

ENVIRONMENT, SPORT AND TERRITORIES

Environment, Sport and Territories portfolio savings initiatives

Function: Recreation and Culture, Other Economic Affairs, nec, Housing and Community Amenities, General Services

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-5.0	-5.7	-4.5	-5.2

Explanation

As part of the Government's fiscal consolidation strategy, the portfolio is reducing outlays by approximately \$20 million over four years.

The portfolio savings initiatives measure will be achieved through reductions in various programmes with the main focus on outlays relating to departmental running costs, the coastal policy package, State of the Environment reporting, park management operations, deferment of park works, forests policy, public relations and increased cost recovery for meteorological services.

ENVIRONMENT, SPORT AND TERRITORIES

Natural Heritage Trust of Australia Reserve

Function: Housing and Community Amenities, Agriculture, Forestry and Fishing, Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
161.9	265.4	272.7	254.9

Explanation

The Government has committed to the establishment of the Natural Heritage Trust of Australia Reserve on the passage of the Natural Heritage Trust of Australia Bill 1996. An expenditure package, totalling \$1,249 million from 1996-97 to 2001-02, will be funded through the Natural Heritage Trust and will comprise projects to improve Australia's environmental infrastructure. The \$1,249 million comprises \$1,149 million committed for the Trust contingent on the sale of Telstra, and included in the Contingency Reserve for the 1996-97 Budget, and an additional \$100 million added to the Contingency Reserve as a measure in the *Mid-Year Economic and Fiscal Outlook 1996-97*, at \$25 million per year from 1997-98.

To date, \$41.87 million has been provided to the Department of the Environment, Sport and Territories (DEST) and the Department of Primary Industries and Energy (DPIE) for expenditure on Trust programmes in 1996-97 (\$23.24 million to DEST, \$18.63 million to DPIE).

This measure provides for the balance of the \$1,249 million expenditure in the forward estimates. The measure is fully offset by the moneys provided in the Contingency Reserve.

The objectives of the Natural Heritage Trust are to:

- provide a framework for strategic capital investment to stimulate additional investment in the natural environment;
- achieve complementary environment protection, natural resource management and sustainable agriculture outcomes consistent with national strategies; and
- provide a framework for cooperative partnerships between communities and all levels of government.

At the Commonwealth level, programmes covered by the Trust are to be administered through the Natural Heritage Trust Ministerial Board comprising the Minister for the Environment and the Minister for Primary Industries and Energy, in accordance with the Table below.

	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Programme outlays by DEST							
National Vegetation Initiative	4.0	29.1	70.5	78.0	78.0	69.0	328.6
National Land & Water Resources Audit	1.4	0.4					1.8
Coasts and Clean Seas		21.3	26.3	29.8	22.6		100.0
World Heritage Area Management & Upkeep	4.7	11.7	8.3	7.9	7.1		39.7
Air Pollution in Major Cities	1.5	3.5	3.5	4.0	3.5		16.0
Waste Management Awareness	0.5	2.0	2.0	0.5			5.0
National System of Reserves	2.0	11.0	21.0	23.0	20.0	3.0	80.0
Endangered Species Programme	2.0	4.3	4.2	5.5			16.0
National Feral Animal Control	2.9	1.7	1.8	1.8	1.4		9.6
National Weeds Strategy	1.3	1.9	1.9	1.9	1.9		8.9
National Wetlands Programme	1.3	1.8	2.5	2.9	1.5	1.0	11.0
Tasmanian Regional Environment Remediation Programme	1.8	3.5	3.5				8.8
Total outlays by DEST	23.2	92.2	145.5	155.3	136.0	73.0	625.3
Programme outlays by DPIE							
Landcare (incl. Tax Credits)	10.2	35.0	63.0	57.0	54.0	44.8	264.0
Property Management Planning	0.4	3.0	3.0	3.0	3.0	2.6	15.0
National Rivercare Initiative	0.4	12.4	24.4	25.4	25.4	9.0	97.0
Farm Forestry		1.6	4.8	6.4	5.8	3.4	22.0
National Land & Water Resources Audit	0.2	7.0	7.0	7.0	7.0	7.0	35.2
Murray Darling Basin 2001	4.7	29.5	37.5	38.5	43.5	9.3	163.0
National Feral Animal Control	1.5	2.0	0.9	0.9	0.7	0.5	6.5
National Weeds Strategy	1.2	3.1	3.0	3.0	3.0	1.7	15.0
Coasts and Clean Seas (Fishcare)		1.2	1.2	1.2	1.4	1.0	6.0
Total outlays by DPIE	18.6	94.8	144.8	142.4	143.8	79.3	623.7
Total Natural Heritage Trust	41.9	187.0	290.3	297.7	279.8	152.3	1249.0
less 1996-97 outlays and previously announced measure	41.9	25.0	25.0	25.0	25.0		
Total 1997-98 Budget Measure	0.0	162.0	265.3	272.7	254.8	152.3	1107.1

