

Part 3

# Revenue



# Revenue

## Summary

CATEGORY	2010-11	2011-12	Variation
	Estimate	Budget	
	\$000	\$000	\$000
Taxation Revenue	483 051	484 263	1 212
Grants and Subsidies Revenue	3 819 608	3 732 841	- 86 767
Sales of Goods and Services	391 851	376 524	- 15 327
Interest Revenue	301 671	288 808	- 12 863
Royalties, Rents and Dividends	176 955	195 298	18 343
Gain/Loss on Disposal of Assets	15 584	18 326	2 742
Other Revenue	78 786	70 291	- 8 495
<b>TOTAL</b>	<b>5 267 506</b>	<b>5 166 351</b>	<b>- 101 155</b>

## Overview

This part of *Budget Paper No. 3* provides a detailed breakdown of the revenue received by Northern Territory Government agencies, business divisions and the Central Holding Authority (CHA). Each revenue category is described and key variations summarised.

Revenue earned by the Northern Territory Government is broadly classified into either agency revenue or Territory revenue and can be disaggregated into functional categories.

Agency revenue is earned through voluntary exchange transactions or fees paid for services. Examples of agency revenue are charges for the use of Government facilities, training course fees and sales of government products such as maps. Revenue earned by government business divisions and some payments from the Commonwealth to undertake certain services on their behalf, are also classified as agency revenue. Agency revenue is paid into agency operating accounts and is retained by the agency and used to meet related expenses.

Territory revenue is paid to the CHA. This includes revenue received from compulsory statutory fees or taxes, such as payroll tax, stamp duty, motor vehicle registration fees and fines. Goods and services tax (GST) revenue is classified as Territory revenue as are Specific Purpose Payments (SPPs) and National Partnership (NP) payments, which are provided under the 2008 Intergovernmental Agreement on Financial Relations (IGA) from the Commonwealth. Territory revenue is collected and administered by agencies on behalf of the CHA and reported separately as 'Income Administered for the CHA'. Territory revenue is the source of funds for appropriation provided to agencies (see Part 1).

Territory and agency revenue is recorded in the financial statements of each agency included in Part 1 of this Budget Paper. This part of *Budget Paper No. 3* shows, for each revenue category, the revenue earned by agency and government business division, including revenue from both external clients and Territory Government entities. Following the tables is a description of each revenue category and significant variations (where applicable).

Revenue is also reported in *Budget Paper No. 2*, where the whole of government financial information is presented. In *Budget Paper No. 2*, transactions between Territory Government entities are consolidated and therefore show a different amount for total revenue. An example of the different presentations is for payroll tax. In line with competitive neutrality principles,

all agencies pay payroll tax to the CHA and this is reported as CHA income in *Budget Paper No. 3* and by agencies as payments. However, in the consolidated statements in *Budget Paper No. 2* the payments by agencies and receipts by the CHA offset each other and therefore do not contribute to total expenses or revenue at the general government sector level. The payroll tax revenue reported in *Budget Paper No. 2* is the amount paid by the private sector and Territory government businesses outside of the general government sector.

As a government owned corporation, the Power and Water Corporation is not included in the Territory's budget sector and charges raised by it are not in the following tables. However, tax equivalents and dividends paid by the Power and Water Corporation to the CHA are recorded in the relevant tables as revenue for the CHA. The same is also true for the Territory Insurance Office. Community service obligation payments to the government owned corporation and government business divisions (GBDs) are outlined in Part 2 of this Budget Paper.

Taxation Revenue	2010-11	2011-12	Variation
	Estimate	Budget	
	\$000	\$000	\$000
<b>GENERAL GOVERNMENT</b>	<b>483 051</b>	<b>484 263</b>	<b>1 212</b>
<b>Central Holding Authority</b>	<b>480 837</b>	<b>482 049</b>	<b>1 212</b>
Payroll tax	239 439	237 032	- 2 407
Stamp duty	144 367	147 163	2 796
Lotteries, gaming and wagering tax	47 895	49 074	1 179
Light vehicle registration	12 597	13 163	566
Heavy vehicle registration	13 752	14 164	412
Income tax equivalents <sup>1</sup>			
Northern Territory Treasury Corporation	7 219	8 200	981
NT Home Ownership	187	10	- 177
Data Centre Services	1 152	1 061	- 91
Government Printing Office	33	73	40
NT Fleet	4 630	4 630	
Territory Insurance Office	8 484	6 593	- 1 891
Darwin Bus Service	168	168	
Construction Division	464	256	- 208
Local Government rates equivalents (Darwin Port Corporation and Power and Water Corporation)	450	462	12
<b>Department of Justice</b>	<b>2 214</b>	<b>2 214</b>	
Community benefit levy	2 214	2 214	
<b>TOTAL</b>	<b>483 051</b>	<b>484 263</b>	<b>1 212</b>

1 Government trading entities not shown paid no tax in 2010-11 and are not expected to in 2011-12.

## Taxation Revenue

Taxation revenue consists of compulsory levies imposed by Government designed to raise revenue that the Government can use to provide public services to the Territory community. Taxation revenue does not relate to a payment for goods and services provided. Taxation revenue only includes revenue raised from Northern Territory Government levies and does not include Commonwealth taxes.

A number of significant taxation initiatives will be introduced from 1 July 2011:

- the payroll tax rate is reduced from its current rate of 5.9 per cent to 5.5 per cent;
- the payroll tax annual threshold is increased from \$1.25 million to \$1.5 million and is altered from a general exemption to a deduction, similar to the approach adopted in Queensland; and
- the maximum stamp duty rate for property transactions of \$3 million or more is increased from 4.95 per cent to 5.45 per cent for transactions.

More information about these initiatives is included in *Budget Paper No. 2*.

