long-term harm to their economies.

As Liberals and Nationals, we believe as Menzies did, that people should be free to flourish.

That means less government, not more.

And lower taxes, not higher ones.

Over the last four budgets the Coalition has cut nearly **\$5 billion** in taxes to grow our economy.

So businesses can invest.

Families can get into their first homes.

And small business can hire more people.

Like Steven Benham from Wilkins Windows.

Because of our payroll tax cuts, he's now able to take on an extra apprentice.

16 year old Chloe Wykes, who's studying joinery using one of our new fee free apprenticeships at TAFE.

A win for business.

A win for the economy.

And a win for a young woman with the chance to now pursue her dream career.

On this side of the House, we believe that you cannot tax your way to prosperity.

Reducing wages and raising taxes should be levers of last resort - not default options of first opportunity.

That's why I'm proud to say our Budget today will not introduce a single new tax.

Instead it continues to fund:

Stamp duty cuts to help first home buyers

Indexing stamp duty to make housing more affordable for the next generation

And further payroll tax cuts to drive investment and boost small business as the threshold lifts to **\$900,000**.

We're also using our Budget to deliver for families and lower the cost of living:

- A second Active Kids voucher
- Creative Kids vouchers
- Baby Bundles
- Free Dental checks for Kids
- Reductions in early childhood education costs
- Fee Free Apprenticeships
- TAFE and VET places
- Motor Registration relief for toll users
- Weekly \$50 Opal caps
- Energy rebates for self-funded retirees
- Regional Travel Cards for Seniors
- Caravan registration discounts for grey nomads
- And expanding the Energy Switch Program to help lower gas bills.

That takes the total amount we have returned to the people of New South Wales in cost of living support in the last two budgets alone to over **\$2 billion**.

Drought

With drought now affecting close to 100% of our State - our farming, rural and remote communities are being put to the ultimate test.

Water is scarce.

Times are tough.

And people are hurting.

The late Les Murray once claimed - farmers have few friends in Australia's towns and cities.

But to each and every farmer across our State, I say: all of New South Wales stands with you.

We can't control the rain - but we can control what we do about it.

This is a Budget for the bush with farmers at its heart.

It delivers critical relief to the most drought-affected communities of New South Wales, taking our total support package to over **\$1.8 billion**.

More transport subsidies for stock, fodder and water.

Further funds for emergency water supplies.

And waiving charges for water licenses, interest on drought loans and local land service rates.

We know when people on the land aren't doing well, it doesn't just affect them.

It also hurts towns and local economies.

So we're fast tracking local infrastructure projects with another **\$170 million** investment, to keep people employed and families in towns.

Our regional, rural and remote communities are resilient.

And they will get through this time.

But we can't just wait for a crisis in order to act.

As one farmer I met in Bourke said, "Every day, we're one day closer to when the rain comes. But we're also one day closer to when the next drought hits."

This Budget doesn't just provide short-term relief for the current crisis - but also long-term solutions for the future.

We're using the proceeds from the greatest water project in our history - Snowy Hydro - to deliver water security for the regional communities of the future.

We'll look at raising the Wyangala Dam wall

And delivering the pipeline from Lostock Dam to Glennies Creek.

Fast-tracking new regional water strategies

And investing more for bores and drains in the Great Artesian Basin.

The total funding for water security projects in this Budget comes to **\$1.4 billion**.

These decisions we make today will help protect and future proof our regions tomorrow.

Election Commitments

This is a Budget that gets it done.

It funds our election commitments - just as we promised.

And it makes record investments in the things that matter.

World class services

It boosts our frontline workers yet again.

4,600 teachers.

5,000 nurses and midwives.

3,300 more health professionals.

And **1,500** more police.

The education measures we are launching today represent the biggest ever New South Wales education budget.

Fully meeting our Gonski commitments

Putting mental health counsellors in high schools

Offering before and after school care for every primary school student in New South Wales

Rolling out free mobile dental checks for primary school kids from July 1

Record funding for non-government schools

Wiping the maintenance backlog to zero

Air-conditioning **over 900** schools

And investing a record **\$6.7 billion** to build and upgrade **190** schools.

Our health system will be boosted to fast-track an additional **8,000** paediatric operations and **10,000** cataract surgeries.

That means more staff and less pressure on wait times, and quality care when you need it.

And I can announce today, for the first time ever, our health infrastructure budget hits the **\$10 billion** mark, with new facilities planned for every corner of the State.

We'll combat crime with new police stations in Bega, Goulburn and Jindabyne

Major upgrades at Bathurst and Bourke

And a new state-of-the-art training facility in Dubbo.

We'll build 10 Service NSW centres

And put four Service NSW buses on the roads in the regions.

World class infrastructure

Our transport system continues to grow, with another 17 new air-conditioned Waratah trains

More express services to Western Sydney

And congestion easing measures like smart traffic lights, pinch point upgrades and smart motorways.

We'll duplicate Nelson Bay Road

And duplicate the Great Western Highway from Katoomba to Lithgow.

We're fast-tracking Sydney Metro West to start construction next year

And we'll build the North-South Metro Rail Link - getting ready for our new airport.

Regional Investment

In our regions we'll deliver **\$500 million** to repair local roads

And another **\$500 million** to fix country bridges.

We'll eliminate blackspots - and build new data centres.

Across our regions, we're delivering thousands of small investments making a big difference to regional communities.

The Environment

Our environment wins with a new national park in south-west Sydney - to protect precious koala habitats.

We will invest **\$150 million** for new and improved public parklands

Upgrade fire trails and National Park walking tracks

And give more households the choice of cheap, clean energy - with no-interest loans for solar panels and batteries.

Digital New South Wales

We'll continue to make people's lives easier with a focus on digital government.

Victoria has copied our Service NSW approach - and now the Commonwealth too is jumping on board - with the originally named "Service Australia".

But we're going to take things to the next level.

This Budget provides seed funding of **\$100 million** to establish the Digital Restart Fund

To drive digital transformation across the whole of government.

And after successful trials in key locations – New South Wales drivers will be the first in the country to have the choice of a digital driver's licence from August this year.

Jobs for the future

At the heart of this Budget are policies that grow jobs.

We believe, as Reagan did, that work and family are at the centre of our lives, the foundation of our dignity as a free people.

That's why it's important to us that there is work for those who want it - and a fair reward for those who work.

A few weeks ago I was out in Cobar, the red heart of New South Wales.

One in three people there work the mines.

Plenty more earn their living from the people mining brings in.

People like Neal Valk who's here in the gallery today - and who has worked mines up and down the country.

He knows, as we do, just how much we depend on our miners for their contribution to our economy.

And just how much they depend on us, to do the right thing by them, with policies that help, rather than hurt.

Unlike others, who seek to play politics with their lives and livelihoods

On this side of the House, we are proud to stand in solidarity with the blue collar workers of our State.

And our commitment to them is to always put them first.

We are also helping create the jobs of tomorrow.

In 2015 we promised an additional **150,000** jobs by this year.

Instead, we have delivered more than triple that number.

This year, we committed to an even more ambitious target of **250,000** jobs by 2023.

And we intend on achieving that too.

To help skill our workforce, this Budget funds **100,000** fee free TAFE and VET courses.

Including **30,000** for mature-aged workers.

We'll build a new state-of-the-art Western Sydney Construction Hub.

Eight new TAFE Connected Learning Centres for our regions.

And invest in training and mentoring for women who want to get into the workforce.

We'll also develop four new major employment precincts to add to the six already underway.

Our policies are working - and so too are hundreds of thousands more men and women across the State.

Helping the most vulnerable

One of the benefits of running strong budgets is our ability to help people who need it most.

We are using our financial might to help those who have slipped through the cracks.

Our previous two budgets have:

Rolled out palliative care programs

Helped injured workers recover faster

Increased funding for children at risk

Delivered initiatives to increase adoption rates

Helped indigenous boys complete their education

Supported drug addicts with a second chance

Increased funding for domestic violence initiatives

And allocated money to reduce homelessness.

Today this Budget continues our targeted investments, giving the most vulnerable among us support and care:

A new Ageing and Disability Commissioner - to stand up for those most at risk

Increased assistance to Lifeline and Kids Helpline, meaning they can answer thousands more calls per year

And a new investment in cutting edge spinal research - to one day help people who were told they would never walk, take their first steps.

As conservatives, we are champions of hope and opportunity.

We know part of building a better future is helping people build better lives.

And we do this by finding new ways to solve old problems.

Our social impact investments are bearing fruits, delivering **\$220 million** in outcomes contracts so far, supporting programs which enable at-risk children to have a safe and stable home.

This Budget continues to tackle indigenous disadvantage with **\$55 million** in funding to upgrade local infrastructure and establish new opportunities to get ahead - through the Roads to Home program.

We're also proud to partner with Foodbank, with **\$8 million** in funding over the next four years, to provide breakfast at an additional **500** schools across this State.

I want to thank parents like Sam Hyratt and Amanda Mataele, here today, who volunteer at the Breakfast Club to make sure students at Campbellfield Public School start the day with a full meal, ready to learn.

They rise early, day in day out, to make sure no child is left behind.

Their reward is not financial, but it is invaluable - witnessing the bonds of their community grow ever stronger, and knowing that so many kids will feel better and achieve more - because they've been fed and nurtured all before the school bell rings to start the day.

I also want to acknowledge the former Labor leader - Mr John Robertson - for his advocacy - in making this possible.

Setting up for success

Good governments don't plan according to electoral cycles.

They plan for the future they know is coming.

Our economic landscape is rapidly shifting.

Productivity growth has slowed.

Our population is ageing.

Automation and artificial intelligence will soon touch the working lives of millions of our people.

And a booming middle class in Asia will open massive new markets and new opportunities.

We must act now to overcome these challenges - and make the most of what lies ahead.

This Budget puts in place four pillars of prosperity - to set our State up for future success.

Economic Blueprint

The first pillar is a vision and a plan - to take our economy to the next level.

We take pride in our place as Australia's leading economy.

But the race that matters is a race against time - to secure our strength today and tomorrow.

By the end of this year the Chief Economist will formally release the New South Wales Economic Blueprint.

It will identify the industries and markets where our future prosperity lies.

And help us to be ready for new opportunities yet to emerge.

Generations Fund

The second pillar is sustainable debt - and a commitment to intergenerational equity.

The **\$3 billion** Generations Fund - launched last year - has already grown to **\$10.8 billion**, thanks to new contributions and strong returns.

By 2030, it's expected to reach **\$28 billion** - a balance sheet buffer to keep our debt sustainable and support our Triple-A rating.

Federal Financial Relations

The third pillar is making the case for a better Federation.

In our three-tier federal system - financial relations are a mess.

The people of New South Wales contribute the most in GST and income tax - yet have to sit and watch as it's doled out to other states with no benefit for themselves.

We rely on the Commonwealth for a substantial part of our funding - but have little control over where it is spent.

When GST receipts fall - we find out at the last minute.

And the complicated tangle of financial arrangements makes it harder for states to plan.

Under the current system, states that perform well are penalised.

Reforming states end up subsidising those that don't.

States that do nothing to strengthen their economies - reap windfall gains from other states that do.

This is not a system that's fit for purpose.

And New South Wales can no longer wait for others to act.

Just like we took the lead in establishing the national Board of Treasurers.

Today I announce we will again take the lead - launching a comprehensive review of Federal-Financial Relations from a New South Wales perspective.

The review will be conducted by a panel of eminent experts.

They will be charged with finding ways to give states that embrace reform - more autonomy and more flexibility - making dynamic federalism a reality.

They will develop practical options for state reform on how to best encourage investment and growth in the State's economy.

Above all the panel will be guided by core Liberal principles - lower, simpler, fairer and more sustainable taxes for the people of New South Wales.

Outcomes

The final pillar is more efficient government spending - as we move to the next phase of outcome budgeting.

No state has been more committed to implementing the Gonski principles than New South Wales.

This has seen record real increases in our education budget.

But we need to ensure this is matched by a corresponding increase in education outcomes.

We want our kids not just to be the best funded, but the best educated.

Education will be the first department shifting to a focus on outcomes.

Over the coming 12 months each cluster will produce an Outcome and Business Plan - showing how the taxpayer money it spends will achieve concrete outcomes - and if something's not working - how they will fix it.

Conclusion

Over our last two terms we have developed sources of enduring wealth for our State.

A strong economy with quality jobs.

Record investments in the services that matter.

The largest construction program in our State's history.

Tax cuts and cost of living support.

Negative net debt and growing net worth.

And a sovereign wealth fund that will deliver dividends for future generations.

We now promise to maintain the momentum that has made New South Wales number one.

And with this Budget we are getting it done.

The best education for your children - in state-of-the-art schools

World-class healthcare in world-class hospitals.

Metro lines and better roads to get you home faster to the ones you love.

And more help for those doing it tough.

This is a Budget that revs up our regions and supercharges our cities.

That supports people-powered businesses creating millions of jobs.

A Budget of delivery kicking off a term of delivery.

I commend it to the House.





**GETTING
it DONE**

NSW Treasury

52 Martin Place, Sydney NSW 2000

**www.budget.nsw.gov.au
www.treasury.nsw.gov.au**

NSW Budget 2019-20 publications include:

Budget paper no. 1 Budget Statement
Budget paper no. 2 Infrastructure Statement
Budget paper no. 3 Budget Estimates
Budget paper no. 4 Appropriation Bills
Election Commitments
NSW Regions + Western Sydney
Speech

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TREASURER'S MESSAGE

From the dusty plains of Broken Hill to the shorelines of Tweed Heads; from the paddocks of Tumbarumba to the mining towns of the Hunter and the Illawarra, regional New South Wales showcases the diverse wonders and dynamic communities that define our great State.

For many regional areas, the last 12 months have presented major challenges, as the ongoing drought continues. Despite this, regional New South Wales has shown extraordinary resilience and great economic strength, adding around 95,000 new jobs since 2015 — more than three times our target.

This is a Budget for the bush with farmers at its heart and ensures our regions will continue to grow well, with great infrastructure and world class services.

A drought relief package of \$1.8 billion will help our farming communities endure the present challenges and build resilience for the future. We are investing to improve long-term regional water security, harnessing the \$4.2 billion Snowy Hydro Legacy Fund to explore the delivery of a new pipeline from Lostock Dam to Glennies Creek.

Our record \$93 billion infrastructure program will deliver upgraded hospitals and healthcare facilities in our regions, supported by an unprecedented boost in frontline services. Of the record 5,000 extra nurses and midwives to be employed over the next four years, 45% will be in the regions.

Travel will be faster, safer and cheaper, with a new \$250 Regional Seniors Transport Card, savings for inter-city commuters with our \$50 weekly Opal cap, and a new \$1.7 billion intercity fleet.

We're investing \$1.2 billion to upgrade regional roads and making long distance road journeys faster and safer, while a \$400 million investment will support new mobile towers to eliminate blackspots, new data centres and fast, reliable internet connections in the bush.

Our \$100 million Regional Cultural Fund continues to enrich country communities and our payroll tax cuts will give regional businesses more freedom to employ more local workers.

We're building eight new TAFE Connected Learning Centres to create new opportunities for young and old alike.

And four new Service NSW buses will bring our well-renowned one-stop-shop services to 150,000 more people in regional and remote New South Wales.

Moving closer to our state's capital, this budget also brings unprecedented investment to secure a brighter future for our emerging metropolitan regions in Western Sydney.

The new Western Sydney Airport will be a thriving centre for 200,000 jobs, new industries and new communities. We're planning the road and rail connections now so they are ready when the first flights take off — including the North-South Metro rail link from St Marys to Badgerys Creek.

A new Western Sydney Construction Hub will be a centre for skills and learning, a TAFE "super campus" — focused on construction and trades to create the workforce that will build our future.

We're creating more green and open spaces, with the new Billabong Parklands in Campbelltown, three new sport and recreation facilities in Camden, upgrading facilities at our national parks so more people can enjoy them. Also we will deliver the state-of-the-art Powerhouse Museum Western Sydney deserves.

Major new road and rail projects will fill in the missing links in Western Sydney's transport network. For the first time WestConnex is fully funded, we're progressing the Parramatta Light Rail and there's funding to start building Sydney Metro West next year. Seventeen new Waratah trains will deliver more express services to commuters in our west and we're getting rid of bottlenecks and clearing road congestion.

The 2019-20 New South Wales Budget is a budget of delivery for every community in the Premier State, from the city to the bush. It's our plan to deliver on our promises, and keep making our state a better place to live, work, run a business and raise a family, no matter where you are in New South Wales.



Dominic Perrottet
NSW Treasurer



TWEED VALLEY, MURWILLUMBAH

Photo credit: Trevor Worden / Destination NSW

SUPPORTING *our Regions*

The 2019-20 New South Wales Budget demonstrates the Government's continued commitment to supporting the growth of our strong regions and emerging metropolitan areas and its focus on delivering outcomes for New South Wales citizens now and into the future.

The Government is working to ensure that its approach to planning, infrastructure development and liveability supports a vibrant, sustainable and resilient State. Supporting key projects across the regions and Western Sydney will be a key focus for the Government in 2019-20.

For example, the development of Western Sydney — consisting of the Central River and Western Parkland cities — will provide a foundation for innovation and new jobs in the future.

Across regional New South Wales and emerging metropolitan areas, the Government's continued investment will:

- support a targeted approach to drought resilience and future preparedness
- improve road and transport connections across all regions
- provide the health, education, police, and emergency services infrastructure necessary for our growing and aging population
- protect and improve the environment and local character of our regional communities
- enable the new Western Sydney Airport to boost growth and create new employment in Western Sydney.

Some of the Government's key investments in the regions and Western Sydney for the 2019-20 New South Wales Budget are highlighted in this document.

FOSTERING ECONOMIC GROWTH AND PROSPERITY

To support thriving regions.

- More than **\$1.8 billion** in drought assistance, comprising both direct funding support and additional funding for both state and local infrastructure, including:
 - **\$350 million** added to the Farm Innovation Fund to support low interest loans and capital improvements to build drought resilience and preparedness, bringing the total available in the fund to \$1 billion.

- **\$185 million** to continue existing drought assistance programs, including:

- **\$70 million** in transport rebates for fodder, stock and water
- **\$50 million** for one-year relief from Local Land Services Annual Rates
- **\$30 million** to waive fixed charges for water licence holders
- **\$15 million** to provide emergency water carting to secure town water supplies, as part of the Government's drought assistance program
- **\$10 million** in Farm Innovation Fund loan interest relief.

- **\$170 million** reserved for a special purpose Drought Infrastructure Package to fast track critical water and infrastructure projects, including new groundwater supply at Dubbo, augmenting supply to Coonabarabran and construction of new supply at Nyngan.

- **\$8.3 million** to improve access to and delivery of mental health services in rural and remote communities.

- **\$5.2 million** in funding to support preschool children and their families facing hardship because of the drought.

- **\$314.7 million** in Restart funding over four years for over 120 regional water infrastructure projects is underway.

- **\$527.1 million** allocation to improve regional communities' access to dependable, clean and safe water supplies and sewerage services.

- Keepit Dam upgrade (**\$113.1 million** estimated total cost).

- **\$1.5 million** of State contribution in 2019-20 (\$13 million over four years) to rehabilitate high priority free flowing bores and drains in the Great Artesian Basin to enhance reliability of water supply to reduce the impact of drought.

- **\$2.6 million** in 2019-20 towards water reform in the Murray Darling Basin.