ENVIRONMENT, SPORT AND TERRITORIES

Willandra Lakes Structural Adjustment Package

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
2.0	0.0	0.0	0.0

Explanation

This measure will enable the Commonwealth to meet the final year of its funding commitment to the New South Wales Government for the Willandra Lakes Structural Adjustment Package.

The Willandra Lakes Structural Adjustment Package arises from an agreement between the Commonwealth and New South Wales, matched on a dollar for dollar basis, and aims to address the socio-economic impacts on landholders in the Willandra Lakes Region World Heritage Property as a consequence of World Heritage listing.

ENVIRONMENT, SPORT AND TERRITORIES

Payment to QLD - Sugar Coast Environment Rescue Package

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
1.0	2.0	0.0	0.0

Explanation

This measure will enable the Commonwealth to meet its funding commitment to the Queensland Government for the Sugar Coast Environment Rescue Package.

The Package was established in 1995 as a joint \$16 million Commonwealth/Queensland programme designed primarily for assistance in the removal of threats to habitat critical for the Mahogany Glider which is listed as an endangered species under the *Commonwealth Endangered Species Act 1992*.

ENVIRONMENT, SPORT AND TERRITORIES

Funding for capital works at Orielton Lagoon in Tasmania

Function: Housing and Community Amenities

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
0.7	0.0	0.0	0.0

Explanation

This measure provides a Commonwealth contribution to enable the completion of the second phase of remediation works at Orielton Lagoon, a small embayment east of Hobart at the northern end of Pitt Water.

The first phase of remediation works to improve flushing has been completed. The second phase involves the diversion of sewerage, which presently discharges into Orielton Lagoon, for use in irrigating orchards and cut-flower farms. The capital works, involving the construction of a holding pond and pipes, is being funded by contributions from the Commonwealth, State and local Governments.

ENVIRONMENT, SPORT & TERRITORIES

Sydney 2000 Games - Olympics and Paralympics

Function: Foreign Economic Aid, Public Order and Safety, Tourism and Area Promotion, Recreation and Culture, Mining and Mineral Resources, other than Fuels; - Manufacturing ; - and Construction

Financial Implications (\$m)

	1997-98	1998-99	1999-00	2000-01
Attorney General's	1.0	10.4	21.6	16.3
Environment, Sport and Territories	0.0	50.0	50.0	50.0
Foreign Affairs and Trade	0.4	2.6	3.7	2.1
Industry, Science and Tourism	3.0	0.0	0.0	0.0
TOTAL	4.4	63.0	75.3	68.4

Explanation

The Commonwealth has agreed to a number of measures that will assist with the staging of the Sydney 2000 Games (in addition to about \$350 million already committed or spent). The measures are in four broad categories.

Security

The security measures include coordination of dignitary protection, the provision of intelligence, counter-terrorism planning and coordination, as well as law enforcement responsibilities of the Australian Federal Police. They will be implemented by security

and law enforcement agencies, most of which are in the Attorney-General's portfolio. The NSW Government has overall responsibility for the security operation of the Games.

Promoting Australia

These are initiatives within the Foreign Affairs and Trade, and Industry, Science and Tourism portfolios which will be undertaken to press Australia's political, economic, financial and environmental credentials internationally, between now and 2000 and include:

- international media visitors and information/publicity programme, including services for foreign media;
- identifying potential business people/visitors whose visits to Australia during the pre-Olympic period are intended to stimulate overseas investment in Australia and exports;
- marketing Australian sporting capability overseas and funding specific sport development projects with Asian countries; and
- additional marketing activities overseas by the Australian Tourist Commission to increase inbound tourism.