Total taxation revenue collections are forecast to increase by \$1.2 million, or around 0.3 per cent, in 2011-12. This largely reflects an increase in most tax lines, offset by an expected decrease in payroll tax revenue and income tax equivalents. The major components are explained below.

**Payroll tax** is the most significant component in the taxation revenue category. The forecast for 2011-12 comprises:

- \$159.8 million from private sector businesses and the public financial and non financial corporation sectors; and
- \$77.2 million from general government agencies and business divisions.

The \$2.4 million decrease in collections expected in 2011-12 is the result of forecast employment and wages growth in the Territory economy offset by the payroll tax savings arising from the payroll tax reforms described above.

**Stamp duty** collections are another large contributor to taxation revenue and consist of stamp duty derived from property conveyances, insurance premiums, motor vehicle registration transfers and other minor duties. Stamp duty collections are forecast to increase by \$2.8 million in 2011-12, reflecting a combination of a slight increase in conveyance stamp duty collections due to additional revenue from the higher maximum stamp duty rate.

**Gambling taxes** mainly comprise lotteries tax, bookmakers tax, casino tax, community gaming machine tax and wagering tax. The anticipated increase of \$1.2 million in 2011-12 reflects the increase in the bookmakers tax threshold; lotteries tax and wagering tax increasing by long-term growth rates of 2.5 per cent; and casino and community gaming machine taxes experiencing moderate growth in 2012 as activity levels in venues adjust to smoking reforms.

**Tax equivalents regime** collections result from a national agreement that requires government businesses to pay the equivalent of income tax and local government rates on the same basis as private sector entities. The tax equivalents regime ensures public sector entities that operate with a commercial focus do not have a competitive advantage over their private sector counterparts. The Budget for 2011-12 is estimated to be lower by \$1.3 million, reflecting variations in estimated profitability levels by Territory corporations.

<b>Grants and Subsidies Revenue</b>	2010-11	2011-12	Variation
	Estimate	Budget	
	\$000	\$000	\$000
<b>GENERAL PURPOSE GRANTS</b>	<b>2 351 331</b>	<b>2 664 316</b>	<b>312 985</b>
<b>Central Holding Authority</b>	<b>2 351 331</b>	<b>2 664 316</b>	<b>312 985</b>
GST revenue	2 343 000	2 657 000	314 000
Grants in lieu of uranium royalties	5 901	7 316	1 415
Natural Disaster Relief and Recovery Arrangements	2 430		- 2 430
<b>COMMONWEALTH TIED GRANTS</b>	<b>1 452 900</b>	<b>1 059 842</b>	<b>- 393 058</b>
<b>Department of the Chief Minister</b>	<b>42</b>	<b>42</b>	
Commonwealth grants (received by agency)	42	42	
National Indigenous Cadetship Program	42	42	
<b>Northern Territory Police, Fire and Emergency Services</b>	<b>56 075</b>	<b>55 658</b>	<b>- 417</b>
<b>National Partnerships (received by CHA)</b>	<b>51 082</b>	<b>50 832</b>	<b>- 250</b>
Closing the Gap in the Northern Territory – Remote Policing	49 822	49 547	- 275
Natural Disaster Resilience	1 260	1 285	25
<b>Commonwealth grants (received by Agency)</b>	<b>4 993</b>	<b>4 826</b>	<b>- 167</b>
Airport Policing Initiative	4 433	4 432	- 1
Early Intervention Pilot Program	213	160	- 53
Remote Workforce Development	109	112	3
User Choice	106		- 106
Skilling Australia's Workforce	94	94	
Government Skills Australia Tri-Party Agreement	38	28	- 10
<b>Northern Territory Treasury</b>	<b>1 051</b>	<b>284</b>	<b>- 767</b>
<b>National Partnerships (received by CHA)</b>	<b>1 037</b>	<b>270</b>	<b>- 767</b>
Standard Business Reporting Program	543	170	- 373
First Home Owners Boost	494	100	- 394
<b>Commonwealth grants (received by agency)</b>	<b>14</b>	<b>14</b>	
National Indigenous Cadetship Program	14	14	
<b>Department of Justice</b>	<b>7 618</b>	<b>7 746</b>	<b>128</b>
<b>National Partnerships (received by CHA)</b>	<b>7 618</b>	<b>7 746</b>	<b>128</b>
Closing the Gap in the Northern Territory – Substance Abuse	6 968	7 246	278
Closing the Gap in the Northern Territory – Food Security	370	220	- 150
Homelessness	280	280	
<b>Department of Education and Training</b>	<b>370 596</b>	<b>277 542</b>	<b>- 93 054</b>
<b>Specific Purpose Payments (received by CHA)</b>	<b>75 937</b>	<b>73 945</b>	<b>- 1 992</b>
National Schools	62 228	59 981	- 2 247
National Skills and Workforce Development	13 709	13 964	255
<b>National Partnerships (received by CHA)</b>	<b>192 940</b>	<b>103 405</b>	<b>- 89 535</b>
Nation Building and Jobs Plan – Building the Education Revolution – Government Schools – Primary Schools for the 21st Century	72 705		- 72 705
Closing the Gap in the Northern Territory – Additional Teachers	46 900	32 300	- 14 600
Nation Building and Jobs Plan – Building the Education Revolution – Non-Government Schools – Primary Schools for the 21st Century	23 140		- 23 140

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**Grants and Subsidies Revenue – continued**