\$1.7
BILLION
*Regional
Growth Fund*

\$1.8
BILLION
*drought
assistance*



TOBRUK SHEEP STATION, MAROOTA, HAWKESBURY REGION

Photo credit: Jem Cresswell / Destination NSW

SUPPORTING *our Regions cont.*

- Investment in essential infrastructure to strengthen communities, through the **\$1.7 billion** Regional Growth Fund, to improve local facilities and grow local economies in regional New South Wales. Over **\$1 billion** has already been committed to more than 1,350 projects over the past two years. In 2019-20, the fund will continue to focus on regional New South Wales, with more infrastructure projects already in the pipeline.
- New funding of **\$113 million** in 2019-20 from the Snowy Hydro Legacy Fund to be spent on priority areas including:
 - \$90 million** (\$400 million over four years) for the Regional Digital Connectivity Program, providing mobile black spot towers and data centres to improve internet connectivity, speeds and reliability in regional New South Wales
 - \$20 million** in 2019-20 to continue to investigate and plan for future Special Activation Precincts
 - \$3 million** in 2019-20 to progress sites identified in the International Air Freight Pre-Feasibility Study to improve connectivity in regional New South Wales.
- In addition, the Government will also spend **\$32 million** over three years to investigate the augmentation of the Wyangala Dam, as part of a \$650 million commitment, with environmental and economic studies to commence this year.

- \$22.9 million** in 2019-20 as part of a \$50 million investment to upgrade food and fibre research stations across our regions, including Port Stephens, Cowra, Tamworth, Orange, Wagga and Trangie, ensuring our agricultural industries are best-placed to remain productive and competitive.

BOOSTING JOBS AND SKILLS

Leveraging the jobs boom while delivering infrastructure for the future and arming our people with the right skills to meet the needs of our growing economy.

- \$61.7 million** over four years to construct eight new TAFE Connected Learning Centres in rural and regional locations, including at Byron Bay, Nelson Bay, Bateman's Bay, Jindabyne, Nambucca Heads, Hay, Cobar and West Wyalong.
- \$57.1 million** (from 2020-21 to 2022-23) to establish a pilot program for two senior secondary vocational schools in Western Sydney and the North Coast.

BUILDING FOR THE FUTURE

Delivering the infrastructure required to support our growing population.

- Continued investment in New South Wales hospitals, with new and enhanced builds planned across many regions including the John Hunter Hospital, Tumut Hospital, Griffith Hospital and Goulburn Hospital.

- Unprecedented spending on school infrastructure across the regions to build new schools, update school facilities, and provide accessible modern facilities.
- \$65 million** dedicated to building and upgrading police stations in regional communities, including Bathurst, Goulburn, Jindabyne area, Bega and Bourke.
- \$36.6 million** in 2019-20 (\$112.2 million across four years) to increase the number and quality of sporting facilities, including improving the use of existing facilities and meeting the needs of female participants across the regions.
- \$18 million** (\$9 million in 2019-20) to refurbish and upgrade the Queanbeyan Courthouse.

CONNECTING OUR REGIONS

Better connecting our regions and cities through a once-in-a-generation pipeline of investment.

- \$1.5 billion** over four years to continue the New South Wales and Federal Government funded Pacific Highway upgrade program, including completing construction between Woolgoolga and Ballina by late 2020 and planning and preconstruction activities for the bypass of Coffs Harbour.
- More than **\$1 billion** over five years to improve local roads and bridges

through Fixing Country Bridges (\$500 million) and Fixing Local Roads (\$500 million).

- **\$812 million** in 2019-20 to continue delivery of the New Intercity Fleet to provide new intercity trains to operate between Sydney and the Central Coast, Newcastle, the Blue Mountains and the Illawarra.
- **\$2.8 billion** (\$1.3 billion capital investment) for the design, build and maintenance of the new Regional Rail Fleet to replace the aging New South Wales regional rail fleet of XPT, Endeavour and Xplorer trains and build a new maintenance facility in Dubbo. The new regional fleet will comprise 117 new carriages to form ten regional intercity trains, nine short regional trains and ten long regional trains.
- **\$268 million** over four years as part of a \$2.5 billion commitment to start the duplication of the full 31 kilometres Great Western Highway between Katoomba and Lithgow to deliver a faster, safer route over the mountains.
- **\$322 million** over four years as part of an additional \$960 million commitment to upgrade the Princes Highway between Nowra and Moruya to improve safety, journey times and freight efficiency.

DELIVERING HIGH QUALITY AND ACCESSIBLE SERVICES TO THE PEOPLE OF NEW SOUTH WALES

Investing in our communities and providing the services that our people need.

- **\$2.8 billion** to recruit 8,300 frontline health staff, over four years, with 45 per cent located in regional New South Wales.
- Funding in 2019-20 has been allocated to better support our regions, with:
 - focus on recruiting more doctors, allied health workers and psychologists to work in regional New South Wales
 - enhancing and supporting regional cadetships for nurses, midwives and allied health workers.
- **\$583.6 million** over four years for 1,500 new police to increase the State's crime fighting capability and to keep the community safe. This boost to police numbers will benefit regional New South Wales communities and reduce response times.

- **\$70 million** over four years to provide 35 new free mobile dental clinics for primary school children in Western Sydney, the Mid North Coast and the Central Coast. The service will allow access to dental checks and basic dental care for up to 136,000 primary school children each year.
- Four mobile Service NSW buses servicing rural and regional areas, including Northern New South Wales and Western Regions. They will offer the Government's one-stop-shop program to areas that do not have service centres close-by.

EMPOWERING ABORIGINAL COMMUNITIES

Upgrading infrastructure and improving living standards in Aboriginal communities.

- **\$35.8 million** in 2019-20 is allocated to deliver new housing and upgraded housing through the National Partnership Agreement on Remote Indigenous Housing and the Aboriginal Housing Office's capital works program.
- **\$5.5 million** in 2019-20 (\$55 million over four years) under the Roads to Home Program, focused on delivering local road infrastructure in partnership with local Aboriginal Land Councils in ten remote Aboriginal Communities across New South Wales to improve accessibility and increase economic opportunities.

PROTECTING OUR ENVIRONMENT

Highlighting New South Wales' natural beauty, building on local character, enhancing liveability and improving the quality of the local environment.

- **\$32.3 million** in 2019-20 (\$65 million over three years) to protect threatened plants, animals and ecological communities, through the State's Saving Our Species program and New South Wales Koala Strategy.
- **\$25.2 million** in 2019-20 (\$149.5 million over four years) to improve access to New South Wales national parks through upgrading and extending walking trails, improving visitor infrastructure and facilities and introducing online and digital tools for virtual tours.
- **\$12.5 million** in 2019-20 (\$30 million over four years) to co-fund new clean on-demand energy projects with the private sector through the Emerging Energy Program, including \$10 million to pilot initiatives to recycle and re-use materials in solar panels and battery systems.



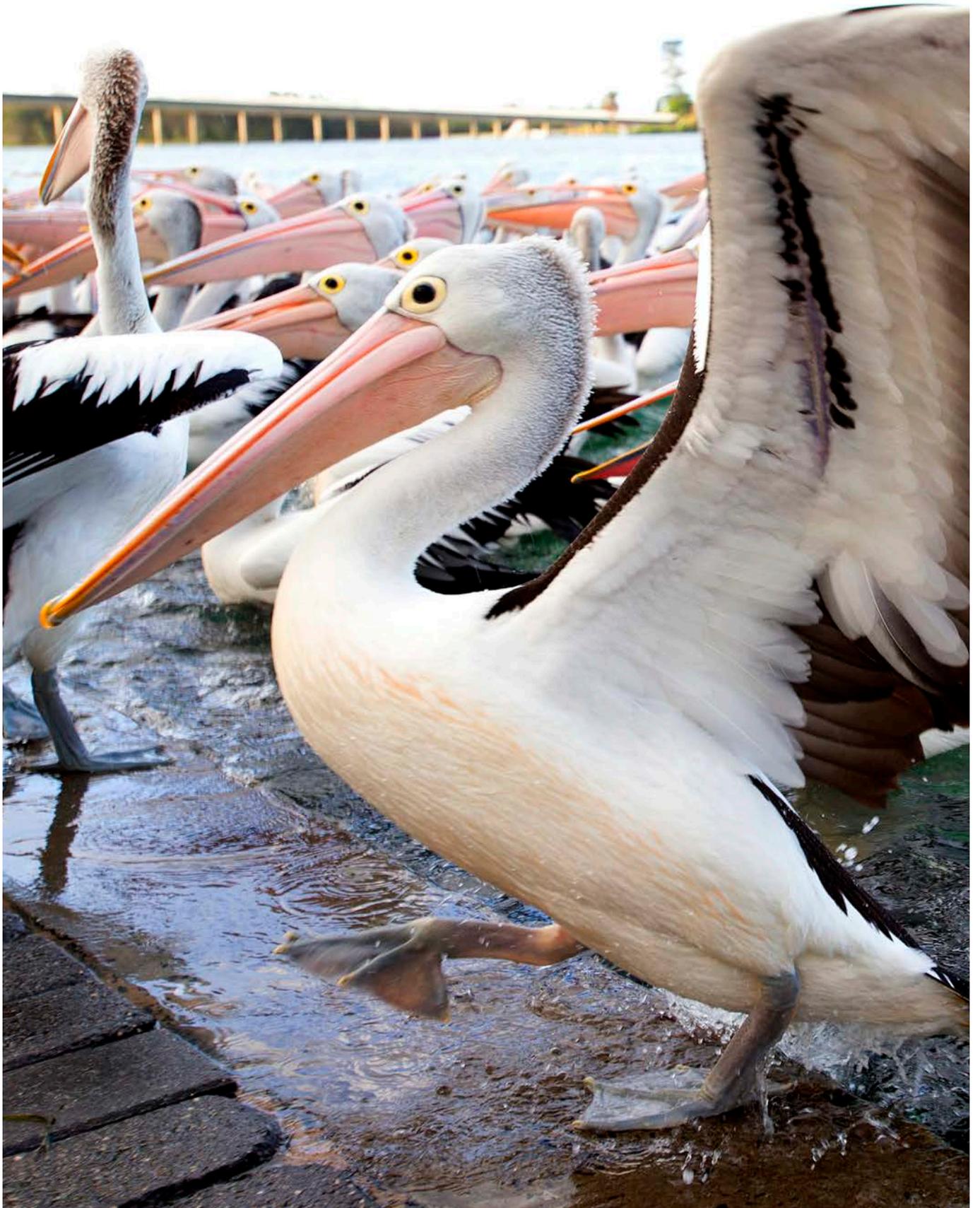
8,300

frontline health staff over 4 years with 45% located in regional NSW



\$1 BILLION

to improve local roads and bridges



PELICANS AT THE ENTRANCE, CENTRAL COAST

Photo credit: TonyFeder / iStock

REGIONAL HIGHLIGHTS

Central Coast

With a population of 342,000 and covering an area of 1,824 square kilometres, the Central Coast houses a mix of beaches, national parks and vibrant suburbs. Located at the centre of New South Wales' fastest growing corridor, its proximity to Sydney and Newcastle make it an ideal location for business and industry.

ROADS AND TRANSPORT

- **\$151.2 million** in 2019-20 for Central Coast roads, including:
 - **\$104.6 million** to continue construction of the M1 Pacific Motorway widening between the Tuggerah and Doyalson interchanges and the Kariong and Somersby interchanges (in partnership with the Federal Government)
 - **\$33.9 million** to continue construction of the Pacific Highway widening between Parsons Road and Ourimbah Street at Lisarow
 - **\$6.5 million** to complete the upgrade of the intersection of Empire Bay Drive, The Scenic Road and Cochrone Street at Kincumber.

HEALTH

- **\$60.5 million** in 2019-20 (as part of a \$200 million project) for Stage 1 of the Wyong Hospital Redevelopment.
- **\$24.4 million** in 2019-20 (as part of a \$348 million project) for the completion of the Gosford Hospital Redevelopment.

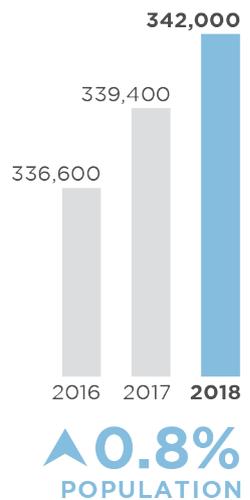
OPEN SPACES

- **\$8.6 million** in 2019-20 (\$10 million over two years) to establish an immersive play space in the heart of Gosford, designed in collaboration with the Local Aboriginal Land Council, to create a nature-inspired play and sensory experience for all ages.



LOCAL GOVERNMENT AUTHORITIES

Central Coast



KEY INDUSTRIES



HEALTH CARE
AND SOCIAL
ASSISTANCE



RETAIL
TRADE



CONSTRUCTION



EDUCATION AND
TRAINING



TOURISM



RURAL VINEYARD, MUDGEE, CENTRAL WEST AND ORANA
Photo credit: James Horan / Destination NSW

REGIONAL HIGHLIGHTS

Central West and Orana

Located in central New South Wales, the Central West and Orana region is home to a population of 288,600 and covers an area of 125,666 square kilometres. Featuring part of the iconic Great Dividing Range, the region has a strong and diverse agricultural sector and enjoys a growing visitor economy.



HEALTH

- **\$46.2 million** in 2019-20 (as part of a \$70.7 million project) for the Mudgee Hospital Redevelopment.
- **\$44.2 million** in 2019-20 (as part of a \$241.3 million project) for the Dubbo Hospital Redevelopment (Stages 1 to 4).
- **\$17.3 million** in 2019-20 (as part of a \$35 million project) for the Western Cancer Centre in Dubbo (includes \$25 million Federal contribution).

JUSTICE

- **\$35 million** from 2020-21 to 2022-23 to build a major new state-of-the-art police education and training centre at Dubbo.
- **\$7 million** from 2020-21 to 2022-23 for a major upgrade to Bathurst Police Station.
- Upgrades and refurbishments to court houses in 2019-20, including:
 - **\$1 million** for Bathurst
 - **\$1.2 million** for Orange.

ROADS AND TRANSPORT

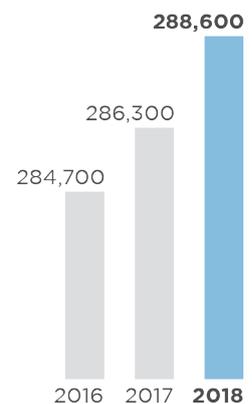
- Significant roads and infrastructure programs in 2019-20, including:
 - **\$52.4 million** for continued delivery of overtaking lanes along the Newell Highway
 - **\$25.9 million** to continue planning for the new Dubbo bridge on the Newell Highway over the Macquarie River and \$5.8 million for planning the Newell Highway upgrade at Parkes
 - **\$20 million** to continue delivery of the Main Western Rail Line Capacity Enhancements
 - **\$19.2 million** to commence construction of the Great Western Highway upgrade between Kelso and Raglan.

OTHER INVESTMENTS

- Upgrades to food and fibre research stations in the region in 2019-20, including **\$1.2 million** allocated to Orange.
- Continuation of works to enhance the visitor experience at Taronga Western Plains Zoo - **\$17.6 million** in 2019-20 (\$49.1 million in total).

LOCAL GOVERNMENT AUTHORITIES

Bathurst Regional, Blayney, Bogan, Cabonne, Coonamble, Cowra, Dubbo Regional, Forbes, Gilgandra, Lachlan, Lithgow, Mid-Western Regional, Narromine, Oberon, Orange, Parkes, Warren, Warrumbungle and Weddin



▲0.8%
POPULATION

KEY INDUSTRIES



HEALTH CARE AND SOCIAL ASSISTANCE



AGRICULTURE



RETAIL TRADE



PUBLIC ADMINISTRATION AND SAFETY



CONSTRUCTION



ACROSS THE DESERT PLAINS TO THE RANGES, BROKEN HILL

Photo credit: lovleah / iStock

REGIONAL HIGHLIGHTS

Far West

The Far West is a vast region of New South Wales with its borders stretching to South Australia, Victoria and Queensland. With a population of 45,100, it is made up of small communities spread across 323,477 square kilometres. The Far West region has a significant regional economy centred on agriculture and mining.

ROADS AND TRANSPORT

- **\$44.3 million** invested in 2019-20 for initial sealing of the Silver and Cobb Highways to provide all-weather and more durable highways in the region.

NEW AND UPGRADED INFRASTRUCTURE

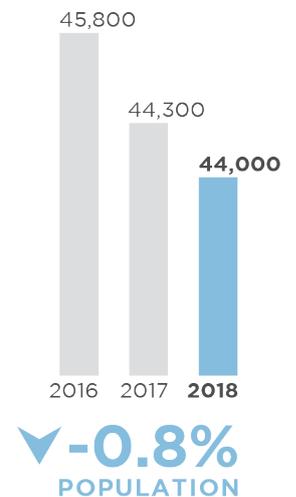
- Through the Regional Growth Fund, the following amounts have been approved to deliver projects in the Far West:
 - **\$8.4 million** to upgrade Wentworth Aerodrome
 - **\$3.5 million** to refurbish the Bakka Cultural Centre in the Central Darling Shire
 - **\$2.6 million** for the Jubilee Oval Upgrade in Broken Hill City

- **\$407,987** to deliver a new mobile phone tower in Murray
- **\$295,603** to weather proof the Great Cobar Heritage Centre in Barwon.
- **\$7.5 million** towards the first stage of a new Australian Opal Centre in Lightning Ridge, in partnership with the Federal Government and Walgett Shire Council.
- **\$7 million** over three years (from 2020-21) for a major upgrade to Bourke Police Station.
- **\$864,000** in 2019-20 (\$963,000 over two years) to upgrade the Food and Fibre Research Station at Dareton.



LOCAL GOVERNMENT AUTHORITIES

Balranald, Bourke, Brewarrina, Broken Hill, Central Darling, Cobar, Walgett and Wentworth



KEY INDUSTRIES



AGRICULTURE



HEALTH CARE
AND SOCIAL
ASSISTANCE



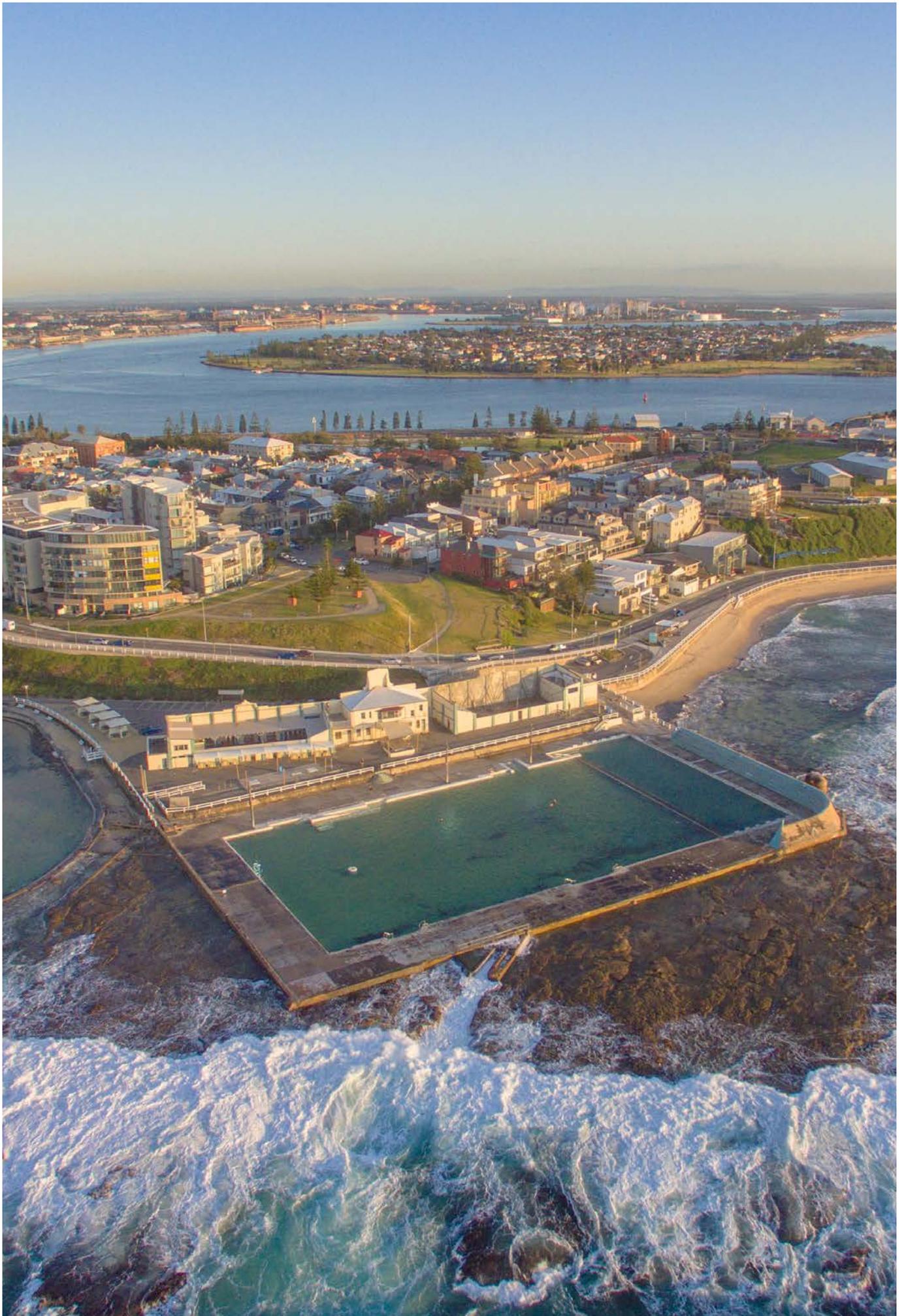
PUBLIC
ADMINISTRATION
AND SAFETY



RETAIL
TRADE



MINING



NEWCASTLE OCEAN BATHS

Photo credit: BrendanSomerville / iStock

REGIONAL HIGHLIGHTS

Hunter

The Hunter region enjoys coastal and valley landscapes, internationally renowned wine production, urban and rural lifestyles and extensive mining resources. Covering 32,500 square kilometres north of Sydney and the Central Coast, it is an attractive tourist destination for visitors to New South Wales.

