

Strategic Objectives

Financial Management

- Successful preparation and publication of the 2009-10 Budget (\$4.2 billion), and the 2009-10 Infrastructure Program (\$1.3 billion) including \$276 million for repairs and maintenance. The Infrastructure Program incorporates the Commonwealth's Stimulus Package bringing investment of \$350 million over four years to the Territory.
- Successful preparation and publication of the 2007-08 TAFR, the 2008 PEFO report, the 2008-09 Mid-Year Report and the Treasurer's quarterly financial reports.
- Amended the *Financial Management Act* to provide for Commonwealth Appropriation, to accommodate revised arrangements for the flow of tied Commonwealth funds to the Territory, following the new Intergovernmental Agreement on Federal Financial Relations.
- Completion of a \$295 million refinancing and new borrowing program.

Economic Management

- Reviewed key government policies and frameworks, including regulatory arrangements for electricity provision in the Territory, the pricing framework for utilities to ensure sustainable provision, the regulatory framework for the Port of Darwin, and prudential supervision for the TIO.
- Advice and assistance on government projects, including development of Bellamack and commercialisation of aspects of the Territory's integrated land information system.
- Significant involvement in developing the Power and Water Corporation 2008-09 Statement of Corporate Intent and revised funding arrangements for Indigenous Essential Services.
- Updated the Northern Territory population projection model, in conjunction with CDU, to incorporate the latest data.
- Published the Northern Territory Economy budget-related paper, regular economic and social briefings and the monthly Territory Economic Review.

Intergovernmental Relations

- Key membership of COAG reform agenda working groups on health and aging, productivity, infrastructure, business regulation and competition, housing, climate change and water, and Indigenous reform.
- Provision of policy advice and analysis regarding COAG's federal financial relations reforms encompassing the Intergovernmental Agreement on Federal Financial Relations, National Partnership Agreements, Specific Purpose Payments and associated payments.
- Detailed submissions to the Commonwealth Grants Commission (CGC) on all the main assessment categories under consideration for the 2010 methodology review of state relativities.
- Continued monitoring of changes in the underlying parameters that determine the Territory's GST revenue.
- Publication of the 2006-07 Indigenous Expenditure Review.
- Participated in the development of methodology for the National Indigenous Expenditure Framework.

Revenue Management

- Development and implementation of 2009-10 revenue budget measures.
- Full implementation of payroll tax harmonisation including the introduction of the new *Payroll Tax Act*.
- Implementation of two new home ownership incentive schemes, namely the Commonwealth's First Home Owner Boost and the Territory's Buildstart scheme.
- Complied with all information requests for the Australia's Future Tax System review and contributed to the Territory Government and Council of Australian Federation (CAF) submissions to the review.
- Ongoing business application developments including substantial progress with Standard Business Reporting (SBR) requirements.
- Investigated the inclusion of other revenue lines administered by the Territory Revenue Office within the Territory Revenue Management electronic Returns (TRMeR) system that enables clients to lodge returns and pay payroll tax online.
- Conversion of all Territory Revenue Office forms to enable completion online before being printed and lodged, to improve ease of use and the quality and legibility of information received.

Superannuation

- Member investment choice enhancements to provide additional flexibility for NTGPASS members with a new managed cash investment option and investment mixing.
- Options to simplify superannuation scheme arrangements considered and developed.
- Compliance with Commonwealth *Anti-Money Laundering and Counter-Terrorism Financing Act* obligations as it applies to Territory's public sector superannuation schemes substantially met.
- Made necessary scheme amendments to comply with the de facto and same sex couples changes to the *Family Law Act*.

Managing the Organisation

Corporate Governance

- The Senior Management Group (SMG) and six corporate governance committees led the organisation.
- Review undertaken of IT security and implemented improvements to network monitoring and reporting.
- Treasury's Energy Management Committee was formed in December 2008, and has identified a number of strategies to reduce Treasury's carbon emissions.

Treasury People

- Commenced a two year succession planning initiative from the Deputy Under Treasurer role down to middle management roles.
- Continued to focus on developing managerial capabilities and leadership, facilitating professional development for middle and senior managers, and formal training and employment programs.

Risk Management

- Stocktakes were conducted of Treasury's portable, attractive and home-based assets, as well as Treasury's fixed asset register, with no major discrepancies identified.
- Reviews were undertaken of internal control systems, Treasury's cessation procedures and the Superannuation Office's compliance with anti-money laundering/counter-terrorism financing (AML/CTF).
- Facilitated 10 external audits/reviews in compliance with statutory requirements.

Corporate Social Responsibility

- Treasury's electricity use has steadied over the past two years with a 39 per cent reduction since 2006-07.
- Paper usage has reduced by 26 per cent since 2006-07, and the number of confidential (for shredding) and paper recycling bins used decreased by 22 per cent from 2007-08.
- Staff supported a number of local community events and national appeals.

Financial Performance

- Treasury reports an operating surplus of \$2.9 million in 2008-09, an improvement on the Budget estimate of \$1.1 million, following an unbudgeted national partnership receipt from the Commonwealth which will be paid out during 2009-10.
- Income and expenses increased during 2008-09 with the Territory's capital assistance to the Power and Water Corporation and increases in home owner incentive grant schemes.
- Total assets decreased by \$20.1 million in 2008-09 compared with 2007-08, as the subordinated loan with the TIO was extinguished.
- The Central Holding Authority recorded an operating deficit of \$114 million in 2008-09 due to the significant decline in GST revenue (\$158 million) and unrealised losses caused by the global financial crisis to returns on the Conditions of Service Reserve and calculation of higher superannuation liabilities. This was offset by higher mining royalties and changes in Commonwealth funding arrangements.