	2010-11 Estimate	2011-12 Budget	Variation
	\$000	\$000	\$000
Closing the Gap in the Northern Territory – Enhancing Education – Quality Teaching, Accelerated Literacy	16 290	12 289	- 4 001
Indigenous Early Childhood Development – Children and Family Centres	10 787	17 584	6 797
Smarter Schools – Low Socio-Economic Status School Communities	9 580	17 530	7 950
Productivity Places Program	4 663	5 331	668
Smarter Schools – Literacy and Numeracy – Reward Payment	3 407	7 014	3 607
Early Childhood Education	1 940	5 940	4 000
Digital Education Revolution – National Secondary Schools Computer Fund – Government Schools	806	1 344	538
Trade Training Centres in Schools	738	71	- 667
National Quality Agenda for Early Childhood Education and Care	420	490	70
Smarter Schools – Improving Teacher Quality	420	260	- 160
Youth Attainment and Transitions	358	358	
Digital Education Revolution – National Secondary Schools Computer Fund – Non-Government Schools	323	645	322
Better TAFE facilities	200		- 200
TAFE fee waivers for childcare qualifications	163	93	- 70
Pre-apprenticeship training	100		- 100
Smarter Schools – Improving Teacher Quality – Reward Payment		2 137	2 137
Other		19	19
<b>Commonwealth grants (receipted by agency)</b>	<b>13 999</b>	<b>12 817</b>	<b>- 1 182</b>
Creating Real Jobs for Community Development Employment Program	3 701	7 367	3 666
Families as First Teachers	3 309	671	- 2 638
Productivity Pathways	1 539	951	- 588
Indigenous Education Agreement – Parental and Community Engagement	1 374	1 374	
Indigenous Education Agreement – Preschool	828	828	
Strong Literacy and Numeracy in Communities	685		- 685
Indigenous Education Agreement – National Accelerated Literacy Program	368		- 368
Indigenous Cadets	220	280	60
National Asian Language and Studies in Schools Program	165	20	- 145
Indigenous Education Agreement – Stronger, Smarter Sisters Academy	143	149	6
Other	1 667	1 177	- 490
<b>Commonwealth grants (receipted by CHA)</b>	<b>87 720</b>	<b>87 375</b>	<b>- 345</b>
Non-government schools	85 750	85 750	
Early Learning and Care Centres – Phase 1	1 970	1 625	- 345
<b>Department of Housing, Local Government and Regional Services</b>	<b>582 539</b>	<b>344 472</b>	<b>- 238 067</b>
<b>Specific Purpose Payments (receipted by CHA)</b>	<b>31 961</b>	<b>27 226</b>	<b>- 4 735</b>
National Affordable Housing	31 961	27 226	- 4 735
<b>National Partnerships (receipted by CHA)</b>	<b>515 516</b>	<b>286 803</b>	<b>- 228 713</b>
Remote Indigenous Housing	471 422	275 530	- 195 892
Nation Building and Jobs Plan – Social Housing – First Stage and Second Stage Construction	36 974	2 300	- 34 674
Homelessness	3 876	3 682	- 194
Closing the Gap in the Northern Territory – Field Operations	2 907	4 278	1 371

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**Grants and Subsidies Revenue – continued**

	2010-11 Estimate	2011-12 Budget	Variation
	\$000	\$000	\$000
Local Government and Regional Development	337	1 013	676
<b>Commonwealth grants (received by agency)</b>	<b>35 062</b>	<b>30 443</b>	<b>- 4 619</b>
Financial assistance grants for Local Government – untied local roads grants	11 311	14 812	3 501
Financial Assistance Grants for Local Government – general purpose assistance	11 174	14 663	3 489
Municipal services funding	5 535		- 5 535
Shire Indigenous Employment Package	4 800		- 4 800
Aboriginal Interpreter Services	1 176	568	- 608
Aboriginals Benefit Account – Indigenous Business Development Program	500		- 500
Indigenous Economic Development Officers	466	400	- 66
Not-for-Profit Housing and Homelessness Sector Development Project	100		- 100
<b>Department of Health</b>	<b>321 273</b>	<b>236 990</b>	<b>- 84 283</b>
<b>Specific Purpose Payments (received by CHA)</b>	<b>161 865</b>	<b>168 045</b>	<b>6 180</b>
National Healthcare	150 327	154 450	4 123
National Disability Services	11 538	13 595	2 057
<b>National Partnerships (received by CHA)</b>	<b>92 045</b>	<b>39 642</b>	<b>- 52 403</b>
Health Infrastructure			
Royal Darwin Hospital – Patient Accommodation	18 600		- 18 600
Alice Springs Hospital – Emergency Department	13 600		- 13 600
Digital Technology for Breast Screen	1 200		- 1 200
Indigenous Mobile Dental Program	300		- 300
Health Services			
National Critical Care Trauma Response Centre	14 285	14 555	270
Aged Care Assessment	1 071	1 151	80
Northern Territory Medical Program	532	1 628	1 096
National Perinatal Depression Initiative	212		- 212
Healthy Kids Health Checks	95	98	3
National Health and Hospital Network – Improving Public Hospital Services	14 618		- 14 618
Home and Community Care	8 906	8 906	
Essential Vaccines	3 996	3 800	- 196
Indigenous Early Childhood Development	3 554	2 715	- 839
Closing the Gap in the Northern Territory – Hearing and Oral Health	2 955	2 185	- 770
Digital Regions Initiatives – Health eTowns	2 370		- 2 370
Elective Surgery Waiting List Reduction Program	2 001		- 2 001
Certain concessions for pensioner and seniors card holders	1 181	1 181	
Elective Surgery Waiting List Reduction Program – reward payment	833		- 833
Reducing Rheumatic Heart Fever for Indigenous Children	795	810	15
Homelessness	248	255	7
Satellite renal dialysis facilities in remote Northern Territory communities	272	131	- 141
OzFoodNet	130	130	
Preventative health	88	807	719
Hospital and Health Workforce Reform		1 230	1 230
Other	203	60	- 143