EDUCATION AND COMMUNITY INFRASTRUCTURE

- Nine major upgrades are planned for schools in the Hunter region, including: Ashtonfield, Newcastle East, Nulkaba, Old Bar, Rutherford, Speers Point, Wangi Wangi Public School, Belmont High School and Callaghan College Jesmond Campus.
- **\$1.5 million** in 2019-20 (\$5.7 million over two years) for the revitalisation and upgrade of public space at the Newcastle Civic Station.

HEALTH

- **\$54.1 million** in 2019-20 (as part of a \$470 million project) for the new Maitland Hospital.
- **\$16.7 million** in 2019-20 (as part of a \$40 million project) for the Manning Base Hospital Redevelopment.
- **\$3.5 million** in 2019-20 (as part of a \$780 million project) for the commencement of the John Hunter Health and Innovation Precinct.
- **\$2.8 million** in 2019-20 (as part of a \$18 million project) for the John Hunter Children's Hospital Neonatal Intensive Care Unit Stages 2 and 3.

ROADS AND TRANSPORT

- Significant investment in projects in 2019-20 include:
 - **\$47.2 million** for heavy vehicle safety and productivity and flood alleviation works on the Golden Highway (State and Federal funded)
 - **\$37.3 million** towards Nelson Bay Road improvements
 - **\$28.7 million** to continue construction of the New England Highway bypass of Scone (State and Federal funded).

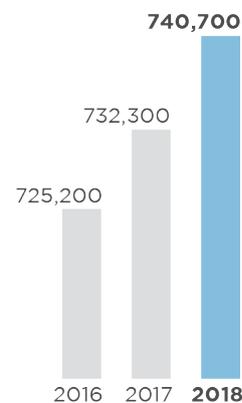
OTHER INVESTMENTS

- **\$13.4 million** in 2019-20 allocated to developing the Hillsborough Indoor Sports Stadium.



LOCAL GOVERNMENT AUTHORITIES

Cessnock, Dungog, Lake Macquarie, Maitland, Mid Coast, Muswellbrook, Newcastle, Port Stephens, Singleton, Upper Hunter



▲ 1.1%
POPULATION

KEY INDUSTRIES



HEALTH CARE



CONSTRUCTION



RETAIL



EDUCATION



SEA CLIFF BRIDGE ALONG THE GRAND PACIFIC DRIVE, NORTHERN ILLAWARRA

Photo credit: zetter / iStock

REGIONAL HIGHLIGHTS

Illawarra-Shoalhaven

The Illawarra-Shoalhaven coastline covers an area of 5,782 square kilometres and is home to a population of 415,700. The region includes the popular towns and villages of Berry and the Kangaroo Valley and is rich in natural resources, supporting traditional mining and manufacturing sectors.

ROADS AND TRANSPORT

- **\$1.2 billion** over four years to upgrade the Princes Highway south to Nowra, including the following for 2019-20:
 - **\$168.5 million** to continue construction of the Albion Park Rail bypass
 - **\$150.1 million** to continue the Berry to Bomaderry upgrade
 - **\$29.5 million** towards the new Nowra Bridge over the Shoalhaven River (State and Federal funded).

EDUCATION INFRASTRUCTURE

- Planning for a new primary school in South Nowra and Worrigeer.
- **\$4.6 million** in 2019-20 allocated to upgrade the Wollongong Public School.

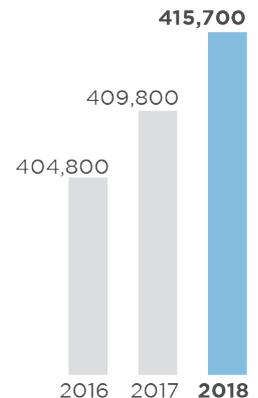
HEALTH

- **\$55.9 million** in 2019-20 (as part of a \$378.6 million project) for the Shellharbour Hospital Redevelopment Stage 1 (includes \$128 million Federal contribution).
- **\$9 million** in 2019-20 (as part of a \$37.1 million project) for the completion of Bulli Hospital Aged Care Centre of Excellence.



LOCAL GOVERNMENT AUTHORITIES

Kiama, Shellharbour, Shoalhaven and Wollongong



▲1.4% POPULATION

KEY INDUSTRIES



HEALTH CARE AND SOCIAL ASSISTANCE



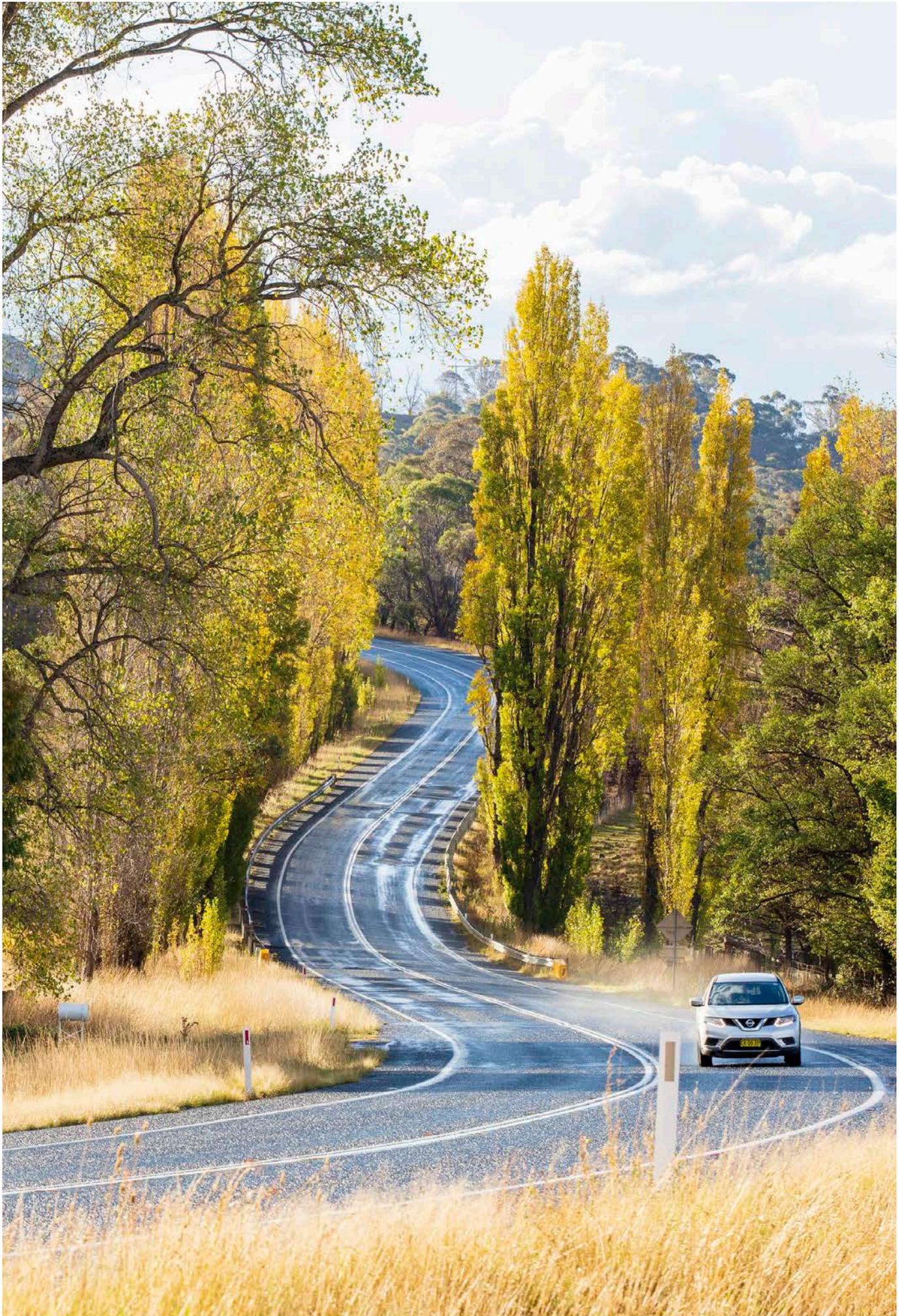
EDUCATION



CONSTRUCTION



RETAIL TRADE



NEW ENGLAND HIGHWAY, GLEN INNES
Photo credit: Simon Scott / Destination NSW

REGIONAL HIGHLIGHTS

New England and North West

Located about halfway between Sydney and Brisbane, the New England and North West region covers an area of 97,506 square kilometres. Landscapes range from the highly productive floodplains in the west to the volcanic rainforest tablelands and cliffs in the east. The region is known for its diverse economy, rich in mineral, energy and renewable resources.

ROADS AND TRANSPORT

- The focus for 2019-20 includes:
 - **\$54.3 million** to continue construction of the Newell Highway heavy duty pavement upgrade between Mungle Back Creek and Boggabilla (State and Federal funded)
 - **\$30.4 million** to continue construction of the New England Highway upgrade at Bolivia Hill (State and Federal funded)
 - **\$19.6 million** to continue construction of the second road-over-rail bridge at Gunnedah.

EDUCATION INFRASTRUCTURE

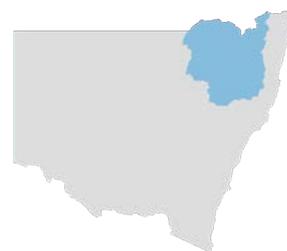
- Upgrade to Tamworth Public School.

HEALTH

- **\$19.8 million** in 2019-20 (as part of a \$60 million project) for the Inverell Hospital Redevelopment.

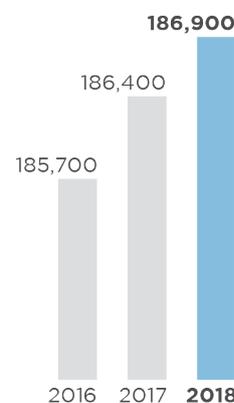
OTHER INVESTMENT

- Upgrades to the Food Fibre Research Station at Tamworth.



LOCAL GOVERNMENT AUTHORITIES

Armidale Regional, Glen Innes Severn, Gunnedah, Gwydir, Inverell, Liverpool Plains, Moree Plains, Narrabri, Tamworth Regional, Tenterfield, Uralla and Walcha



▲ 0.3%
POPULATION

KEY INDUSTRIES



HEALTH CARE



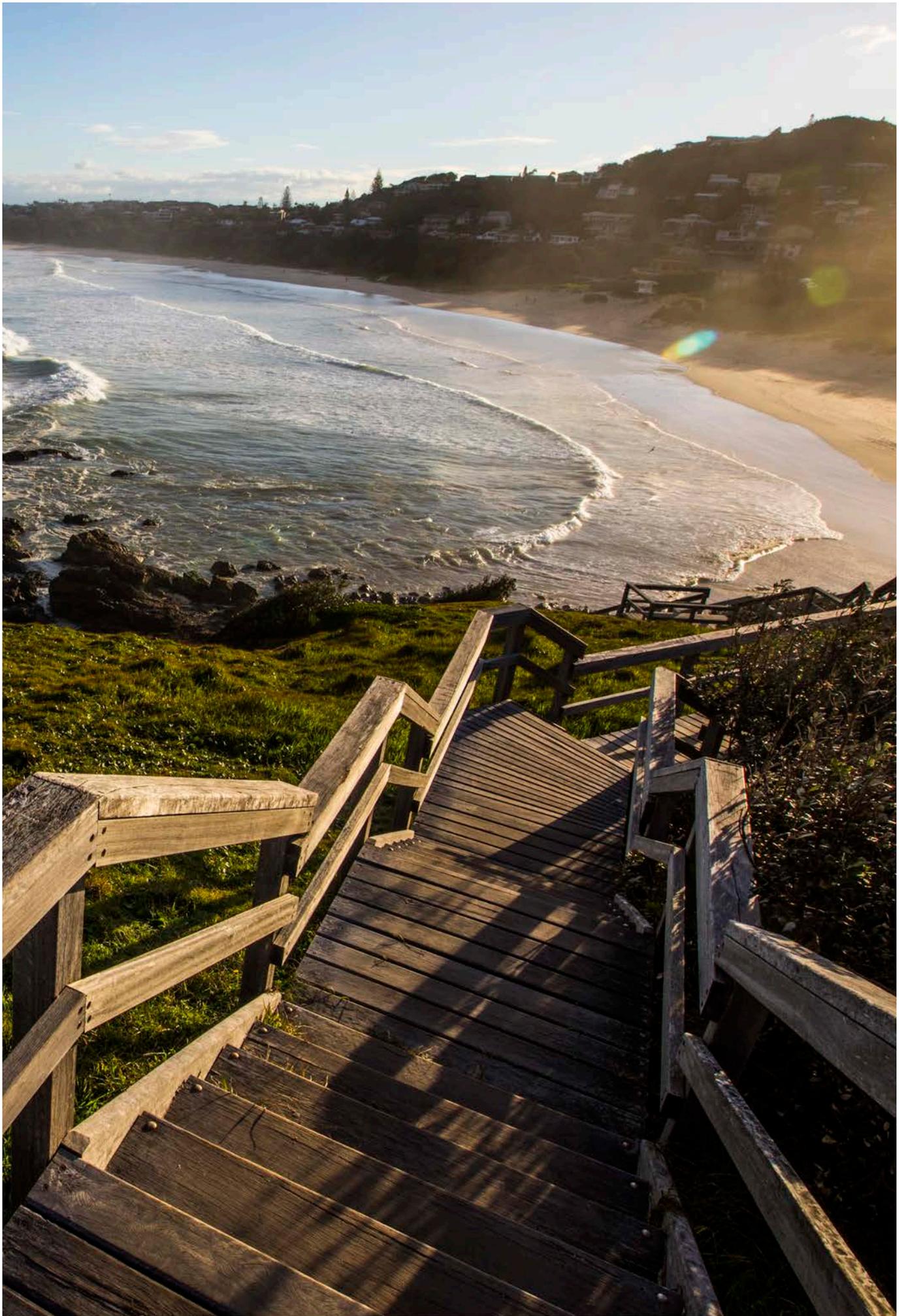
AGRICULTURE



RETAIL
TRADE



EDUCATION



PORT MACQUARIE COASTAL WALK, PORT MACQUARIE
Photo credit: Dallas Kilponen / Destination NSW

REGIONAL HIGHLIGHTS

North Coast

The North Coast encompasses numerous seaside communities and is home to a population of 524,700. Covering an area of 31,357 square kilometres, the North Coast enjoys distinctive and natural beauty, wildlife and heritage creating an area rich in character for residents and visitors.

HEALTH

- **\$97.4 million** in 2019-20 (as part of a \$582.1 million project) for the Tweed hospital and integrated Ambulatory Services.
- **\$53 million** in 2019-20 (as part of a \$312.8 million project) for the redevelopment of Lismore Hospital (Stages 3A, 3B and 3C).
- **\$52.7 million** in 2019-20 (as part of a \$194 million project) for the expansion of Coffs Harbour Hospital.
- **\$41.7 million** in 2019-20 (as part of a \$73 million project) for the Macksville Hospital Redevelopment.
- **\$9 million** in 2019-20 (as part of a \$17.5 million project) for the Grafton Ambulatory Care Centre redevelopment.

JUSTICE

- Funding to purchase land and build a new fire station in Kingscliff.
- The provision of planning funding for a new co-located Fire and Rescue New South Wales and Ambulance Station in Lismore.

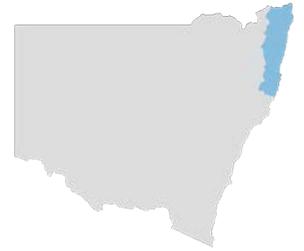
EDUCATION

INFRASTRUCTURE

- Various upgrades throughout the region's education network are planned for 2019-20, including:
 - Twelve major upgrades are planned including schools in Murwillumbah, Kingscliff, Tweed Heads, Lennox Head, Pottsville Beach, Lake Cathie, Coffs Harbour, Wauchope and Byron Bay.

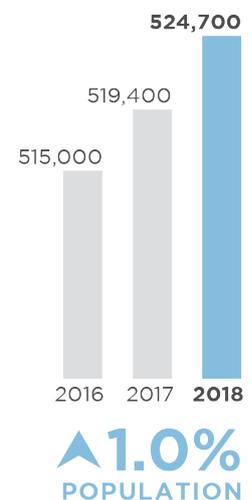
ROADS AND TRANSPORT

- The following works are planned for 2019-20:
 - **\$792.3 million** to continue construction of the Pacific Highway upgrade between Woolgoolga and Ballina (State and Federal funded)
 - **\$25.7 million** to complete construction of the additional bridge over the Clarence River at Grafton
 - **\$23.4 million** for planning and preconstruction activities for the Pacific Highway bypass of Coffs Harbour (State and Federal funded).



LOCAL GOVERNMENT AUTHORITIES

Ballina, Bellingen, Byron, Clarence Valley, Coffs Harbour, Kempsey, Kyogle, Lismore, Nambucca, Port Macquarie-Hastings, Richmond Valley and Tweed



KEY INDUSTRIES



HEALTH CARE



CONSTRUCTION



RETAIL TRADE



TOURISM



BUNDYI ABORIGINAL CULTURAL TOURS IN WAGGA WAGGA
Photo credit: Jonathan Myers / Destination NSW

REGIONAL HIGHLIGHTS

Riverina Murray

Situated along the Victorian and Australian Capital Territory borders, the Riverina Murray covers 114,374 square kilometres. The region's river systems support productive and scenic rural lands and rich natural resources provide for a diverse economy.

HEALTH

- **\$71.3 million** in 2019-20 (as part of a \$431.4 million project) for the Wagga Wagga Base Hospital Redevelopment.
- **\$20 million** in 2019-20 (as part of a \$30 million project) for the Albury Base Hospital Emergency Department Expansion.
- **\$14.2 million** in 2019-20 (as part of a \$250 million project) for the Griffith Hospital Redevelopment.
- **\$3.5 million** in 2019-20 (as part of a \$50 million project) for the Tumut Hospital Redevelopment.