Other Games-related Activities

These represent activities which the Commonwealth will undertake, based on either specific requests from the Games organisers or anticipated requirements for staging the Games. The activities cover a number of agencies and portfolios. Consistent with the application of the user pays principle, the cost of activities will be sought from the Games organisers. Accordingly, the budget estimates contain no provision for these activities. Specific activities which have been identified to date include:

- facilitation of the movement of animals (principally horses), equipment and feed to and from Australia at the time of the Games;
- the Australian Sports Drug Testing Laboratory and the Australian Sports Drug Agency have devised research and sampling and analysis programmes respectively to ensure that the potential drug testing requirements of the Sydney Organising Committee for the Olympic Games at the time of the Games are able to be met; and
- provision of Games-related meteorological services by the Bureau of Meteorology.

Assistance to the Sydney Organising Committee for the Olympic Games (SOCOG)

Through the Environment, Sport and Territories portfolio, the Commonwealth will provide an annual grant to SOCOG to compensate for the impact of sales and income tax payments. The payment of the grants will be subject to adequate levels of cost recovery achieved for Commonwealth services provided to SOCOG, such as meteorological services. The \$50 million from 1998-99 is an estimate based on anticipated taxation payments from SOCOG.

ENVIRONMENT, SPORT AND TERRITORIES

Discontinuation of the Save the Bush Programme

Function: Housing and Community Amenities

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-1.5	-1.5	0.0	0.0

Explanation

This programme has been discontinued to offset other vegetation initiatives within the portfolio. Concurrently, the Government will be introducing a major new vegetation initiative to be funded from the Natural Heritage Trust of Australia Reserve.

ENVIRONMENT, SPORT AND TERRITORIES

Grant to AAP Mawson's Huts Foundation for the restoration effort on Mawson's Huts

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
0.3	0.0	0.0	0.0

Explanation

This measure will assist the AAP Mawson's Huts Foundation to undertake conservation work on the huts established at Cape Denison by Sir Douglas Mawson during the 1911-14 Australasian Antarctic Expedition. The huts are a significant part of Australia's Antarctic heritage. The Cape Denison site is entered in the Register of the National Estate and is recognised internationally under the auspices of the Antarctic Treaty as a historic site.

ENVIRONMENT SPORT AND TERRITORIES

Maintain Local Government General Purpose Assistance Grants in real terms - Determination of 1997-98 payments

Function: General Purpose Inter-government Transactions

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-14.7	-15.2	-15.8	-16.4

Explanation

The Commonwealth provides the bulk of its funding to local government in the form of general purpose assistance, comprising financial assistance grants and identified road funding. The *Local Government (Financial Assistance) Act 1995* provides for general purpose assistance for local government to be increased in line with movements in general revenue assistance provided by the Commonwealth to the States.

In 1997-98, the general purpose assistance entitlement for local government will be increased in line with the Consumer Price Index (CPI), and hence maintained in real terms. This means that local government will receive an estimated \$1,205 million in 1997-98, after an adjustment for the estimated overpayment of \$8 million in 1996-97 that reflects lower than expected inflation in that year. In determining the estimated entitlement for 1997-98, the Government has taken into account the fiscal contributions which the States are making to the Commonwealth, and the increase in general purpose assistance to local government will be more commensurate with trends in general revenue assistance provided to the States.

ENVIRONMENT, SPORT AND TERRITORIES

Restoration and management of National Assets Programme in the ACT

Function: Housing and Community Amenities

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
5.0	5.1	5.2	5.3

Explanation

This measure provides for a new four year programme to continue the restoration of Commonwealth assets and to meet public safety requirements in the Parliamentary Zone and on other Commonwealth lands in the National Capital. The programme includes restoration works associated with Commonwealth assets, including national memorials, roads, footpaths, lighting, open space areas and other infrastructure.

ENVIRONMENT, SPORT AND TERRITORIES

Indian Ocean Territories - Recurrent funding adjustment

Function: Fuel and Energy, Transport and Communication, Public Order and Safety, Housing and Community Amenities, General Services, Health

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
3.0	0.0	0.0	0.0

Explanation

The Indian Ocean Territories (IOTs) communities are dependent on the Commonwealth for funding of State and local government type services. This measure provides an additional \$3 million in 1997-98 in order to maintain essential government services such as health, education and public housing and to improve asset management. The level of funding for the IOTs in outyears will be considered following the development of a resource agreement with the Department of Finance.