*(Continued)*

<b>Grants and Subsidies Revenue – continued</b>	2010-11	2011-12	Variation
	Estimate	Budget	
	\$000	\$000	\$000
<b>Commonwealth grants (receipted by agency)</b>	<b>63 938</b>	<b>29 303</b>	<b>- 34 635</b>
Office for Aboriginal and Torres Strait Islander Health Primary Health Care Services	21 330	6 427	- 14 903
Expanding Health Service Delivery Initiative	17 308	7 355	- 9 953
Highly Specialised Drugs	7 476	7 246	- 230
Medical Specialist Outreach	2 600	3 127	527
Radiation oncology	2 000		- 2 000
Centre for Disease Control – Trachoma Project	1 903		- 1 903
Palmerston Super Clinic	1 250	1 000	- 250
Specialised Training Program	1 107	260	- 847
Illegal fisherpersons	1 093		- 1 093
Organ and tissue donation	1 078	1 111	33
Specialist international medical graduates	909		- 909
Homelands	806	217	- 589
Regional health services	684	694	10
Off-road diesel rebate	627	627	
Tri-State Office of Aboriginal and Torres Strait Islander Health Program	440		- 440
Reporting on Aboriginal health key performance indicators	373	373	
CanNET Project	336	216	- 120
Health Workforce Australia	300		- 300
Indigenous Quitline	300		- 300
Mental health palliative care	295		- 295
National Bowel Cancer Screening Project	250		- 250
National Indigenous Workforce Development	242		- 242
Environmental health surveys	214		- 214
Indigenous Cadetship Support	140	140	
National Mental Health Standards	140		- 140
Other	737	510	- 227
<b>Commonwealth grants (receipted by CHA)</b>	<b>3 425</b>		<b>- 3 425</b>
Palmerston Super Clinic	1 350		- 1 350
Sobering-up shelters	1 305		- 1 305
Bees Creek Transitional Aftercare Program	330		- 330
Solar Cities Alice Springs Hospital generation	230		- 230
Mobile Dental Clinic rooms and hearing booths	210		- 210
<b>Department of Children and Families</b>	<b>24 250</b>	<b>26 608</b>	<b>2 358</b>
<b>Specific Purpose Payments (receipted by CHA)</b>	<b>4 753</b>	<b>4 049</b>	<b>- 704</b>
National Affordable Housing – Supported Accommodation Assistance Program	4 753	4 049	- 704
<b>National Partnerships (receipted by CHA)</b>	<b>12 330</b>	<b>10 924</b>	<b>- 1 406</b>
Closing the Gap in the Northern Territory – Family Support Package	5 270	5 480	210
Closing the Gap in the Northern Territory – Mobile Outreach Services Plus	4 104	2 230	- 1 874
Homelessness	1 570	1 985	415
Sexual Assault Counselling in Remote Northern Territory Areas	1 386	1 229	- 157

*(Continued)*

**Grants and Subsidies Revenue – continued**

	2010-11 Estimate	2011-12 Budget	Variation
	\$000	\$000	\$000
<b>Commonwealth grants (received by agency)</b>	<b>7 167</b>	<b>11 635</b>	<b>4 468</b>
Family Support Package	5 440	5 480	40
Indigenous Family Safety Program	1 393	6 155	4 762
Family Violence Partnership Program	215		- 215
Community Education Program	119		- 119
<b>Department of Resources</b>	<b>5 862</b>	<b>3 690</b>	<b>- 2 172</b>
<b>National Partnerships (received by CHA)</b>	<b>5 268</b>	<b>3 690</b>	<b>- 1 578</b>
Environmental Management of the Former Rum Jungle Mine Site	2 674	3 528	854
Renewable Remote Power Generation	2 594	162	- 2 432
<b>Commonwealth grants (received by agency)</b>	<b>594</b>		<b>- 594</b>
Indigenous Land Council Pastoral Development Officer	230		- 230
Department of Agriculture, Fisheries and Forestry national surveillance	136		- 136
Northern Territory Cattleman's Association secondment	136		- 136
University of the Sunshine Coast Smart Forests Alliance	92		- 92
<b>Department of Business and Employment</b>	<b>9 725</b>	<b>1 500</b>	<b>- 8 225</b>
<b>National Partnerships (received by CHA)</b>	<b>3 000</b>	<b>1 500</b>	<b>- 1 500</b>
Digital Regions Initiatives	3 000	1 500	- 1 500
<b>Commonwealth grants (received by agency)</b>	<b>6 725</b>		<b>- 6 725</b>
Digital Regions	5 000		- 5 000
Skilling Australia's Workforce	1 725		- 1 725
<b>Tourism NT</b>	<b>674</b>	<b>305</b>	<b>- 369</b>
<b>Commonwealth grants (received by agency)</b>	<b>674</b>	<b>305</b>	<b>- 369</b>
Accreditation mentoring	289		- 289
Tourism hubs – Darwin and Alice Springs	204	205	1
Tourism development officer	136		- 136
Tourism hub – Nhulunbuy	45		- 45
Desert SMART Hotels		100	100
<b>Department of Natural Resources, Environment, The Arts and Sport</b>	<b>12 383</b>	<b>5 938</b>	<b>- 6 445</b>
<b>National Partnerships (received by CHA)</b>	<b>4 308</b>	<b>278</b>	<b>- 4 030</b>
Caring for Our Country	4 196		- 4 196
Water for the Future – National Compliance Framework	112	278	166
<b>Commonwealth grants (received by agency)</b>	<b>6 575</b>	<b>5 660</b>	<b>- 915</b>
National Water Commission	1 340	295	- 1 045
Australian Sports Commission	1 129		- 1 129
Palaeovalley Groundwater Resources Project	323	143	- 180
Caring for Our Country Program	301	3 590	3 289
Territory Eco-link	300	300	
Bureau of Meteorology Funding	278		- 278
Great Artesian Basin Project	253	49	- 204
Regional arts funding	242	245	3
Lake Eyre Basin communication officer	237		- 237
Darwin Harbour Water Quality Protection Plan	211	411	200