JUSTICE

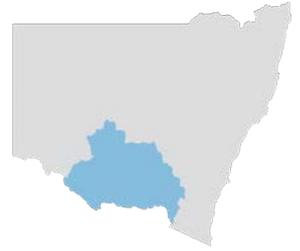
- **\$1.2 million** allocated in 2019-20 for the upgrade and refurbishment of Griffith Court.

EDUCATION INFRASTRUCTURE

- New primary school in Wagga Wagga.

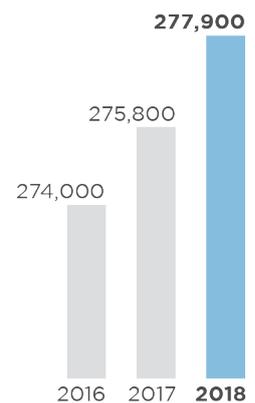
ROADS AND TRANSPORT

- **\$35.9 million** in 2019-20 for the New South Wales Government's contribution towards the new Cobb Highway bridge over the Murray River between Echuca and Moama.



LOCAL GOVERNMENT AUTHORITIES

Albury, Berrigan, Bland, Carrathool, Coolamon, Cootamundra-Gundagai, Edward River, Federation, Greater Hume, Griffith, Hay, Junee, Leeton, Lockhart, Murray River, Murrumbidgee, Narrandera, Snowy Valleys, Temora and Wagga Wagga



▲0.7%
POPULATION

KEY INDUSTRIES



HEALTH CARE



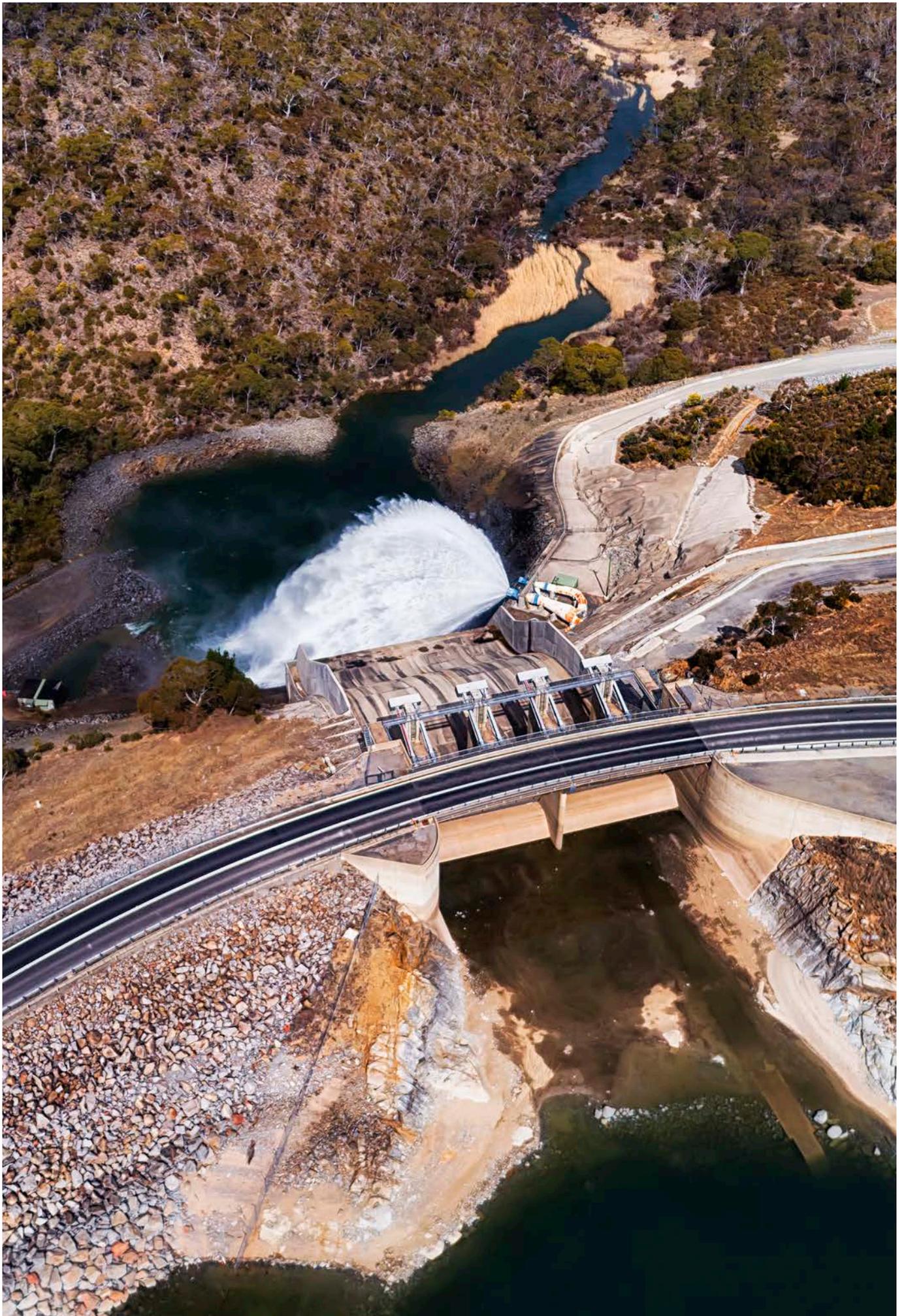
AGRICULTURE



RETAIL
TRADE



MANUFACTURING



JINDABYNE DAM, SOUTH EAST AND TABLELANDS

Photo credit: zetter / iStock

REGIONAL HIGHLIGHTS

South East and Tablelands

The South East and Tablelands is home to more than 278,400 residents and covers an area of 54,245 square kilometres. Extending from a coastline to the east, the Snowy Mountains to the west and heartland east of the Great Dividing Range, the South East and Tablelands has a rich and diverse geography.

ROADS AND TRANSPORT

- Improvements to road networks in the region in 2019-20 include:
 - \$88 million** to continue construction of the Princes Highway Batemans Bay Bridge replacement
 - \$59.4 million** to continue Barton Highway improvements (State and Federal funded)
 - \$31 million** to complete construction of the Ellerton Drive extension to provide a bypass of the Queanbeyan central business district (State, Federal and Local Government funded)
 - \$4 million** to commence new \$20 million improvement programs on each of the Kings and Monaro Highways to improve safety.

HEALTH

- \$47.8 million** in 2019-20 (as part of a \$150 million project) for the Goulburn Hospital Redevelopment.
- \$42.2 million** in 2019-20 (as part of a \$68.7 million project) for the Bowral Hospital Redevelopment.
- \$9.3 million** in 2019-20 (as part of a \$18.6 million project) for the Cooma Hospital Redevelopment.

JUSTICE

- New police stations to be built over three years commencing on 1 July 2020, including:
 - \$25 million** for a new police station in Goulburn
 - \$13 million** for three new police stations in the Jindabyne area
 - \$13 million** for a new police station in Bega.
- \$9 million** in 2019-20 (as part of a \$18 million project) committed to refurbish and upgrade the Queanbeyan Court House.

SPORT AND ENVIRONMENTAL PROJECTS

- \$32 million** over three years to continue upgrades and improvements to the Snowies Iconic Great Walk, Murramarang South Coast Walk, Thredbo Valley Track and Light to Light Great Walk.
- \$7 million** allocated in 2019-20 to develop the Goulburn Aquatic Centre.

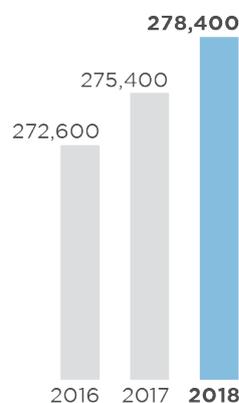
EDUCATION INFRASTRUCTURE

- Government election commitments include high schools at Bungendore and Jerrabomberra as well as an upgrade of Queanbeyan West Public School and Yass High School.



LOCAL GOVERNMENT AUTHORITIES

Bega Valley, Eurobodalla, Goulburn Mulwaree, Hilltops, Queanbeyan Palerang, Snowy Monaro Regional, Upper Lachlan, Wingecarribee and Yass Valley



1.1%
POPULATION

KEY INDUSTRIES



HEALTH CARE



TOURISM



PUBLIC
ADMINISTRATION



CONSTRUCTION



RIVERCAT FERRY ALONG THE PARRAMATTA RIVER

Photo credit: kokkai / iStock

SUPPORTING Western Sydney

Framed by the State's protected Natural Area and Metropolitan Rural Area, Western Sydney is home to over a third of the New South Wales population and is one of the fastest growing areas of the State.

PUBLIC TRANSPORT CONNECTIVITY

An emerging 30-minute city, with public transport bringing residents and jobs closer together.

- **\$2.2 billion** over four years towards More Trains More Services delivering world class digital systems, enhanced fleet procurement, station upgrades and other infrastructure upgrades.
- **\$1.7 billion** over four years for New South Wales and Federal Government funded road upgrades to support the new Western Sydney Airport at Badgerys Creek including the Northern Road between Narellan and Penrith and the M12 Motorway.

CREATING JOBS AND SKILLS FOR THE FUTURE

Access to education and skills training to harness new investment and knowledge-intensive jobs.

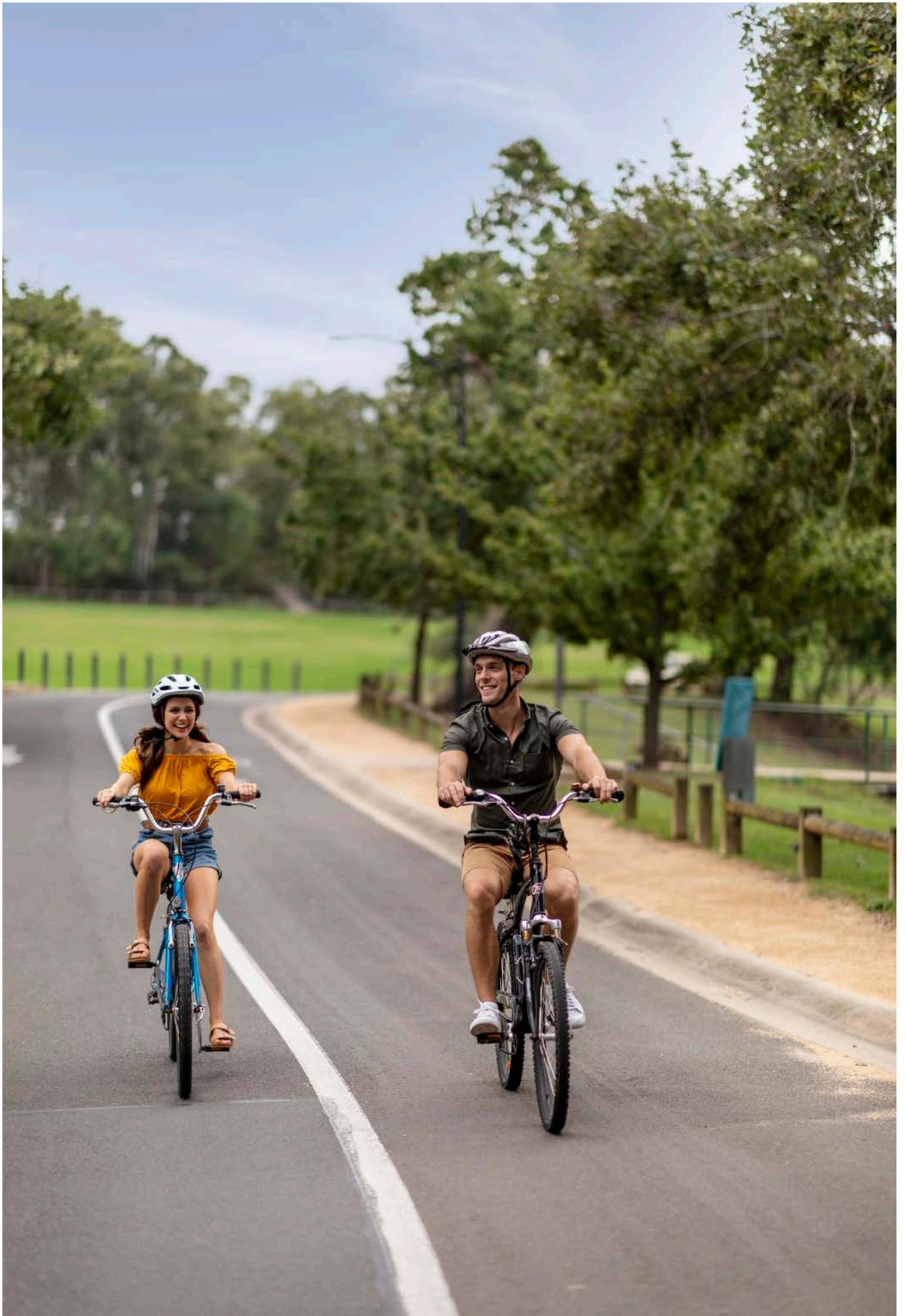
- **\$79.6 million** over four years to deliver a new Western Sydney 'Mega TAFE' specialising in construction trades. It will provide modern facilities that support the delivery of specialised training in construction trades including carpentry, electrical and plumbing.
- **\$4.3 million** over four years to provide a co-working startup hub in Western Sydney. This will provide subsidised and affordable work spaces and programs for businesses and start-ups.



BUILDING A LIVEABLE AND SUSTAINABLE CITY

Integrating the unique and natural assets for an even more liveable and sustainable community.

- Significant New South Wales and Federal Government investment in the Western Sydney International (NancyBird Walton) Airport and surrounding Western Sydney Aerotropolis. This entails significant infrastructure investment as well as planning for future skills, jobs and educational opportunities, supporting industries to leverage the new airport.
- Strategic planning for the region will ensure green and open spaces are embedded in future planning to create high amenity for existing and future residents.



BIKERIDING THROUGH PARRAMATTA PARK, PARRAMATTA

Photo credit: Gavin Maxwell / Destination NSW

WESTERN SYDNEY HIGHLIGHTS

Western Sydney

The New South Wales Government is investing in initiatives that focus on better connecting Western Sydney, supporting a skilled community, delivering world-class healthcare and continuing to make Western Sydney a great place to live.

ROADS AND TRANSPORT

- Delivery of North South Metro Rail Link (St Marys to the Aerotropolis) was jointly committed by the New South Wales and Federal Governments through the Western Sydney City Deal.
- **\$631 million** to be spent on New South Wales and Federal Government funded road upgrades to support the new Western Sydney Airport, key allocations in 2019-20 include:
 - **\$404 million** towards upgrading The Northern Road between Narellan and Penrith
 - **\$145.3 million** towards planning and preconstruction activities for the M12 Motorway.
- **\$561 million** in 2019-20 on the Parramatta Light Rail Stage 1, linking Westmead and Carlingford through the Parramatta CBD.
- **\$107.4 million** in 2019-20 on the M4 Smart Motorway, a motorway management system, being introduced on the M4 Motorway between Parramatta and Penrith to increase trip reliability and improve road safety.
- **\$69.6 million** over four years to reduce the Opal Weekly Travel cap by approximately 20 per cent to \$50 per week for adults and \$25 per week for child/youth and concession travel from 1 July 2019 for all train, bus, ferry and light rail customers. This will benefit approximately 55,000 commuters with savings up to \$686 a year. All other Opal benefits already in place will remain.

HEALTH

- **\$286.4 million** in 2019-20 (as part of a \$832.3 million project) for Stage 1 of the Westmead Hospital Redevelopment.
- **\$196.2 million** in 2019-20 (as part of a \$550 million project) for the Nepean Hospital and integrated ambulatory services redevelopment.

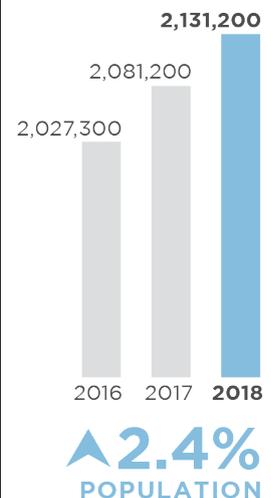
- **\$108.3 million** in 2019-20 (as part of a \$632 million project) for Stage 2 of the Campbelltown Hospital Redevelopment (including the Mental Health and South West Paediatric services).
- **\$66.7 million** in 2019-20 (as part of a \$95 million project) for Stage 1 of The Children's Hospital at Westmead, with \$8.2 million in 2019-20 (as part of a \$619 million project) to commence Stage 2.
- **\$41.4 million** in 2019-20 (as part of a \$740 million project) for the Liverpool Health and Academic Precinct.
- **\$34.9 million** in 2019-20 (as part of a \$655.2 million project) for Stage 2 of the Blacktown and Mount Druitt Hospitals expansion.

OTHER INVESTMENTS

- The creation of a new master-planning and delivery agency for the Western Parkland City (the Western City and Aerotropolis Authority), which will undertake planning for key strategic sites in the Western Parkland City.
- The New South Wales Government will progress formal commercial negotiations with a number of organisations including Mitsubishi Heavy Industries, Sumitomo Mitsui Financial Group, Hitachi (three of Japan's biggest multinationals), Northrop Grumman, Vitex Pharmaceuticals, Sydney Markets, NUW Alliance (University of Newcastle, University of New South Wales, University of Wollongong) and Western Sydney University to establish a presence in the Aerotropolis.
- **\$60 million** (2018-19 to 2020-21) towards developing local community initiatives under the Western Parkland City Liveability Program, a joint initiative with the Federal Government and various local councils. Round one projects include:
 - new community amenities and upgrades to parks and recreational areas in the Blue Mountains

LOCAL GOVERNMENT AUTHORITIES

Blacktown, Blue Mountains, Camden, Campbelltown, City of Parramatta, Cumberland, Fairfield, Hawkesbury, Hills, Liverpool, Penrith and Wollondilly





SCHOOL OF MEDICINE AT UNIVERSITY OF WESTERN SYDNEY'S CAMPBELLTOWN CAMPUS

Photo credit: kokkai / iStock



THE SPRINTER M4 MOTORWAY

Photo credit: Transurban

WESTERN SYDNEY HIGHLIGHTS

Western Sydney cont.

- development of three sport and recreation facilities in the Camden area
- upgrade of the Fairfield showground
- rejuvenation of the town centres of Windsor, Richmond and South Windsor
- a new community and recreational hub in Phillips Park, Lurnea
- transforming the Regatta Park precinct in Penrith
- delivery of the Campbelltown Billabong Parklands and a landmark and iconic swimming lagoon at Apex Park, Bradbury.
- **\$33.4 million** to implement the NSW Motor Sport Strategy, including \$6.4 million for a motor sport Centre for Excellence, \$16 million to install permanent lighting at the Sydney Motorsport Park and \$11 million to upgrade the Sydney International Dragway.

KEY INDUSTRIES



RETAIL
TRADE



HEALTH CARE
AND SOCIAL
ASSISTANCE



CONSTRUCTION



MANUFACTURING



GETTING
it DONE





GETTING
it **DONE**

NSW Treasury

52 Martin Place, Sydney NSW 2000

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NSW Budget 2019-20 publications include:

Budget paper no. 1 Budget Statement
Budget paper no. 2 Infrastructure Statement
Budget paper no. 3 Budget Estimates
Budget paper no. 4 Appropriation Bills
Election Commitments
NSW Regions + Western Sydney
Speech

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NSW Police

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TREASURER'S MESSAGE

In March this year, the people of New South Wales put their faith in the Liberals & Nationals to maintain the momentum of eight years of progress and keep building a better state.

We're getting straight to work putting our positive plan into action and it is an honour to now present the 2019-20 Budget that delivers on our commitments and gets on with the job, making record investments in the services and infrastructure that make a real difference to people's lives.

Over the last 12 months, the global and national economies have slowed and here in New South Wales local challenges have arisen too. Our farmers are enduring the worst drought in living memory, the housing market has cooled and households are feeling the pinch.

Our prudent financial management since coming to office means we are well placed to rise to these challenges. Our budget is firmly in the black, with solid surpluses forecast for the next four years, net debt still negative and the lowest of all the states.

We are redoubling our efforts to improve government efficiency, eliminate waste and save taxpayers money, moving resources from the back office of government to the frontline of service delivery and our careful spending and responsible financial management mean we can invest where it matters most for the people of our state.

With almost the entire state now affected by drought, our farming communities are being put to the ultimate test. This budget brings more critical relief in their time of need, with more funding to better secure our precious water supplies.

We're easing cost of living pressures for families and individuals with new initiatives like our \$50 weekly Opal fare cap and no-interest loans for solar panels and batteries for up to 300,000 homes. And to further reduce the cost of getting kids into sport, we're doubling the Active Kids voucher program, with two \$100 vouchers now available to families for each child every year.

To bolster New South Wales' reputation as the education state and give our kids the best chance at success, we're employing an unprecedented 4,600 new teachers, and building 190 new and upgraded schools, while setting an ambitious goal of making New South Wales the best state for education by 2022. And to make life easier for parents, we're funding free dental checkups in select regions and providing before and after school care in every public school in the state.

We're ensuring better care in world-class hospitals, with 29 new hospitals on the way and 8,300 new nurses, doctors and other health professionals too — the biggest boost to frontline health workers in New South Wales history. New funding for Kids Helpline will provide vital help in times of crisis and historic support for spinal injury research and treatment will bring new hope to the seriously injured.

For those members of our community most in need, we're doing more to break the cycle of disadvantage, funding better infrastructure in indigenous communities, a new Disability and Ageing Commissioner and supporting Foodbank to provide breakfast at 500 more schools for kids who would otherwise go without.

As our vision for a New South Wales of thriving cities and regions takes shape, another record infrastructure pipeline of \$93 billion will keep delivering the public transport, roads and cultural facilities that make our communities great places to be, no matter where you live. From new metro lines to Parramatta and the Western Sydney Airport, regional rail and road upgrades and motorways and highways in every corner of the state, we're connecting New South Wales like never before.

Great services and infrastructure are the foundations for thriving communities and this budget does more to create better opportunities for the working men and women of New South Wales. New employment precincts will be hubs of learning, innovation and entrepreneurship in industries like technology, health and nuclear medicine and 100,000 free TAFE and VET courses will give aspiring workers — young and old — the skills they need to secure fulfilling jobs.

As the global economic landscape transforms and with new challenges and opportunities approach fast on the horizon, we are taking action now, with a new wave of reforms to set New South Wales up for an even brighter future.

We will continue to grow the Generations Fund to keep debt sustainable for future generations and the next phase of Outcomes Budgeting will ensure government spending is getting real results for the people of our state.

A new Economic Blueprint for New South Wales will chart the most comprehensive plan ever devised for the New South Wales economy and we will take the national lead on reform of Commonwealth funding arrangements, to find ways to better secure great services and infrastructure and encourage growth and investment in our economy.

This is a budget of delivery to kick start a term of delivery — a budget that keeps our promises, creates new opportunities for everyone in New South Wales and paves a new path for the Premier State to stride confidently into the future.



Dominic Perrottet
NSW Treasurer



O'CONNELL STREET PUBLIC SCHOOL, PARRAMATTA
Photo credit: School Infrastructure NSW



EDUCATION CLUSTER

DEPARTMENT OF EDUCATION

AN ADDITIONAL 4,600 TEACHERS FOR NEW SOUTH WALES

- 4,600 extra teachers will be recruited across government schools in New South Wales over four years to meet population growth and provide more targeted support to the students that need it most. This investment will deliver the highest number of teachers in government schools in the State's history.

CAPITAL WORKS FUNDING FOR NON-GOVERNMENT SCHOOLS

- **\$500 million** over four years to support non-government schools to build, extend, or upgrade their facilities to provide more student places in growing communities.

ELIMINATING MAINTENANCE BACKLOG IN SCHOOLS

- **\$449 million** to clear the existing school maintenance backlog in all public schools by July 2020, bringing the total investment to more than \$1.3 billion over five years.

SUPPORTING STUDENT WELFARE AND MENTAL HEALTH

- **\$88.4 million** over four years to employ 100 additional school counsellors or psychologists and an additional 350 student support officers, as well as dedicated services for rural and remote students. The commitment also includes a partnership with mental health organisations who will bring their expertise to schools to ensure public high school students across the state have access to mental health and wellbeing support.

SUSTAINABLE SCHOOLS PROGRAM

- **\$10 million** over four years for the Sustainable Schools Program to help schools and students develop innovative and hands-on solutions outside the classroom to reduce, re-use and recycle in order to make their school environments more sustainable.

\$449

MILLION

to clear the existing school maintenance backlog by July 2020

4,600

ADDITIONAL

teachers for the NSW public education system

RECORD INVESTMENT IN NEW SOUTH WALES SCHOOL INFRASTRUCTURE

Build eight new schools and significantly upgrade a further 32 schools, bringing the Government's total investment in school infrastructure to **\$6.7 billion** over the next four years.

NEW SCHOOLS

- A high school in Bungendore
- A primary school in Epping
- A high school in Jerrabomberra
- Planning for a high school in Marsden Park
- Relocation of Budawang School
- A primary school - Mulgoa Rise (Glenmore Park)
- Planning for a new primary school in South Nowra/Worrigee
- A primary school in Tallawong

UPGRADED SCHOOLS

- Bangalow Public School
- Bexhill Public School
- Bletchington Public School
- Brooke Avenue Public School
- Planning for Castle Hill Public School
- Cranebrook High School
- Planning for Cronulla High School
- Eastwood Public School
- Engadine High School
- Epping West Public School
- Glenmore Park High School

- Glenwood High School
- Hastings Secondary College, Port Macquarie Campus
- Planning for Hunter River High School
- Planning for Irrawang High School
- Jamison High School
- Jannali East Public School
- Jindabyne Central School (Stage 2)
- John Palmer Public School
- Planning for Matthew Pearce Public School
- Millthorpe Public School
- Milperra Public School
- Mona Vale Public School
- Mosman High School
- Muswellbrook South Public School
- Nepean Creative and Performing Arts High School
- Planning for North Sydney Demonstration School
- Planning for Orange Grove Public School
- Queanbeyan West Public School
- Stanwell Park Public School
- Teven-Tintenbar Public School
- Yass High School



PENRITH PUBLIC SCHOOL

Photo credit: School Infrastructure NSW

EDUCATION CLUSTER CONT.

DEPARTMENT OF EDUCATION

INCREASED FUNDING FOR PRESCHOOL CAPITAL WORKS

- An additional **\$20 million** over four years for new and existing community preschools, to build, renovate or extend their facilities to cater for increasing enrolments across the state.

HEALTHY HAROLD PROGRAM

- **\$2 million** over four years to support Life Education NSW to continue to deliver the Healthy Harold program and promote healthy lifestyles in schools.

SUPPORT FOR COMMUNITY LANGUAGE SCHOOLS

- **\$200,000** to support the NSW Federation of Community Language Schools to assist students to learn a second language.

IMPROVING AMENITY IN NEW SOUTH WALES PUBLIC SCHOOLS

- Upgrade the amenity of 11 schools at a cost of **\$7.4 million** including installation of solar panels, covered outdoor learning areas and upgrades to sports facilities. Schools to receive upgrades include:
 - Callala Public School
 - Geurie Public School
 - Hurstville Grove Infants School
 - Huskisson Public School
 - Kingswood Park Public School
 - Kingswood South Public School
 - Lapstone Public School
 - Manly West Public School
 - Mudgee Public School
 - Rose Bay Secondary College
 - York Public School.

OTHER MINOR WORKS UPGRADES

- Provide **\$11,000** to Wisemans Ferry Public School for a large playground shade cover and \$30,000 to Ebenezer Public School for a front fence.

OLYMPICS UNLEASHED

- Provide **\$1 million** over two years to the Australian Olympic Committee to support the rollout of Olympics Unleashed, a program for Year 9 public school students.

TAFE NSW

70,000 FREE TRAINEESHIPS

- From 1 January 2020, 70,000 fee-free traineeships will be provided to young job seekers.

HELPING MATURE AGED WORKERS GET BACK INTO THE WORKFORCE

- Free TAFE qualifications and career counselling for up to 30,000 mature aged workers who are seeking to re-train or re-enter the workforce.

WESTERN SYDNEY CONSTRUCTION HUB

- **\$79.6 million** over four years to deliver a new TAFE super campus for Western Sydney, specialising in construction trades.

TAFE NSW CONNECTED LEARNING CENTRES

- **\$61.7 million** over four years to construct eight new TAFE Connected Learning Centres in rural and regional locations, including at Byron Bay, Nelson Bay, Bateman's Bay, Jindabyne, Nambucca Heads, Hay, Cobar and West Wyalong.

PROMOTE YOUNG PEOPLE IN TRADE

- **\$34 million** in capital expenditure over two years to establish a pilot program for two senior secondary vocational schools in Western Sydney and the North Coast to support young people to build skills and get into a trade.
- Expansion of Productivity Bootcamps to two new sites in Western Sydney and the South Coast. This program provides fully-subsidised skills training to help young people secure a career in the construction industry.

HELPING WOMEN TO START THEIR OWN BUSINESS

- **\$5.9 million** over four years to offer online courses for women to build their financial literacy and business start-up skills, together with mentoring, networking and coaching opportunities from January 2020.

NEW TAFE SHARED SERVICE CENTRE

- Build a TAFE shared service centre in Griffith, which will be operational in 2021. The new centre will create 60 new jobs for the region in highly-skilled areas such as ICT and finance.



40

new and upgraded schools



100,000

fee-free TAFE and VET courses

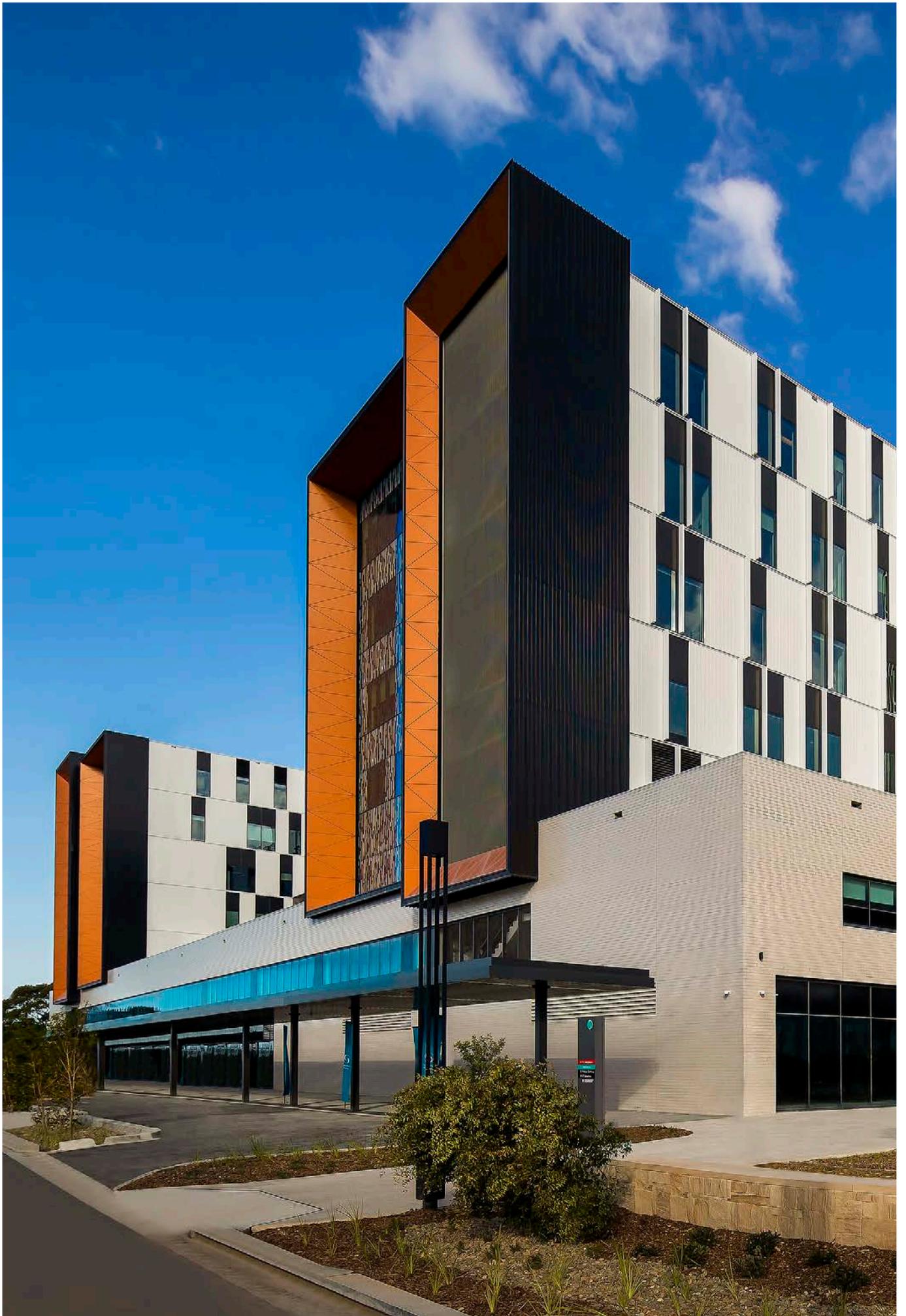


\$120 MILLION

Investment over four years to expand before and after school care

PROVIDING ADDITIONAL RESOURCES FOR BEFORE AND AFTER SCHOOL CARE

- Investment of **\$120 million** over four years to expand before and after school care, making it available to all parents with children who attend public primary schools by 2021. This includes:
 - **\$50 million** in additional minor capital works funding to help schools buy new equipment and expand their facilities
 - **\$40 million** to provide rental subsidies of up to \$15,000 per year for child care providers located at public primary schools if they can demonstrate savings have been passed on to families
 - **\$20 million** for creation of an implementation fund focused on schools where a standalone service may not be viable, including smaller schools and rural and remote communities
 - **\$8 million** creation of a specialist team to help coordinate services and resources to make it easier to setup and maintain a child care service
 - **\$2 million** development of a new website and mobile app to allow parents and carers to search for student places online.



NORTHERN BEACHES HOSPITAL
Photo credit: Ministry of Health



HEALTH CLUSTER

8,300 ADDITIONAL FRONTLINE HEALTH STAFF

- Recruit a total of 8,300 frontline health staff, over four years, with 45 percent located in regional New South Wales, including an additional:
 - 5,000 nurses and midwives including mental health and palliative care nurses, School Nurse Coordinators and six additional Breast Care Nurses for the McGrath Foundation
 - 1,060 medical staff including doctors, psychiatrists and specialists to enhance response times for patients waiting in emergency departments, for elective surgery and to access psychiatric care
 - 880 allied health staff including pharmacists, social workers, physiotherapists, occupational therapists and psychologists
 - 1,360 hospital support staff.

PLANNING FOR THREE NEW HEALTH PROJECTS

- Progress planning for the \$263 million Grafton Base Hospital Redevelopment, in addition to the \$17.5 million already invested in the current upgrade of the hospital.
- Progress planning for the Forster-Tuncurry facilities, as well as planning for the Wagga Wagga Hospital car park to commence in 2019-20.

BOOSTING PALLIATIVE CARE SERVICES

- **\$45 million** over four years for palliative care including 100 palliative care nurses, Aboriginal health workers, digital health solutions and the refurbishment of existing palliative care wards and facilities. These palliative services complement the \$100 million package for palliative care announced in the 2017-18 Budget.

8,300
*additional
frontline
health staff*

\$45
MILLION
*for palliative care
including 100
palliative care
nurses*



RECORD HEALTH BUILDING BOOM TO CONTINUE IN NEW SOUTH WALES

A further 29 hospital and health facility projects to commence prior to March 2023, including:

- Bankstown-Lidcombe Hospital (ETC \$1.3 billion)
- John Hunter Health and Innovation Precinct (ETC \$780 million)
- Royal Prince Alfred Hospital (ETC \$750 million)
- The Children's Hospital at Westmead Stage 2 (ETC \$619 million)
- Sydney Children's Hospital at Randwick and Comprehensive Children's Cancer Centre (ETC \$608 million)
- Ryde Hospital (ETC \$479 million)
- Shoalhaven Hospital (ETC \$434 million)
- St George Hospital (ETC \$385 million)
- Griffith Base Hospital (ETC \$250 million)
- Eurobodalla Hospital (ETC \$150 million)
- Manning Base Hospital Stage 2 (ETC \$100 million)
- Sutherland Hospital (ETC \$81.5 million)
- Ballina District Hospital (ETC \$80.4 million)
- Moree Hospital (ETC \$80 million)
- Cowra Hospital (ETC \$70.2 million)
- Hornsby Ku-ring-gai Hospital (an additional \$65 million, ETC \$386m)
- Bowral Hospital Stage 2 (ETC \$55 million)
- Gunnedah Hospital (ETC \$53 million)
- Liverpool Hospital Car Park (ETC \$50 million)
- Albury Hospital (ETC \$45 million)
- Concord Hospital Car Park (ETC \$32.4 million)
- Goulburn Base Hospital (an additional \$30 million, ETC \$150 million)
- Dubbo Hospital Car Park (ETC \$30 million)
- Shellharbour Hospital Car Park (ETC \$23.3 million)
- Glen Innes Hospital (ETC \$20 million)
- Iluka Ambulance Station (ETC \$10 million)
- Mona Vale Hospital (an additional \$10 million)
- Deniliquin Hospital (ETC \$3.2 million)
- Leeton Hospital (ETC \$2.5 million)



LIVERPOOL HOSPITAL
 Photo credit: Ministry of Health

HEALTH CLUSTER CONT.

FAST TRACKING ADDITIONAL PAEDIATRIC SURGERY AND CATARACT SURGERY

- **\$76 million** over four years to boost elective surgery, focusing on children and cataract patients with the delivery of an additional 8,000 paediatric operations and 10,000 cataract surgeries.

FREE DENTAL CHECKS FOR PRIMARY SCHOOL KIDS

- **\$70 million** over four years to provide 35 new free mobile dental clinics for primary school children in Western Sydney, the Mid North Coast and the Central Coast. This service will allow access to dental checks and basic dental care for up to 136,000 primary school children each year.

MORE CARE FOR KIDS WITH ALLERGIES

- **\$4.6 million** over four years to expand services to reduce waiting times for children's allergy testing and management.

MORE SUPPORT FOR LIFELINE AND KIDS HELPLINE

- **\$23.5 million** to expand the capacity of Lifeline and Kids Helpline over four years, including funding to introduce the Lifeline Crisis SMS service into New South Wales.

GOULBURN RESIDENTIAL REHABILITATION SERVICE

- **\$6.2 million** over four years from 2020-21 towards a minimum ten-bed mixed gender drug and alcohol residential rehabilitation service in Goulburn with 'step up' and 'step-down' day program support.

EATING DISORDER TREATMENT HUB

- An additional **\$9.6 million** over the next four years to allow more people to access medical and mental health support for treating an eating disorder.

STATE-WIDE INTELLECTUAL DISABILITY AND MENTAL HEALTH TERTIARY HUBS

- An additional **\$4.4 million** to deliver State-wide Intellectual Disability and Mental Health Tertiary Hubs for people with an intellectual disability who need mental health treatment. The Hubs will operate within the Sydney Local Health District and the Sydney Children's Hospitals Network and be available to people across metropolitan, rural and regional New South Wales.

SPECIALISED MENTAL HEALTH BEDS

- Begin planning to deliver specialised mental health beds for mothers and their babies and children and young people in public hospitals, as part of the State-wide Mental Health Infrastructure Program. This includes a new mother and baby unit at Westmead and Royal Prince Alfred Hospitals and a new child and adolescent mental health unit at Nepean Hospital.