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**Grants and Subsidies Revenue – continued**

	2010-11 Estimate	2011-12 Budget	Variation
	\$000	\$000	\$000
Strategic Groundwater catchments	190		- 190
Community arts and cultural development throughout the Territory	165		- 165
Feral animal management in Cobourgh Peninsula	162	133	- 29
Koolpinyah Dolomite Resources Project	159		- 159
Return of Indigenous Property Program	155		- 155
Weeds of national significance	133	138	5
Other	997	356	- 641
<b>Commonwealth grants (receipted by CHA)</b>	<b>1 500</b>		<b>- 1 500</b>
Hidden Valley drag strip upgrade	1 500		- 1 500
<b>Department of Lands and Planning</b>	<b>60 812</b>	<b>99 067</b>	<b>38 255</b>
<b>National Partnerships (receipted by CHA)</b>	<b>54 929</b>	<b>94 467</b>	<b>39 538</b>
Nation Building Program			
National Projects Capital	21 393	45 418	24 025
National Projects Repairs and Maintenance	20 000	19 189	- 811
Community Beef and Mining Roads	9 571	15 096	5 525
Heavy Vehicle Safety	1 138		- 1 138
Black Spot Roads	1 000	1 433	433
Umbakumba Road	1 500	13 000	11 500
Interstate Road Transport	250	250	
Public Transport – Pensioner Concessions	77	81	4
<b>Commonwealth grants (receipted by agency)</b>	<b>820</b>		<b>- 820</b>
Land information services to support indigenous developments	720		- 720
Integrated Land Information System upgrade	100		- 100
<b>Commonwealth grants (receipted by CHA)</b>	<b>5 063</b>	<b>4 600</b>	<b>- 463</b>
Nation Building Program – Roads to Recovery	4 600	4 600	
Remote Aerodrome Safety Program	463		- 463
<b>OTHER GRANTS AND SUBSIDIES<sup>1,2</sup></b>	<b>15 377</b>	<b>8 683</b>	<b>- 6 694</b>
<b>Northern Territory Electoral Commission</b>	<b>50</b>	<b>50</b>	
Other	50	50	
<b>Department of Justice</b>	<b>808</b>	<b>778</b>	<b>- 30</b>
Illicit drug diversion	310	310	
Tenant's Advisory Service	260	260	
Family Group Conferencing Pilot Project	199	199	
Other	39	9	- 30
<b>Department of Education and Training</b>	<b>7 819</b>	<b>2 220</b>	<b>- 5 599</b>
Creating Real Jobs for Community Development Employment Program	4 125		- 4 125
Education for immigrant detainee children	1 544	1 182	- 362
Mobile child care services	660		- 660
OCPE Remote Workforce Development Program	521	521	
Indigenous education consultative body	447	447	
Literacy and numeracy in the home for parents	425		- 425
Other	97	70	- 27

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**Grants and Subsidies Revenue – continued**

	2010-11 Estimate \$000	2011-12 Budget \$000	Variation \$000
<b>Department of Housing, Local Government and Regional Services</b>	<b>944</b>	<b>1 242</b>	<b>298</b>
Alice Springs Transformation Plan	805	1 224	419
Office of Aboriginal and Torres Strait Islander Health Capital Works	122		- 122
Other	17	18	1
<b>Department of Children and Families</b>	<b>1 961</b>	<b>1 820</b>	<b>- 141</b>
Alice Springs Transformation Plan	1 961	1 820	- 141
<b>Department of Resources</b>	<b>28</b>	<b>5</b>	<b>- 23</b>
Other	28	5	- 23
<b>Department of Business and Employment</b>	<b>3</b>	<b>3</b>	
Other	3	3	
<b>Territory Discoveries</b>	<b>1 400</b>	<b>1 213</b>	<b>- 187</b>
Operating subsidy	1 400	1 213	- 187
<b>Department of Natural Resources, Environment, The Arts and Sport</b>	<b>2 351</b>	<b>1 338</b>	<b>- 1 013</b>
West Arnhem Fire Management Agreement	1 336	1 200	- 136
Gulf Fire Abatement Project	328		- 328
Central Arnhem Land Fire Agreement	220		- 220
North Australia Biodiversity Hub	100		- 100
Other	367	138	- 229
<b>Construction Division</b>	<b>13</b>	<b>14</b>	<b>1</b>
Other	13	14	1
<b>TOTAL</b>	<b>3 819 608</b>	<b>3 732 841</b>	<b>- 86 767</b>

1 These grants are not from Commonwealth sources.

2 Community service obligation revenue received by government business divisions are not included in this category. Community service obligation payments are outlined in Budget Paper No. 3.

**Grants and Subsidies Revenue**

The Territory receives revenue from the Commonwealth and other sources through various grants and subsidies. These are either able to be used by the Territory in accordance with its own policy priorities (untied funding) or for specific purposes (tied funding).

The Commonwealth provides the majority (99.8 per cent) of the Territory's grants and subsidies, with most of this (71.5 per cent) being untied funding in the form of GST revenue. Details of this funding are outlined below.

Grants and subsidies are also received from other organisations such as private sector corporations or non-government research bodies and may include sponsorships and donations. These may be grants and subsidies received by agencies or government business divisions from other Northern Territory entities, but exclude community service obligation revenue received by government business divisions and government owned corporations.

## Commonwealth Revenue

Total Commonwealth grants and subsidies to the Territory in 2011-12 are estimated to be \$3724 million compared with \$3804 million in 2010-11.

The majority of the Territory's revenue from the Commonwealth is provided under the IGA. The Territory's Commonwealth revenue includes General Revenue Assistance (GRA, predominantly GST revenue), SPPs and NP payments. Commonwealth Own Purpose Expenses (COPEs), which are predominantly funding for fee for service arrangements payable to either government or non-government entities (and as such considered tied funding), are outside the remit of the IGA.

The 2011-12 Commonwealth Budget will be released after the Northern Territory Budget, and will include revised estimates for Commonwealth funding provided to the Territory for both 2010-11 and 2011-12. The Territory will revise its own revenue estimates based on this information, and updated data (where required) will be reflected in the 2010-11 Treasurer's Annual Financial Report and the 2011-12 Mid-Year Report.

## General Revenue Assistance

The Territory's GRA is untied funding, and comprises GST revenue, grants in lieu of uranium mining royalties (arising from the Commonwealth's ownership of uranium) and for natural disaster relief. GST revenue is the Territory's most significant single source of revenue and in 2011-12 is estimated at \$2.657 billion, being 71 per cent of the Territory's Commonwealth revenue and 57 per cent of the Territory's total revenue.

The Territory's GST revenue is dependent on the amount of GST revenue collected nationally, the Territory's share of national population and the GST relativities recommended by the Commonwealth Grants Commission (CGC). A more detailed discussion of the factors that determine GST revenue is included in *Budget Paper No. 2*.

## Specific Purpose Payments

The Territory is estimated to receive \$273.4 million in SPPs in 2011-12 (excludes \$85.8 million on-passed to non-government schools). SPPs are provided to states and territories to assist them to achieve the outputs and outcomes of the National Agreements (NAs) established under the IGA. These NAs encompass the healthcare, education, skills and workforce development, affordable housing and disability sectors, as well as Indigenous reform. NAs were intended to be the main vehicles to operationalise the IGA, which aims to enhance government service delivery and facilitate nationally important social and economic reform. While the five SPPs (health, schools, skills and workforce development, affordable housing and disability) are required to be spent in their sectors, all are considered to also contribute to Indigenous reform.

The 2009-10 base funding and ongoing indexation arrangements for each SPP were agreed under the IGA, as was the transition over five years to the distribution of each SPP to a population-share basis (for the schools SPP, the Territory share is based on student enrolment in government schools). As the Territory's base SPP funding was higher than the amount determined on a population-share basis, the Territory's SPP revenue will decline until the transition arrangements cease, with 2014-15 the first year of full distribution on a population basis. It will then grow in accordance with the agreed indexation. As the CGC takes SPP revenue into account in its assessment of relativities for GST purposes, the Territory should not be disadvantaged by the shift to population-based SPP funding.

## National Partnership Payments

The Territory is estimated to receive \$599.5 million in NP payments in 2011-12. NP payments are the main source of funding for National Partnership Agreements (NPAs), which were established under the IGA to progress significant reforms or nationally important projects. Funding is provided either up front to facilitate initiatives, or is released once performance benchmarks or milestones are met. The Commonwealth and the Territory provide own-purpose funding for a small number of NPAs.

The Territory has over 50 NPAs agreed or in development in the early childhood, education, skills and workforce development, law and order, health, housing, and environment sectors, as well as to progress Indigenous reform, business regulation initiatives and infrastructure development. A description of major Territory NPAs is provided below. Many NPAs also require the development of an Implementation Plan (IP) between the Commonwealth and the Territory; the Territory currently has over 50 IPs agreed or in development. Where NPAs, then related IPs, are not finalised, revenue related to these has not been incorporated in the Territory Budget.

NPs are also made for previous Commonwealth-tied funding streams that are yet to transition to an NPA.

## Department of Education and Training

### National Schools Specific Purpose Payment

The National Schools SPP provides funding to support the achievement of outputs and outcomes in the National Education Agreement (NEA), and comprises a government and non-government funding stream. In 2011-12, the Territory expects to receive \$60 million from the Commonwealth for government schools. The Commonwealth will also provide \$85.8 million for non-government schools (on-passed by the Territory).

The NEA aims to ensure that all Australian school students acquire the knowledge and skills to participate effectively in society and employment in a globalised economy. It seeks to ensure Australian school students are: engaged in and benefiting from schooling; meeting basic literacy and numeracy standards, and that overall levels of literacy and numeracy achievement are improving; and able to successfully transition from education to further study and work.

### Smarter Schools National Partnership Agreements

The Territory is implementing the NPAs for: Improving Teacher Quality; Literacy and Numeracy; and Low Socio-Economic Status School Communities, as well as the components of the Enhancing Education Schedule of the Closing the Gap in the Northern Territory NPA, as a single integrated Smarter Schools initiative. This initiative aims to accelerate sustainable improvements in educational outcomes for students in the Territory, particularly Indigenous students. It focuses on improving literacy and numeracy outcomes for students from disadvantaged backgrounds and those with the greatest educational needs by: attracting, retaining and enhancing high quality teachers and leaders in schools and classrooms; improving school operations; supporting greater collaboration with family, community and support services to assist with learning readiness and wellbeing; and integration of relevant support services where appropriate.

The Territory is expected to receive \$26.9 million in 2011-12 from the Commonwealth under the Smarter Schools NPAs. This includes \$9.2 million of reward funding arising from the Territory's achievement of performance benchmarks in the Literacy and Numeracy and

Improving Teacher Quality NPAs. The Territory also received \$3.4 million of Literacy and Numeracy NPA reward funding in 2010-11.

### **Early Childhood National Partnership Agreements**

The Territory is participating in a number of NPAs to enhance early childhood education and schooling.

The NPA on Early Childhood Education aims to improve the supply and integration of early childhood services, including child care and early learning and development, by providing access across Australia to quality early childhood education and preschool programs in the year before full-time schooling. These preschool programs are to be delivered by university-qualified early childhood teachers, for 15 hours a week, 40 weeks a year and be accessible across Australia. It includes a specific focus on Indigenous children, seeking to ensure that Indigenous four-year-olds in remote communities have access to a quality early childhood education program. The Territory expects to receive \$5.9 million in 2011-12 from the Commonwealth to implement this NPA.