STROKE TELEHEALTH SERVICE IN REGIONAL HOSPITALS

- Rollout the **\$21.7 million** Centralised Stroke Telehealth Service across New South Wales regional and rural hospitals over three years (with \$12.3 million funding from New South Wales Government and \$9.4 million from the Commonwealth Government).

NEW INCIDENT MANAGEMENT SYSTEM FOR NEW SOUTH WALES HEALTH

- Rollout a new incident management system across New South Wales Health over the next two years to improve access to reliable information about incidents of violent behavior in and around New South Wales hospitals.

EXPLORE DEVELOPMENT OF A HEALTH CENTRE FOR LGBTIQ+ PEOPLE

- Grant funding of up to **\$500,000** for the AIDS Council of NSW to develop a feasibility study for a Health Centre that provides health care, support and referral services to LGBTIQ+ people in New South Wales.

UPGRADE FOR CROOKWELL DISTRICT HOSPITAL

- **\$2.5 million** towards upgrades at the Crookwell District Hospital.

NEW PALLIATIVE CARE SERVICES IN BATHURST

- Seek expressions of interest to provide additional palliative care services in Bathurst.

LIVERPOOL HEALTH AND ACADEMIC PRECINCT

- Establish the Liverpool Health and Academic Precinct, based around the **\$740 million** redevelopment of Liverpool Hospital. The precinct will be a partnership between the South Western Sydney Local Health District, University of New South Wales, University of Wollongong, Western Sydney University, and the Ingham Institute for Applied Medical Science.

NEW AMBULANCE INFRASTRUCTURE AT MONA VALE HOSPITAL

- Invest in a new ambulance station at Mona Vale Hospital as part of the Government's \$184 million Sydney Ambulance Metropolitan Infrastructure Strategy program.



\$76
MILLION

to fast track additional paediatric surgery and cataract surgery



\$23.5
MILLION

to expand Lifeline and Kids Helpline



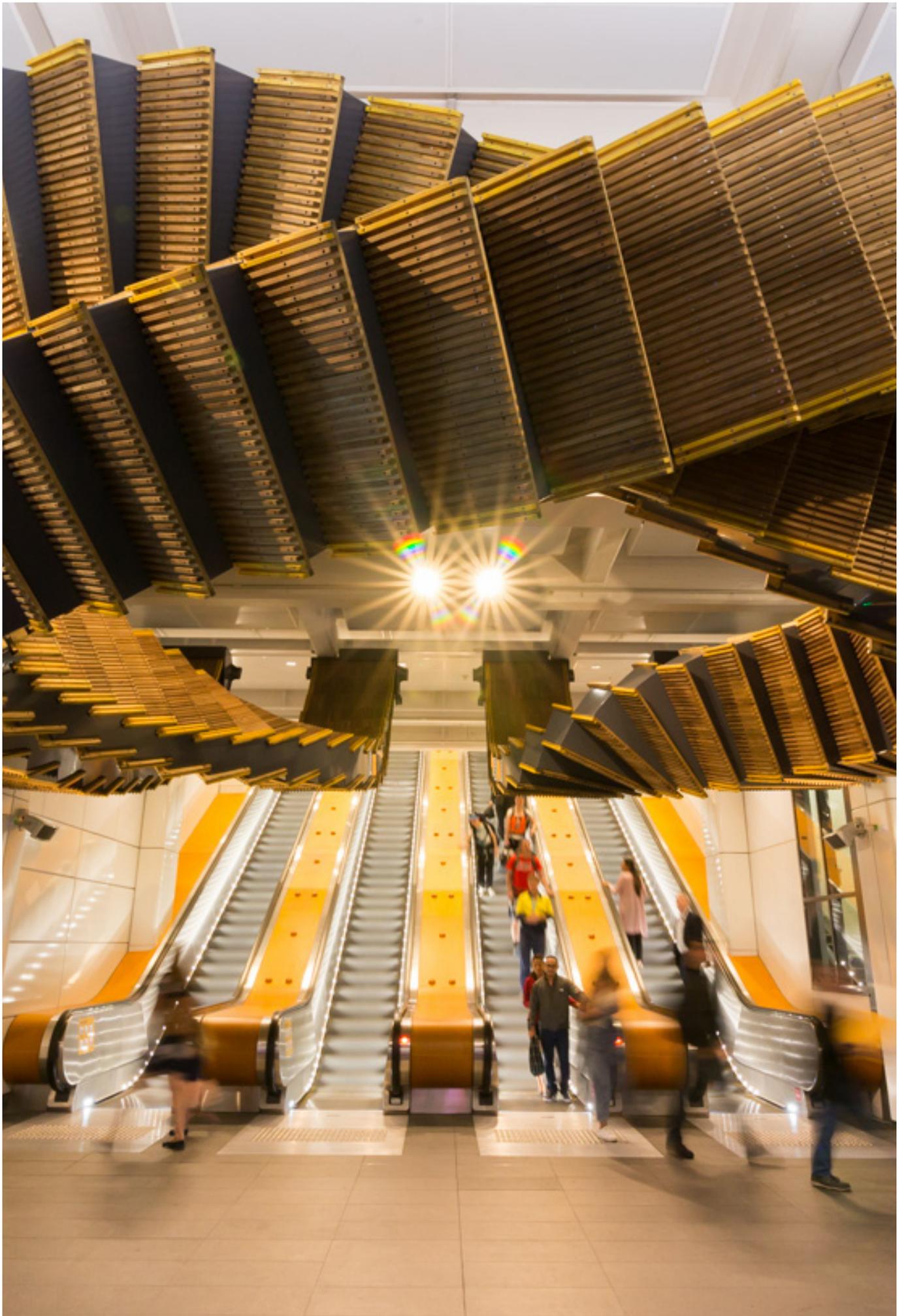
\$42
MILLION

to improve affordability and access to IVF services

IMPROVED ACCESS TO IVF SERVICES

\$42 million over four years to improve affordability and access to IVF services across New South Wales, including:

- a rebate of up to \$500 through Service NSW for out-of-pocket medical expenses related to pre-IVF fertility testing
- expanding the availability of New South Wales Government-supported IVF clinics to provide lower cost IVF treatments for around 6,000 women
- establishment of the first state-wide fertility preservation service for cancer patients at The Royal Hospital for Women, in partnership with the University of NSW.



INTERLOOP SCULPTURE, REPURPOSED ORIGINAL 1930'S ESCALATOR TREADS
BY ARTIST CHRIS FOX, WYNYARD RAILWAY STATION, SYDNEY

Photo credit: Department of Transport



TRANSPORT CLUSTER

TRANSPORT

MORE BUS SERVICES TO MEET GROWING DEMAND

- 14,000 extra weekly bus services across Sydney, Illawarra, Central Coast and the Lower Hunter.
- **\$67.9 million** over four years to improve bus services across 15 regional towns.

PLANNING FOR TWEED LIGHT RAIL

- Provide **\$1 million** to commence strategic planning for a future light rail between Tweed Heads and Coolangatta.

FASTER RAIL

- **\$295 million** over four years initial investment in the fast rail network, including improved alignment north of Mittagong, duplication between Berry and Gerringong, planning of a new alignment between Sydney and Woy Woy and planning work to improve the route to the Central West.

URBAN ROAD UPGRADE AND CONGESTION PROGRAM

New urban road projects across Sydney, the Central Coast and the Lower Hunter, including:

- **\$450 million** commitment to reduce traffic congestion at 12 pinch points across Sydney:
 - Pennant Hills Road / Carlingford Road, Carlingford
 - Forest Road and Stoney Creek Road, Beverly Hills
 - Forest Road at Boundary Road and Bonds Road, Peakhurst
 - Henry Lawson Drive at Rabaul Road and Haig Avenue, Georges Hall
 - Linden Street, between River Road and The Grand Parade, Sutherland
 - Princes Highway at Bates Drive, Kareela
 - Pennant Hills Road, between the M2 Motorway and Woodstock Avenue, Carlingford (Southbound)
 - The Horsley Drive / Polding Street, Fairfield

**\$450
MILLION**

total commitment to reduce congestion across major arterial roads and regional links



**\$500
MILLION**

to kick off the Fixing Local Roads program

REGIONAL & LOCAL ROADS

- **\$500 million** over five years for the Fixing Local Roads program to assist regional councils with repairing, maintaining and sealing council roads.
- Establish a process to transfer up to 15,000 kilometres of council-owned regional roads back to the state.
- Regional and local road commitments include:
 - **\$17.6 million** towards sealing and re-sealing roads in the Snowy Monaro region
 - \$17 million to Kempsey Shire Council and Port Macquarie-Hastings Council for upgrades to Maria River Road between Port Macquarie and Crescent Head
 - **\$12.5 million** to seal Pooncarie Road in Menindee from the Regional Growth Fund (with joint funding of \$12.5 million from the Commonwealth Government)
 - **\$10 million** to Kempsey Shire Council for upgrades to Armidale Road, Kempsey
 - **\$10 million** to Richmond Valley Council to upgrade Woodburn-Coraki Road, Coraki
 - **\$10 million** for Captains Flat Road near Queanbeyan
 - **\$10 million** to seal, reseal, stabilise pavement, install new guardrail and drainage on Towamba and Burragate Roads
 - **\$10 million** to upgrade Werris Creek Road near Duri
 - Over **\$8 million** towards sealing Rangari Road between Manilla and Boggabri
 - **\$5.6 million** to Griffith City Council to seal Boorga and Dickie Roads
 - **\$4.4 million** to upgrade Federation Way in Albury from the Fixing Country Roads program
 - **\$3 million** to Port Macquarie-Hastings Council for upgrades to Waitui Road
 - **\$0.3 million** to Queanbeyan-Palerang Regional Council to improve Araulen Road at Braidwood
 - Funding to Port Stephens Council for Raymond Terrace Road upgrade works



CHERRYBROOK METRO STATION
Photo credit: Sydney Metro

TRANSPORT CLUSTER CONT.

TRANSPORT

- Cumberland Highway at The Horsley Drive, Smithfield
- The Horsley Drive at Nelson Street, Fairfield
- traffic lights at the intersection of Baker Street and Pennant Hills Road
- Victoria Road widening at the West Ryde rail bridge between West Parade and Anzac Avenue.
- **\$695 million** commitment for technology upgrades on the road network, including:
 - upgrade traffic light systems at 500 intersections across New South Wales
 - Smart Motorways rollout between Sydney and Gosford, and planning for major freeways
 - development of smart parking and clearway signage
 - new drones to better respond to traffic incidents and virtual in-car messaging to better alert drivers.
- Urban Road upgrades including:
 - **\$387 million** to upgrade the Central Coast Highway between Bateau Bay and Wamberal
 - **\$260 million** to upgrade Mulgoa Road from Jeanette Street to Glenmore Parkway, and Jamison Road to Blaikie Road
- **\$220 million** to upgrade Mamre Road between the M4 Motorway and Erskine Park Road
- a further **\$205 million** to duplicate Nelson Bay Road between Williamtown and Bobs Farm, in addition to \$70 million previously allocated for improvements to Nelson Bay Road
- **\$188 million** to deliver the Fingal Bay Link Road
- **\$20 million** for a westbound on ramp to the M4 Motorway from Roper Road
- **\$16 million** for design and development of Spring Farm Link Road Stage 2
- **\$2 million** for planning to upgrade the Toongabbie Rail Bridge.

ELECTRIC BUSES TRIAL

- **\$10 million** over two years to trial 10 electric buses at Randwick Bus Depot, as part of the Government's Electric and Hybrid Vehicle Plan.

FIXING COUNTRY BRIDGES

- **\$500 million** over five years for the Fixing Country Bridges program, to repair and replace poor quality timber bridges in rural and regional communities.

UPGRADING 68 MORE TRAIN STATIONS

- Upgrade a further 68 train stations under the Transport Access Program and Sydney Metro City and Southwest, to make train stations more accessible, including new lifts, ramps and footbridges.

REDUCE THE WEEKLY OPAL TRAVEL CAP

- **\$69.6 million** over four years to reduce the Opal Weekly Travel cap by approximately 20 per cent to \$50 a week for adults and \$25 per week for child/youth and concession travel from 1 July 2019 for all train, bus, ferry and light rail customers. This will benefit approximately 55,000 commuters with savings of up to \$686 a year.

ACCELERATING SYDNEY METRO WEST

- **\$6.4 billion** commitment over four years, for planning and the acceleration of construction of Sydney Metro West, to provide a faster, easier and more reliable journey between Greater Parramatta and the Sydney CBD in around 20 minutes.

NEW REGIONAL ROAD PROJECTS ACROSS NEW SOUTH WALES

Princes Highway

- **\$960 million** for new upgrades to the Princes Highway between Nowra and the Victorian Border, as the first part of duplicating the highway across the next 20 years:
 - duplicate sections between Jervis Bay Road and Sussex Inlet Road
 - build the Moruya Bypass
 - start detailed planning work for the Milton and Ulladulla Bypass and upgrades between Burrill Lake and Batemans Bay.

Great Western Highway

- **\$2.5 billion** for the first stages of the duplication of the Great Western Highway between Katoomba and Lithgow:
 - construction to commence on:
 - Medlow Bath Upgrade
 - Mount Victoria Bypass
 - upgrade between Jenolan Caves Road and South Bowenfels.
 - design and planning to begin on:
 - Katoomba to Medlow Bath
 - Medlow Bath to Blackheath
 - Blackheath Bypass Tunnel
 - Blackheath to Mount Victoria.

Additional regional road upgrades

- Upgrades on the following highways:
 - **\$266 million** to deliver the New England Highway bypass of Muswellbrook

- **\$200 million** to reduce Newell Highway flooding between West Wyalong and Forbes **\$20 million** each for upgrades to the Kings Highway and Monaro Highway
- **\$18 million** for overtaking lanes on the Mitchell Highway between Dubbo and Narromine
- **\$11.2 million** for upgrades to the Bruxner Highway, including at Alstonville and Lismore
- **\$4.5 million** to address flooding at the Washpool causeway on the Gwydir Highway, 15 kilometres east of Moree
- **\$3 million** for planning the New England Highway (Goonoo Goonoo Road) duplication at Tamworth between Calala Lane and Jack Smyth Drive.
- Major road upgrades including:
 - **\$60 million** for duplication of Ocean Drive at Port Macquarie
 - **\$50 million** to upgrade Waterfall Way
 - **\$27 million** for design and land acquisition for the Dunns Creek Road corridor
 - **\$20 million** to seal Bobeyan Road
 - **\$15 million** for the Taree Northern Gateway
 - **\$3 million** for the upgrade of Main Street, Hay.



\$6.4

BILLION

over four years for planning and the acceleration of construction of Sydney Metro West



\$69.6

MILLION

over four years to reduce the Opal Weekly Travel Cap



\$300 MILLION

to provide additional car spaces through the Commuter Car Parking Program

NEW COMMUTER CAR PARKING

- **\$300 million** over four years to provide additional car spaces through the Commuter Car Parking Program at the following train stations:
 - Edmondson Park
 - Emu Plains
 - Engadine
 - Jannali
 - Leppington
 - Revesby
 - Riverwood
 - Schofields
 - Tuggerah
 - Warwick Farm
 - West Ryde.
- As well as additional car parking for bus commuters at Winston Hills.
- A new commuter car park will also be delivered at Hornsby.



B LINE BUS

Photo credit: Transport NSW

TRANSPORT CLUSTER CONT.

TRANSPORT

OPAL PARK AND RIDE EXPANSION

- 10 train station commuter car parks to be converted to Opal Park and Ride car parks, to keep spaces available for public transport users, at:
 - Campbelltown
 - Gosford
 - Holsworthy
 - Hornsby
 - Jannali
 - Kiama
 - Penrith
 - Revesby
 - Sutherland
 - Warwick Farm.

MORE EXPRESS TRAINS FOR WESTERN SYDNEY

- Deliver an additional eight train express services on the T1 Western Line across the morning and evening peak periods on weekdays, adding over 35,000 extra seats each week.

CONNECTING RURAL AND REGIONAL COMMUNITIES

- Trial 13 new public transport routes (bus and train) to connect 44 isolated communities across regional New South Wales to a major centre or city.

REGIONAL SENIORS TRANSPORT CARD

- A Regional Seniors Transport Card providing \$250 per year in 2020 and 2021 towards fuel or taxi travel from regional providers or pre-booked NSW TrainLink tickets for aged pensioners and Commonwealth Seniors Health card holder living in regional New South Wales.

TRANSPORT DISABILITY SUBSIDIES

- **\$173 million** over four years for transport disability subsidies to extend the Taxi Transport Subsidy Scheme and the Wheelchair Accessible Taxi Driver Incentive Scheme.

MORE CYCLING AND PEDESTRIAN INFRASTRUCTURE

- **\$256 million** over four years towards new walking and cycling infrastructure projects across the state to make walking and cycling a more convenient, safer and enjoyable option that benefits everyone.

MORE TRAINS, MORE SERVICES

- Continue delivery of the More Trains, More Services program, including providing increased rail services on the Illawarra, Airport and South Coast Lines. Including:
 - fast-tracking the delivery of another 17 new air-conditioned Waratah Series 2 trains from 2020, in response to growing demand across the Sydney Trains network
 - new train carriages and extra seats on the South Coast line to address increased customer demand during the week and on the weekends

- additional services on the T4 Illawarra Line after 10pm, seven days a week, to reduce wait times on platforms late at night.

ACCESSIBILITY IMPROVEMENTS FOR FERRY WHARVES

- Improve accessibility at Taronga Zoo, South Mosman, North Sydney and Manly ferry wharves.

HELPING KIDS GET TO SCHOOL SAFELY

- \$18.5 million** over four years to provide an additional 300 School Crossing Supervisors across New South Wales primary schools to help children get to and from school safely each day.

PLANNING FOR THE COFFS HARBOUR BYPASS

- Conduct further community consultation on the design of the Coffs Harbour bypass.

NEW REGIONAL RAIL FLEET

- \$2.8 billion** commitment towards the design, build and maintenance of the new regional rail fleet, along with the new purpose built maintenance facility in Dubbo, to create better, safer, more comfortable and reliable services for customers travelling long distances.

REVIEW SURPLUS LAND ACQUIRED UNDER WESTCONNEX

- Review the sale of approximately 4,000 square metres of surplus land at Homebush, acquired as part of the WestConnex motorway project.

FARE FREEZE FOR GOLD OPAL CARDS

- Freeze fares for a further four years for Gold Opal Card holders at a maximum of \$2.50 per day.

HEATHCOTE ROAD UPGRADE

- Widen a two-kilometre section of Heathcote Road at Holsworthy to improve traffic flow and road safety.

EXPRESS TRAIN SERVICES BETWEEN GRANVILLE AND THE CITY

- Provide new return express train services between Granville and the City.

RAPID TRANSPORT OPTIONS FOR WOLLONDILLY AND THE SOUTHERN HIGHLANDS

- Investigate new rapid public transport options to connect communities in Wollondilly and the Southern Highlands with Sydney's electrified rail network. New routes to be explored will include Bargo, Picton and Wilton to Campbelltown, as well as Moss Vale, Bowral and Mittagong to Campbelltown.

PLAN AN EXTENSION OF THE SYDNEY METRO CITY AND SOUTHWEST LINE

- Begin planning an extension of Sydney Metro City and Southwest between Bankstown and Liverpool.

ADDITIONAL FERRY SERVICES AND VESSELS

- Create 400 additional weekly ferry services across the network over the next two years.

NORTH SOUTH METRO RAIL LINK TO THE NEW WESTERN SYDNEY AIRPORT

- Invest over **\$2 billion** over four years towards the New South Wales and Federal Government funded North South Metro Rail Link connecting to Western Sydney Airport, with construction expected to start in 2021 and be completed in 2026 in time for the opening of the airport.

UPGRADE PROSPECT HIGHWAY AND MEMORIAL AVENUE

- \$300 million** commitment to commence upgrading the Prospect Highway and Memorial Avenue to reduce congestion and to help meet future demands on this corridor.