The NPA on Indigenous Early Childhood Development aims to establish five Children and Family Centres in regional and remote areas of the Territory, to provide early learning, child care and parent and family support services to Indigenous families. The NPA will also support increased provision of antenatal care, maternal and child health services to Indigenous women and their children, and increased provision of sexual and reproductive health services to Indigenous teenagers. It is anticipated that the Territory will receive \$17.6 million in 2011-12 from the Commonwealth for this NPA.

### **National Skills and Workforce Development Specific Purpose Payment**

The National Skills and Workforce Development SPP provides funding to support the achievement of the objectives of the NA for Skills and Workforce Development (NASWD). In 2011-12, the Territory expects to receive \$14 million for the National Skills and Workforce Development SPP.

The NASWD aims to increase opportunities for working-aged Australians to develop their skills and qualifications, to enable them to be effective participants in, and contributors to, the modern labour market. This includes ensuring a responsive training system, and that skills are used effectively to increase the effectiveness, productivity and innovation of the labour market. The NASWD will be reviewed in 2011 to ensure that it provides appropriate direction for a vocational education and training system that is responsive to the current economic conditions, and meets the skills needs of the economy and industry, as well as student preferences.

### **National Partnership Agreement on the Productivity Places Program**

This NPA aims to reduce skills shortages and increase the productivity of industry and enterprises, as well as contributing to additional VET places for job seekers and existing workers. In 2011-12, the Territory is expected to receive funding of \$5.3 million from the Commonwealth for this NPA.

### **National Partnership on Youth Attainment and Transitions**

The NPA on Youth Attainment and Transitions aims to increase educational attainment for young people aged 15 to 24 to increase the number of young people successfully making the transition from school into further study, training or work. In 2011-12, the Territory is expected to receive funding of \$0.4 million from the Commonwealth for this NPA.

## Department of Housing, Local Government and Regional Services

### National Affordable Housing Specific Purpose Payment

The National Affordable Housing SPP provides funding to support the achievement of objectives of the National Affordable Housing Agreement (NAHA). In 2011-12, the Territory expects to receive \$31.3 million for the National Affordable Housing SPP, predominantly allocated to the Department of Housing, Local Government and Regional Services (DHLGRS), with \$4 million related to the Supported Accommodation Assistance Program allocated to the Department of Children and Families (DCF).

The NAHA aims to provide support and accommodation for people who are homeless or at risk of homelessness, to increase the amount of social housing, and to assist people in the private rental market and who are purchasing houses. The NAHA has a specific focus on ensuring Indigenous people have the same affordable housing opportunities as other Australians and in reducing overcrowding in remote Indigenous communities.

### National Partnership Agreement on Homelessness

The NPA on Homelessness aims to facilitate significant reforms to reduce homelessness. It targets several key groups including 'rough sleepers', people experiencing repeated homelessness, people escaping violence (especially women, children and young people), Indigenous people, and people exiting social housing or institutional healthcare, mental health services or the justice system. In 2011-12, the Territory expects to receive \$6.2 million from the Commonwealth for this NPA. The Territory's initiatives under this NPA are being progressed by DCF, the Department of Health and the Department of Justice as well as DHLGRS.

### National Partnership Agreement on Remote Indigenous Housing

The NPA on Remote Indigenous Housing aims to facilitate significant reform in the provision of housing for Indigenous people in remote communities, and to address overcrowding, homelessness, poor housing conditions and severe housing shortages in these communities. It focuses on increasing the supply of new houses, improving the condition of existing houses, and ensuring that social housing is well maintained and managed. This NPA also includes Commonwealth and Territory commitments under the Strategic Indigenous Housing and Infrastructure Program. In 2011-12 it is anticipated that the Territory will receive funding of \$275.5 million under this NPA.

## Department of Health

### National Healthcare Specific Purpose Payment

The National Healthcare SPP provides funding to support the achievement of objectives of the National Healthcare Agreement (NHA). In 2011-12, the Territory expects to receive \$154.5 million for the National Healthcare SPP.

The NHA aims to improve health outcomes for all Australians and the sustainability of the Australian health system. It seeks to improve preventive health, primary and community care, hospital and related care, aged care, patient experience and Indigenous health. The NHA will be reviewed in 2011 as part of the National Health Reform agenda.

### **National Partnership Agreement on Improving Public Hospital Services**

The NPA on Improving Public Hospital Services aims to contribute to improved public patient access to elective surgery, emergency department and subacute care services by improving efficiency and capacity in public hospitals. Originally agreed in 2010, it was revised in February 2011 to take account of the Council of Australian Governments' decision to progress a National Health Reform Agreement. In 2011-12, the Territory will progress initiatives to further reduce waiting times for elective surgery and in emergency departments. Commonwealth funding of \$14.6 million will contribute to these initiatives.

### **National Partnership Agreement on Health Services**

The NPA on Health Services aims to improve the health and wellbeing of Australians through the delivery of high quality health services. It is an omnibus NPA, encompassing a wide range of initiatives articulated in IPs, including the Aged Care Assessment Program, the Northern Territory Medical Program, Mobile Outreach Services Plus (also included in the Closing the Gap in the Northern Territory National Partnership Agreement), National Perinatal Depression Initiative and the National Critical Care and Trauma Response Centre. NP payments are also made by the Commonwealth under this NPA for pre-existing health service programs including pneumococcal disease surveillance, national bowel cancer screening program, OzFoodNet, healthy kids health checks, satellite renal dialysis, sexual assault counselling and rheumatic heart fever for Indigenous children.

Funding to the Territory from the Commonwealth is expected to be \$17.4 million in 2011-12 although this will depend on the programs included in the NPA.