EASING CONGESTION AND CONNECTING COMMUNITIES

- \$32.2 million** from the Housing Acceleration Fund for planning and design of eight road projects across Sydney and regional New South Wales.

NORTHERN BEACHES BUSES

- Deliver a new direct bus service linking Pittwater and Frenchs Forest via the Wakehurst Parkway and start work on developing a turn up and go express bus service linking Dee Why and Chatswood.



\$18.5
MILLION

over four years to provide an additional 300 School Crossing Supervisors



\$2
BILLION

over four years for the North South Metro Rail Link connecting Western Sydney Airport



\$300
MILLION

total commitment to commence upgrading the Prospect Highway and Memorial Avenue



NSW POLICE OFFICER
Photo credit: NSW Police



STRONGER COMMUNITIES CLUSTER

FAMILY AND COMMUNITY SERVICES AND JUSTICE

MULTICULTURAL AGED CARE FACILITIES

- **\$32.5 million** over four years for multicultural community organisations to support the construction and refurbishment of aged care facilities and senior support centres.

SUPPORT FOR MULTICULTURAL COMMUNITY FESTIVALS AND PROJECTS

- **\$12.5 million** over four years for multicultural community organisations and associations to support multicultural festivals, events and community projects in New South Wales.

SENIOR SAVERS CARD

- Introduce the new Senior Savers Card to all New South Wales residents over the age of 60, providing more people with access to discounts on products and services provided through the Seniors Card program.

HALVE HOMELESSNESS BY 2025

- Commit to halve street homelessness across the state by 2025, as part of the global agreement signed by the Government and service providers.

NEW QUEANBEYAN COURTHOUSE

- Provide **\$18 million** in new investment to upgrade the Queanbeyan Courthouse.

GRANTS TO BUSINESSES TO INSTALL CCTV CAMERAS

- **\$5 million** from 2019-20 to provide community grants for small businesses and community organisations in Western and South-Western Sydney to install CCTV security.

ENHANCING PUBLIC SECTOR INTEGRITY

- **\$2.7 million** in 2019-20 to establish the new Public Sector Prosecution Unit, comprising a team of senior lawyers to prosecute public officials for corruption. The Unit will sit within the Office of the Director of Public Prosecutions.

DRUG SUPPLY PROHIBITION ORDERS

- Commence a two-year pilot of Drug Supply Prohibition Orders, which give police more search powers for drug-related crimes.

HELPING VETERANS AND EMERGENCY WORKERS

- Extra support for The Buttery, Northern Rivers to help local veterans and emergency workers to tackle post-traumatic stress disorder (PTSD) and associated substance misuse, by delivering an innovative program called COPE that will treat both conditions concurrently.

SURFERS RESCUE 24-7 COURSE

- **\$1 million** over four years to expand the Surfers Rescue 24-7 course.

VOLUNTEER RESCUE SUPPORT

- **\$18.8 million** over four years to support the Volunteer Rescue Association, including 30 new rescue vehicles and upgraded communications and equipment across 58 locations.

FUNDING TO MARINE RESCUE NSW

- **\$37.6 million** over four years to support Marine Rescue NSW to expand its radio network and provide 38 new rescue vessels to improve safety on the State's waterways.

WATER SAFETY FOR COMMUNITIES

- Provide **\$90,000** from the Water Safety Fund Community Grants Program to the Royal Life Saving Society for swim programs supporting refugees and migrants.

FUNDING TO SURF LIFE SAVING NSW

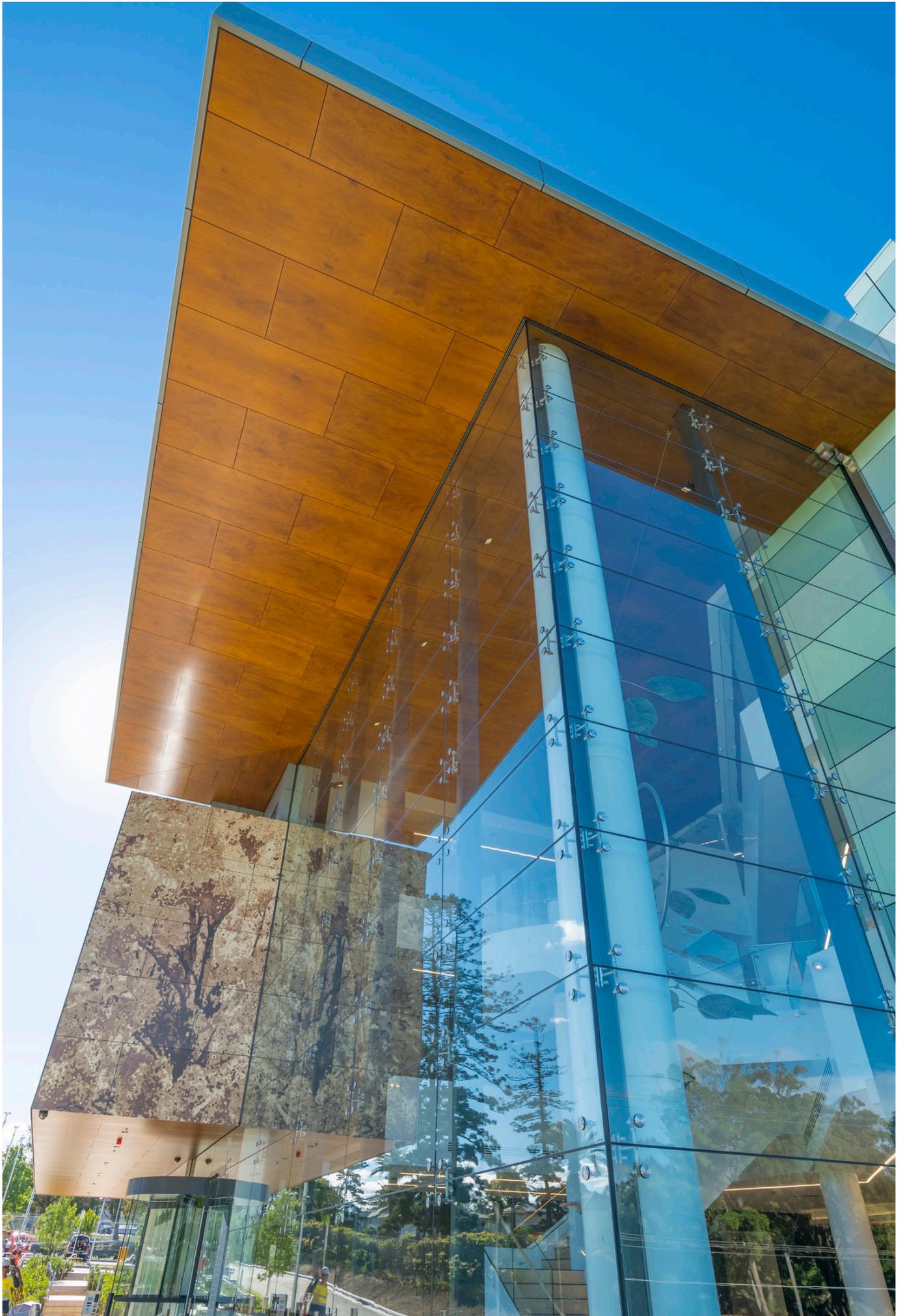
- **\$16 million** over five years to Surf Life Saving NSW to purchase new rescue vehicles, improve community engagement and install 10 new Emergency Response Beacons.

\$32.5
MILLION

to support the construction and refurbishment of aged care facilities

\$18.8
MILLION

over four years to support the Volunteer Rescue Association



FORENSIC MEDICINE & CORONERS COURT COMPLEX, LIDCOMBE

Photo credit: Department of Justice

STRONGER COMMUNITIES CLUSTER CONT.

NSW POLICE FORCE

DELIVER 1,500 NEW POLICE

- Invest in 1,500 new police to increase the State's crime fighting capability and keep the community safe.

NEW AND UPGRADED POLICE STATIONS

- **\$65 million** from 2020-21 to 2022-23 to build new police stations in Bega (\$13 million), Goulburn (\$25 million), the Jindabyne area (\$13 million) and major upgrades to police stations at Bourke (\$7 million) and Bathurst (\$7 million).

DUBBO REGIONAL EDUCATION AND TRAINING CENTRE

- **\$35 million** from 2020-21 to 2022-23 to build a major new state-of-the-art police education and training facility at Dubbo.

NEW BUS FOR SHOALHAVEN PCYC

- **\$40,000** for a new bus at the Shoalhaven Police Citizens Youth Clubs (PCYC).



**\$65
MILLION**

*for new and
upgraded police
stations*

OFFICE OF SPORT

DOUBLE ACTIVE KIDS REBATE

- **\$291.1 million** over four years to expand the Active Kids program from one to two \$100 vouchers per child each year to encourage children's participation in organised sport and physical activity outside school hours.

BROOKVALE OVAL UPGRADE

- **\$20 million** towards the upgrade of Brookvale Oval as part of the Centres of Excellence package. The upgrade will include a 3,000 seat grandstand and a new centre of excellence with gyms, medical facilities, changing rooms, a hydrotherapy centre and community facilities.

UPGRADE MARGARET DONOGHUE OVAL

- **\$590,000** to build new female change rooms and toilets, and a match day team room for the Queanbeyan Tigerettes at Margaret Donoghue Oval. The funding is in addition to the \$450,000 delivered for upgrades to the venue's lights in 2018.



**\$291.1
MILLION**

*to double the
Active Kids
Rebate*



ANZAC MEMORIAL, SYDNEY
Photo credit: Peter Bennetts



PLANNING, INDUSTRY AND ENVIRONMENT CLUSTER

PLANNING, INDUSTRY AND ENVIRONMENT

REGIONAL DIGITAL CONNECTIVITY PROGRAM

- **\$400 million** in capital funding from the \$4.2 billion Snowy Hydro Legacy Fund for the Regional Digital Connectivity Program to provide mobile black spot towers and data centres to improve internet connectivity and reliability in the State's regions.

IMPROVING INFRASTRUCTURE AND SERVICES IN ABORIGINAL COMMUNITIES

- **\$55 million** over four years under the Roads to Home Program to deliver local road infrastructure upgrades and subdivision in collaboration with Local Aboriginal Land Councils in ten Aboriginal communities across New South Wales, to improve access and increase economic opportunities. Communities include:
 - Bellwood Reserve, Nambucca Shire
 - Bowraville Reserve, Nambucca Shire
 - Cabarita Reserve, Mid Coast
 - Gingie, Walgett Shire
 - Gulargambone Top, Coonamble Shire
 - La Perouse Mission, Randwick

- Namoi Reserve, Walgett Shire
- Narwan Village, Armidale Dumaresq Shire
- Three Ways, Griffith
- Wallaga Lake Koori Village, Eurobodalla Shire.

ESTABLISH A REGIONAL YOUTH PORTFOLIO

- Establish a Minister for Regional Youth, who will give voice to young people in regional areas, including delivery of a Regional Youth Strategy, establishment of a Regional Youth Taskforce and an Office for Regional Youth.
- **\$100 million** allocated for round three of the Stronger Country Communities Fund for projects and programs in the regions, including \$50 million aimed at supporting young people.

WILD DOG EXCLUSION FENCE

- **\$37.5 million** over three years to extend the Wild Dog Exclusion Fence in western New South Wales to prevent wild dogs entering the state.

\$400 MILLION

from the Snowy Hydro Legacy Fund for the Regional Digital Connectivity program

\$55 MILLION

to deliver local road upgrades in Aboriginal communities



\$150 MILLION

for acquisition of green and open spaces

OPEN SPACES AND GREENER SYDNEY

- **\$150 million** over five years for the acquisition and embellishment of green and open spaces to improve the liveability of New South Wales communities as part of the Government's Strategic Open Spaces program.
- As part of this package, **\$50 million** will be used to turn existing Government-owned land into new and upgraded parks, including:
 - **\$10 million** for the Nepean River Parklands in Penrith
 - **\$10 million** for George Kendall Riverside Park at Ermington
 - **\$9 million** for walking tracks and bike trails in Frenchs Forest
 - **\$6 million** for a new running track or playground at Kempt Field in Hurstville
 - **\$5 million** for 60 hectares of new parklands and green space in Appin
 - **\$4 million** for new open space at Leppington
 - **\$4 million** to add nature trails to open space in Beaumont Hills
 - **\$2 million** for Carrawood Oval in Carramar.
- **\$100 million** to secure new parks to be developed across Sydney. This funding will be used to purchase open space in strategic locations to improve community access to green space, such as new open space in Newport for the residents of Pittwater.



TARONGA ZOO LEARNING HUB CLASSROOM
*Photo credit: Department of Planning,
 Industry and Environment*

PLANNING, INDUSTRY AND ENVIRONMENT CLUSTER CONT.

PLANNING, INDUSTRY AND ENVIRONMENT

DOPPLER RADARS

- **\$24.4 million** to deliver three new Doppler radars in western New South Wales. The new radar stations will provide real time rainfall data and wind observations to 34 local government areas in Western New South Wales, covering almost 30 per cent of the state by 2022.

PARTNERING WITH LANDCARE COMMUNITIES IN NEW SOUTH WALES

- **\$22.4 million** over four years to expand the Local Landcare Coordinator Initiative, which will see a continuation of an ongoing partnership between Local Land Services and Landcare NSW, supporting ongoing sustainability and oversight of Landcare NSW.

NSW KOALA STRATEGY

- Continue to deliver the **\$45 million** New South Wales Koala Strategy, including setting aside more than 24,000 hectares of new koala reserves.

ESTABLISH AN INDEPENDENT AGRICULTURE COMMISSIONER

- **\$2 million** over four years to establish an independent Agriculture Commissioner, with legislated powers to protect the Right to Farm, allowing farmers to undertake lawful agricultural practices whilst reducing conflict with other land users.

SUPPORTING DAIRY FARMERS

- **\$3.5 million** over four years to establish a Dairy Business Advisory Unit to continue industry support services and identify immediate and necessary actions for the sector.

INVESTING IN THE FORESTRY INDUSTRY

- **\$40 million** to support the forestry industry, including \$34 million as part of round two of the New South Wales Forest Industries Innovation Fund loan scheme and \$3.5 million to support training and certification.

ESTABLISH THE SYDNEY QUANTUM ACADEMY

- **\$15.4 million** over five years to create the Sydney Quantum Academy, putting New South Wales at the forefront of the quantum computing industry, in partnership with the State's leading universities.

IMPROVING THE ACCESSIBILITY OF RECREATIONAL FISHING

- Improve the accessibility of recreational fishing in Batemans Bay and Batemans Marine Park by fast-tracking consultation on a range of issues and creating a new large recreational fishing platform.

EMPOWERING HOMES PROGRAM

- A new program to support the rollout of solar panels and battery systems for up to 300,000 households across New South Wales, improving energy reliability and reducing the cost of living.

RENEWABLE ENERGY BOOST

- **\$30 million** over four years to co-fund new on-demand clean energy projects with the private sector through the Emerging Energy Program, including \$10 million to pilot initiatives to recycle and re-use materials in solar panels and battery systems.

ROLL-OUT OF SOLAR PANELS ON GOVERNMENT BUILDINGS

- Accelerate the roll-out of solar panels on government buildings, such as schools and hospitals, with a target to reach 55,000 megawatt hours per year by 2024.

FINANCIAL RELIEF ON POWER BILLS FOR INDEPENDENT RETIREES

- Introduce an annual \$200 energy rebate from 1 July 2019 for eligible independent retirees to meet cost of living pressures.

ESTABLISH A MINISTER FOR PUBLIC SPACES

- Establish a Minister for Public Spaces who will have responsibility for enhancing and expanding the State's parks, gardens and open spaces, ensuring that there is sufficient open space across New South Wales and that public spaces are welcoming and attractive.

PRESERVING LAND AT WEST RYDE

- Preserve land at West Ryde that is not required for Sydney Water operations for community use.

PURCHASE BLUES POINT RESERVE

- Purchase One Henry Lawson Ave, McMahons Point, to bring the whole Blues Point Reserve into public ownership.

PROTECTING CROWN LAND FOR THE PUBLIC INTEREST

- Further strengthen legislation to ensure Crown Land reserved for recreational purposes cannot be sold, leased or change purpose without approval by the Minister, ensuring changes are in the public interest.

UPGRADING SYDNEY MOTORSPORT PARK

- **\$33.4 million** to implement the New South Wales Motor Sport Strategy, including a Motor Sport Centre for Excellence, installation of permanent lighting at Sydney Motorsport Park and upgrades to the Sydney International Dragway.

ADDITIONAL RECREATIONAL SPACES IN WESTERN SYDNEY PARKLANDS

- **\$157 million** over four years to undertake improvement works at Western Sydney Parklands, including works at Bungarribee Park, cycle and walking tracks, native tree planting, picnic and barbecue areas and additional car parking.

INFRASTRUCTURE WORKS AT MOUNT PENANG PARKLANDS

- **\$16 million** to deliver a comprehensive package of essential infrastructure works at Mount Penang Parklands, including road and footpath upgrades and water and sewer provision.

IMPROVING ACCESS TO NATIONAL PARKS

- **\$149.5 million** over four years to improve access to New South Wales national parks, through upgrading and extending walking trails, improving visitor infrastructure and facilities and introducing online and digital tools for virtual tours.



\$22.4
MILLION

*to expand the
Local Landcare
Coordinator
Initiative*



\$149.5
MILLION

*to improve access
to NSW National
Parks*



WATTAMOLLA BEACH

Photo credit: Department of Planning, Industry and Environment

PLANNING, INDUSTRY AND ENVIRONMENT CLUSTER CONT.

PLANNING, INDUSTRY AND ENVIRONMENT

NEW SHARED TRAIL FOR JINDABYNE

- **\$11.8 million** to construct a Jindabyne shared cycling and walking trail.

CREATING A NEW NATIONAL PARK NEAR TUGALONG STATION

- Establish a new national park centred around Tugalong Station to ensure that the vital koala wilderness area is preserved.

REVIEW THE PORT STEPHENS-GREAT LAKES MARINE PARK

- Conduct an immediate review of the Port Stephens-Great Lakes Marine Park.

BOOST DROUGHT SUPPORT FUNDING

- **\$350 million** added to the Farm Innovation Fund, which provides concessional interest rate loans to primary producers to support farming communities affected by the drought, bringing the Fund to \$1 billion and the total investment in drought support to over \$1.8 billion. The Farm Innovation Fund will also be accessible to commercial fishers and aquaculture businesses.

WATER SECURITY FOR NEW SOUTH WALES

- Develop plans for projects to improve water security in regional communities, including fast tracking regional water strategies, investigating a pipeline from Lostock Dam to Glennies Creek and **\$32 million** over three years to

investigate the raising of the Wyangala Dam (as part of a \$650 million commitment) with environmental and economic studies to commence this year.

- Investigate potential mass water infrastructure projects that will drought-proof Eastern Australia in the spirit of the Bradfield Scheme, contingent on matched funding from the Commonwealth and other states.

GREAT ARTESIAN BASIN INFRASTRUCTURE INVESTMENT (GABII) PROGRAM

- **\$13 million** over four years to rehabilitate high priority free flowing bores and drains in the Great Artesian Basin to enhance reliability of water supply to reduce the impact of drought.

IMPROVEMENTS TO BELLINGEN WASTEWATER TREATMENT PLANT

- **\$9.9 million** to the Bellingen Shire Council from the Growing Local Economies fund for the Bellingen Wastewater Treatment Plant to replace existing onsite sewage management systems with connections to the Council's sewerage network.

INVESTING IN WATER AND SEWER INFRASTRUCTURE PROJECTS

- **\$7.5 million** from the Housing Acceleration Fund to the Central Coast Council for vital water and sewer infrastructure projects in the Central Coast.
- **\$3.5 million** from the Safe and Secure Water Program to the Eurobodalla Shire Council for new water and sewage systems at Nelligen on the South Coast.

REFRESH VAUCLUSE DIAMOND BAY

- Deliver the Refresh Vacluse Diamond Bay project to redirect untreated wastewater away from three ocean outfalls at Vacluse and Diamond Bay and transfer it to the Bondi Wastewater Treatment Plant.

WATER QUALITY INVESTIGATIONS AT TERRIGAL BEACH AND TUGGERAH LAKES

- **\$700,000** to investigate water quality at Terrigal Beach and Tuggerah Lakes.

PROTECTING SURFSIDE FROM COASTAL EROSION

- Commit **\$5.3 million** to fund engineering studies into options for managing coastal erosion on Batemans Bay including Wharf Road, Surfside and Long Beach, and build the best infrastructure solution arising from the engineering studies.

SPECIAL ACTIVATION PRECINCTS

- **\$20 million** from Snowy Hydro Legacy Fund to investigate Special Activation Precincts in Parkes, Wagga Wagga and Williamstown and establish a Regional Growth Development Corporation.

ADDITIONAL INVESTMENT FOR THE VALLA GROWTH AREA

- Invest **\$3 million** from the Growing Local Economies Fund toward the first stage of development of the new commercial and industrial precinct in the Valla Growth Area to be completed in 2020.



\$350
MILLION

*added to the
Farm Innovation
Fund*



\$8
MILLION

*to establish Country
Universities Centres
across regional NSW*

EXPANDING COUNTRY UNIVERSITIES CENTRES

- **\$8 million** over four years to establish at least another five Country Universities Centres across regional New South Wales. This investment will be used to:
 - open at least five new regional hubs, established in collaboration with local communities, taking the number of regional centres to 13 across the state
 - expand on existing and developing Centres in Cooma, Broken Hill, Goulburn, Moree/Narrabri, Grafton and Griffith/Leeton
 - provide students at Country University Centres access to specialised services and support currently unavailable via traditional distance education
 - build new university centres in regional locations where currently there are no tertiary facilities.





CUSTOMER SERVICE CLUSTER

CUSTOMER SERVICE

NUCLEAR MEDICINE AND TECHNOLOGY HUB

- **\$12.5 million** over five years to establish a Nuclear Medicine and Technology Hub at Lucas Heights in partnership with the Australian Nuclear Science and Technology Organisation to develop cutting edge treatments.

RETIREMENT VILLAGE REFORMS

- Introduce time limits on when retirement villages can charge for general services and when they must sell or buy back a unit after the departure of a resident.

MAKING IT EASIER TO INTRODUCE RENEWABLE ENERGY

- Lower the voting threshold for renewable energy projects in strata buildings from 75 to 50 per cent, to more easily install solar panels, battery storage and electric vehicle charging points in strata buildings.

FINANCIAL RELIEF FOR REGULAR TOLL ROAD USERS

- Introduction of half-priced rego from 1 July 2019, for drivers who spend \$15 or more a week on tolls. Drivers who spend \$25 or more a week on tolls will continue to receive free rego.

PROVIDING FINANCIAL RELIEF TO HOUSEHOLD GAS USERS

- Expand the Energy Switch service to include household gas.

REFORM THE BUILDING AND CONSTRUCTION INDUSTRY

- Appoint a Building Commissioner to act as the consolidated building regulator in New South Wales with responsibilities to licence and audit practitioners.

**\$12.5
MILLION**

to establish a Nuclear Medicine and Technology Hub

**1/2
PRICE**

rego for drivers who spend \$15 or more a week on tolls



Expand footprint of Service NSW across the State

EXPANDING SERVICE NSW CENTRES

- Roll out 10 new Service NSW centres across Metropolitan Sydney. New locations include:
 - Merrylands
 - Randwick
 - Revesby
 - Northmead
 - Engadine
 - Glenmore Park
 - Prestons/Edmondson Park
 - Roselands
 - North Sydney
 - Schofields.
- Roll out four one-stop shop Service NSW buses servicing communities throughout the State.





SERVICE NSW MOBILE SERVICE CENTRE
Photo credit: Salty Dingo

CUSTOMER SERVICE CLUSTER CONT.

PARTNERING WITH CLUBS

Helping Clubs in NSW through continuing to support the ClubGRANTS scheme, including providing a grant to Yass Valley Council to upgrade the Coronation Park Playground and providing more support for clubs during drought, modernising the *Registered Clubs Act*, partnering with clubs for education and training and regional job creation, introducing new responsible gambling policies and supporting the establishment of new clubs.

IMPROVING QUAD BIKE SAFETY FOR NEW SOUTH WALES FARMERS

- **\$2.8 million** over two years to extend the quad Bike Safety Improvement Program, including rebates for farmers who prefer drones as alternatives to quad bikes.



\$2.8 MILLION

extend Quad Bike Safety Improvement program

SUPPORTING SMALL BUSINESS

Small business cost saving package

- \$300 million in workers compensation insurance premium discounts over three years for 280,000 employers via Insurance and Care NSW, delivering an average discount of 8 per cent, and maximum of 12.5 percent, for employers with the safest workplaces.
- Continue to provide payroll tax relief by progressively increasing payroll tax brackets to \$1 million in 2021-22, with up to 38,000 businesses saving up to \$8,175 off their tax bill
- Giving small businesses and tradies a head start in procurement by requiring NSW Government agencies to consider small business suppliers for everything they buy.
- Provide small business with access to the NSW Government's Energy Switch program.

Easy to do Business program

- Reduce red tape and enhance the Easy to do Business program through work undertaken by the NSW Productivity Commissioner, including:
 - a review of government fees and charges on small businesses.
 - enable businesses to opt-in to receive communications about policy or regulatory changes affecting their industry.
 - streamlining motor vehicle registrations for individuals and businesses that own multiple vehicles, by providing an option for all registrations to fall due on the same day.



WESTERN SYDNEY AEROTROPOLIS

Photo credit: Department of Planning, Industry and Environment



TREASURY CLUSTER

TREASURY

250,000 NEW JOBS IN THE NEXT FOUR YEARS

- Create 250,000 new jobs over the next four years from 2019.

WESTERN SYDNEY START-UP HUB FOR SMALL BUSINESSES

- **\$6.6 million** over four years to establish the Western Sydney Start-up Hub, providing subsidised and affordable work spaces and programs for businesses and startups in Western Sydney, with operations starting 1 July 2020.

PROCUREMENT SAVINGS

- Treasury to coordinate the delivery of whole-of-government administrative and procurement savings over the next four years from 1 July 2019.



\$6.6

MILLION

over four years to establish the Western Sydney Start-up Hub



250,000

new jobs over the next four years

EMPLOYMENT PRECINCTS

More employment precincts to drive jobs, boost education and create innovation

SYDNEY INNOVATION AND TECHNOLOGY PRECINCT

Sydney is consolidating its position as a global hub for technology, investing in the creation of an innovation and technology precinct at Central-Eveleigh. The new Sydney Innovation and Technology Precinct will become the digital destination for all of Australia with thousands of people working and learning, enhancing the State's capability and assuring the jobs of the future.

AGRIBUSINESS PRECINCT IN THE WESTERN SYDNEY AEROTROPOLIS

Establish an agribusiness precinct in the Western Sydney Aerotropolis which will contribute directly to 2,500 jobs and support up to 12,000 more. The precinct will include a series of high-tech farming and climate-controlled glasshouses that will produce fresh food and handle incoming produce from New South Wales farms for global export.

EDUCATION AND EMPLOYMENT PRECINCT

A new integrated Central Coast Education and Employment Precinct around Gosford CBD with increased education and job opportunities, creating 1,000 local jobs and up to 3,000 tertiary and vocational education opportunities.



ILLUMINARTE

Photo credit: Greater Sydney Commission



BEHIND THE SCENES ON LADIES IN BLACK WITH ANGOURIE RICE AND BRUCE BERESFORD

Photo credit: Lisa Tomasetti



PREMIER & CABINET CLUSTER

PREMIER & CABINET

SUPPORTING VISION AUSTRALIA

- **\$2 million** over four years for Vision Australia through the State Library of New South Wales, to enable the provision of expanded services and a greater selection of audio and braille books to the 126,000 people who are blind or have low vision.

ENHANCING PUBLIC SECTOR INTEGRITY MEASURES

- Require all members of Parliament to publish diary and overseas travel information and any third-party lobbyist representing a foreign state or controlled entity to disclose those links on the Lobbyist Register.



\$99.2 MILLION

developing local community initiatives

WESTERN PARKLAND CITY LIVEABILITY PROGRAM

- **\$99.2 million** over four years (including \$49.6 million from the Australian Government) towards developing local community initiatives under the Western Parkland City Liveability Program, a joint initiative with the Australian Government and various local councils. Key projects include:
 - **\$15 million** to develop three sport and recreation facilities in the Camden area
 - **\$15 million** to rejuvenate the town centres of Windsor, Richmond and South Windsor
 - **\$15 million** to transform the Regatta Park precinct in Penrith
 - **\$15 million** to deliver the Campbelltown Billabong Parklands, a landmark and iconic swimming lagoon at Apex Park, Bradbury
 - **\$15 million** to support Blue Mountains community initiatives
 - **\$13 million** towards building a community and recreational hub in Phillips Park, Lurnea
 - **\$9.4 million** to upgrade the Fairfield showgrounds
 - **\$1.9 million** towards improvements to support additional growth, improve access and promote healthy living, in Wollondilly Shire.



LOCAL COMMUNITIES

Delivery of local community projects providing grants to local councils and non-government organisations across New South Wales to support community engagement, local sporting organisations, local tourism and local economies. Local projects include:

SUPPORTING COMMUNITIES

- **\$25 million** to establish the Byron Bay Sustainable Tourism Fund to manage the impact of tourism on the region and locals.
- **\$11.6 million** to continue funding the Ability Links NSW disability program in 2019-20.
- **\$8 million** towards stage one of the North Coast Beaches Multi Purpose Community Centre in Woolgoolga.
- **\$7.5 million** towards the first stage of a new Australian Opal Centre in Lightning Ridge.
- **\$5 million** to Cabonne Council for a new library, community hall and learning centre in Molong.
- **\$4 million** towards to the Berry Rotary Club for the Berry kids playground.
- **\$3.4 million** to the Oxley Vale Lifelong Learning Centre to provide more appropriate spaces for activities undertaken by students, community groups and the elderly.
- **\$3.3 million** to commence construction of Grace's Place, a world-first residential recovery centre, to help children and young people through the trauma of losing a loved one due to homicide.
- **\$2 million** to Albury Local Council to support community engagement, local sporting organisations for young women, local tourism and local economies.
- **\$2 million** to provide improved security infrastructure for more than 30 Jewish places of worship, aged-care facilities and schools.
- **\$1.5 million** to upgrade Edward Bennett Park, Cherrybrook and make it an inclusive playspace.
- **\$1.5 million** grant to Lismore Council to support community activities.
- **\$207,000** to support churches in Granville, including St. Mary's Antiochian Orthodox Church in Mays Hill and St. Anthony's and

St. Paul's Coptic Orthodox Church in Guildford.

- **\$100,000** to replace the roof at St Joseph's Catholic Church and improve accessibility at St Mary & St Joseph's Coptic Orthodox Church in Oatley.
- **\$100,000** to the Animal Hospital in Lismore.
- **\$35,000** for equipment at the Koala Triage, Treatment and Pathology Clinic in Lismore.

INVESTING IN SPORT AND RECREATION

- **\$25 million** from the Growing Local Economies Fund for a purpose-built sporting precinct at Orange.
- **\$25 million** to Newcastle Basketball to build a new indoor sports stadium at Hillsborough.
- **\$15 million** to build a new sports hub in Cooma, including a synthetic athletic track and an indoor sports facility with three courts.
- **\$13.5 million** to the Bega Valley Shire Council to upgrade the Bega and Pambula Sporting Complexes and Merimbula Basketball Courts.
- **\$10 million** for the Coffs Harbour Recreational Boat Ramp.
- **\$10 million** to the Verge Street Fields (Kempsey Sporting Complex) Project.
- **\$10 million** to upgrade the Goulburn Aquatic and Leisure Centre.
- **\$9 million** to fully upgrade the Mark Taylor Oval in Waitara.
- **\$4.5 million** to the Southern Districts Football Association to upgrade Ernie Smith Reserve.
- **\$1.2 million** to Alstonville Football Club for the clubhouse and lighting redevelopment.
- **\$3.8 million** for a new Brunswick Heads Surf Club. **\$3.6 million** to upgrade Kingsford Smith Park, Ballina.
- **\$3.5 million** to expand the Hornsby Mountain Bike Trail.
- **\$3 million** to the Dubbo Rifle Club for a new purpose built shooting complex for approved target shooting disciplines.
- **\$3 million** to upgrade Tuncurry Golf Course.
- **\$3 million** to Bowraville Recreational club for the Bowraville Sport and Youth Hub.
- **\$3 million** to upgrade sporting fields at Parramatta Park.
- **\$3 million** to Penrith City Council to upgrade the synthetic running track, the oval, amenities and lighting at Parker Street Fields.
- **\$2.5 million** to Hornsby Shire Council for bushwalking trails.
- More than **\$2 million** to upgrade the sports grounds at Tahmoor and Picton.
- **\$2 million** for the redevelopment of Gladesville Oval and Reserve.
- **\$2 million** to upgrade the Oberon Football Ground and Fitness Park.
- **\$1.8 million** to Easts Rugby Club to upgrade facilities to improve equality for female athletes.
- **\$1.5 million** to upgrade the amenities block at Penrith Tennis Centre.
- **\$1.5 million** to Hornsby Shire Council for a synthetic pitch for the Northern Suburbs Football Association.
- **\$1.5 million** to Hornsby Shire Council to upgrade the Ron Payne Reserve at North Epping.
- **\$900,000** to Georges River Council for decontamination of the Oatley Bowling Club.
- **\$750,000** to Blue Mountains Council to upgrade amenities at Lapstone Oval.

- **\$750,000** to Canterbury Bankstown Council to upgrade sporting facilities for local sporting teams using Marco Reserve and provide a modern clubhouse.
- **\$750,000** to upgrade amenities and complete the second block at Leonay Oval.
- **\$500,000** to Penrith City Council to upgrade the Eileen Cammack Reserve.
- **\$400,000** towards a new clubhouse and other amenity upgrades at the Hammondville Oval, including storage facilities, change rooms for female participants and disability bathrooms.
- **\$200,000** to Mid Coast Council to upgrade Myall Lakes Tennis Centre.

LOCAL INFRASTRUCTURE

- **\$44 million** to build a new road connection between Garfield Road at Denmark Road and Westminster Street, near Riverstone.
- An additional **\$14.3 million** towards Stage 1 of the Moss Vale Bypass, bringing total investment to \$20 million.
- **\$5.5 million** to the NSW Rail Museum to re-open the Picton Loop Line, a 152 year old line between Buxton and Colo Vale.

- **\$2 million** towards the final stage of the Gannons Park water quality Improvement and stormwater harvesting project.
- **\$600,000** to the Tweed Shire Council for maintenance of the Northern Rivers Rail Trail.
- **\$93,000** to Mullumbimby High School for a new Bus Shelter.

LOCAL COMMUNITIES CONT.

OTHER LOCAL PROJECTS

EARLY CHILDHOOD EDUCATION GRANTS PROGRAM

- **\$14,850** to Bundanoon District Preschool to build a new chicken pen and vegetable garden to enhance their weekly cooking program, and to build children’s understanding of where their food comes from. As well as \$60,000 to the Port Stephens Mobile Preschool Activity Van to continue its services.

FIRE STATION IN LISMORE

- Provide planning funding for a new co-located Fire and Rescue NSW and Ambulance station in Lismore.

NEW KINGSLIFF FIRE STATION

- Provide funding to purchase land and build a new fire station in Kingscliff.

NEW RESCUE RAFT FOR SES HOLROYD

- Provide **\$10,000** to the Holroyd SES unit to purchase a new rescue raft and other equipment.

UPGRADE OLDS PARK

- Provide **\$500,000** to Georges River Council to install new irrigation and resurface the field at Olds Park Field 2.

NEW MULTI-USE COMMUNITY SPORTS PAVILION AT GRANVILLE PARK

- Provide **\$2.7 million** to Cumberland Council from within the Greater Sydney Sports Facility Fund, for a new multi-use community sports pavilion at Granville Park, Merrylands.

UPGRADE THE PENNANT HILLS DEMONS AFL CLUB

- Provide **\$965,000** to build a new club house for the Pennant Hills Demons AFL Club at Ern Holmes Oval.

MARK LEECE FIELDS UPGRADE

- Provide **\$1.3 million** to Penrith City Council to upgrade Mark Leece Fields at St Clair.

PORTLAND TOUCH FOOTBALL ASSOCIATION UPGRADES

- Provide **\$500,000** to Portland Touch Football Association towards upgrades of its facilities.

UPGRADE KNAPSACK PARK

- Provide **\$750,000** to the Blue Mountains Council to upgrade Knapsack Park in Glenbrook.

NEW MULTI-SPORT PRECINCT

- **\$2.2 million** from the Greater Sydney Sports Facility Fund to the Wollondilly Shire Council towards the Wilton Recreational Reserve multi-sports precinct.

INSTALLING SAFETY LIGHTING FOR REGIONAL TOWNS

- **\$110,000** towards installing safety lighting in Jindabyne, Bombala, Berridale and Cooma.

NEW PORTLAND CEMENT WORKS MUSEUM

- Provide **\$500,000** to 'the Foundations' to build a new Portland Cement Works Museum.

UPGRADE BANGALOW LIONS CLUB

- **\$228,000** to upgrade the Bangalow Lions Club bar and BBQ kiosk.

UPGRADE COOMA CBD

- **\$1 million** to upgrade Sharp Street in the Cooma CBD.

REVITALISE LISMORE CBD

- **\$1.5 million** to the Lismore City Council to revitalise the Lismore CBD.

SCONE MAIN STREET UPGRADES

- **\$7 million** to the Upper Hunter Shire Council for the Scone Main Street upgrades.

ESTABLISH A CITRUS CENTRE OF EXCELLENCE

- **\$300,000** to the Griffith Centre for Irrigated Agriculture (GCIA) to establish a Citrus Centre of Excellence in Griffith.

UPGRADE YASS WATER TREATMENT PLANT

- Provide **\$1.2 million** to upgrade the Yass water treatment plant from the Safe and Secure Water Program, following business case finalisation.

INVESTIGATION OF COEDUCATIONAL FACILITY AT HORNSBY

- Commence a feasibility study to build a new coeducational facility to meet growing demands of residents in Hornsby.

BANKSIA MENTAL HEALTH UNIT REDEVELOPMENT

- Planning for the redevelopment of the Banksia Mental Health Unit in Tamworth under the State-wide Mental Health Infrastructure Program.

NEW QUEANBEYAN RESPITE CARE CENTRE

- **\$750,000** to build a respite care centre in Queanbeyan to support people suffering from terminal and chronic illness.

FUNDING FOR GARRAWARRA CENTRE RESIDENTIAL AGED CARE FACILITY

- **\$177,000** for a new bus and equipment at the Garrawarra Centre residential aged care facility.

KARITANE RESIDENTIAL SERVICE UPGRADE

- **\$130,000** to Karitane Residential Service for upgrades to support their work helping new parents and babies.

ONG JETTY HEALTHCARE CENTRE UPGRADE

- **\$110,000** to upgrade air conditioning units at the Long Jetty Healthcare Centre.

NEW EQUIPMENT FOR MOUNT DRUITT HOSPITAL

- **\$17,000** for two medical grade treadmills at Mount Drutt Hospital.

This document contains announcements made by the New South Wales Government during the 2019 election campaign. It includes election commitments costed by the Parliamentary Budget Office (PBO), as well as other announcements from programs. Some announcements which are funded by existing business as usual programs may not be included in this document. Projects delivered over a longer time frame may have planning money allocated or partial funding reserved.



GETTING
it DONE