### **National Partnership Agreement on Health Infrastructure**

The NPA on Health Infrastructure is also an omnibus National Partnership, which encompasses various Health and Hospital Fund infrastructure projects in the Territory, such as the Alice Springs Hospital Emergency Department, Royal Darwin Hospital Patient Accommodation, and Digital Technology for BreastScreen, as well as other initiatives such as the Indigenous mobile dental outreach program. The majority of revenue for these projects was received in 2010-11 and no revenue is anticipated to be received for them in 2011-12. Additional Digital Technology for BreastScreen funding is anticipated in 2012-13.

### **National Partnership Agreement on the Elective Surgery Waiting List Reduction Plan**

The NPA on the Elective Surgery Waiting List Reduction Plan aims to reduce elective surgery waiting lists by improving the efficiency and capacity of public hospitals. The Territory received reward funding of \$0.8 million in 2010-11, acknowledging its achievement of the performance benchmarks for the first two periods of the Plan. It is anticipated that the Commonwealth will make its determination as to the Territory's eligibility for reward payments for the final period of the Plan around June 2011.

### **National Partnership Agreement on Essential Vaccines**

The NPA on Essential Vaccines seeks to improve the health and well-being of Australians through the cost-effective delivery of immunisation programs under the National Immunisation Program (NIP), whereby purchase of NIP vaccines for use by states and territories transitions to the Commonwealth, with Commonwealth reimbursement of state and territory NIP vaccine purchases during the transition. It is anticipated that the Territory will receive funding of approximately \$3.8 million in 2011-12 under this NPA, depending on the uptake of immunisations.

## **National Disability Services Specific Purpose Payment**

The National Disability Services SPP provides funding to support the achievement of outputs and outcomes under the National Disability Agreement (NDA). In 2011-12, the Territory expects to receive \$13.6 million for the National Disability Services SPP.

The NDA aims to enable people with disability to achieve economic participation and to enjoy choice, wellbeing and the opportunity to live as independently as possible. It also aims to ensure that families and carers of people with a disability are well supported.

## **Department of Resources**

### **National Partnership Agreement on the Management of the Former Rum Jungle Mine Site**

The NPA on the Management of the Former Rum Jungle Mine Site provides for environmental monitoring activities and the development of site management and rehabilitation strategies for the former Rum Jungle mine site. The Territory expects to receive \$3.5 million from the Commonwealth under the NPA in 2011-12.

## **Department of Natural Resources, Environment, The Arts and Sport**

### **National Partnership Agreement on Water for the Future**

The NPA on Water for the Future aims to contribute to increased efficiency of rural water use, to protect and improve the environmental health of freshwater and freshwater dependent ecosystems, to prepare communities for climate change, help secure water supplies for towns and cities, and assist households and businesses to use water more efficiently. This NPA is also an omnibus NPA – the Territory currently only has one initiative funded under this agreement (national compliance framework) but is negotiating another. For 2011-12 Commonwealth funding already agreed under this NPA is estimated to be \$0.3 million.

## **Department of Lands and Planning**

### **National Partnership Agreement on the implementation of the Nation Building Program in the Northern Territory.**

The NPA on the implementation of the Nation Building Program in the Northern Territory aims to improve the performance of land transport infrastructure in the Territory, and incorporates a range of road programs, including national network construction and maintenance and off-network projects. In 2011-12, the Territory anticipates receiving \$81.1 million under this NPA.

## **Multi-agency agreements**

### **Closing the Gap in the Northern Territory National Partnership Agreement**

The Closing the Gap in the Northern Territory NPA provides for the continuation of a number of measures first initiated through the 2007 Northern Territory Emergency Response and associated legislation until 30 June 2012. The agreement was varied in 2011 to include additional NP funding for teachers based in remote areas, teacher housing, alcohol management plans and sworn community engagement police officers, as well as the previously funded licensing of community stores, remote policing, interpreters, child ear, nose, throat and dental follow up healthcare, mobile child protection teams, family support and initiatives to enhance education. Six agencies are directly engaged in the delivery

of initiatives under this agreement, with Commonwealth NP payments of \$115.8 million anticipated to be received in 2011-12. Commonwealth and Territory own-purpose funding also contributes to the achievement of this NPA's outcomes.

### **National Partnership Agreement on Remote Service Delivery**

The NPA on Remote Service Delivery has been established to implement a new coordination model for remote service delivery to enhance the access of Indigenous Australians living in remote communities to high quality government services and improve governance, economic and social participation in these communities.

In the Territory, the NPA is being implemented in 15 sites of the Territory Growth Towns under the Territory Government's Working Future policy, with DHLGRS co-ordinating Territory service delivery agency involvement in local implementation planning. Funding under this agreement is provided as Commonwealth and Territory own-purpose funding – as such it is not clear at this stage how much funding will be provided to the Territory under this NPA.

### **National Partnership Agreement on the Nation Building and Jobs Plan**

The NPA on the Nation Building and Jobs Plan was agreed in February 2009 as a mechanism to implement a range of infrastructure projects as economic stimulus measures in response to the global financial crisis. It included provision of new facilities and refurbishments in schools (for example, libraries, multi-purpose halls, secondary school science laboratories and language centres) through the Building the Education Revolution (BER) initiative, construction and refurbishment of social housing, additional regional road maintenance, road black spot and railway boom gate projects.

While the Territory will receive approximately \$132.8 million in Commonwealth funding under this NPA in 2010-11, with around half of this going to Territory Government primary schools, it is estimated that only \$2.3 million will be received in 2011-12. This reflects the bringing forward of stimulus revenues to the early years of the NPA (the agreement concludes in December 2012).

Sales of Goods and Services	2010-11	2011-12	Variation
	Estimate	Budget	
	\$000	\$000	\$000
<b>GENERAL GOVERNMENT</b>	<b>352 670</b>	<b>333 858</b>	<b>- 18 812</b>
<b>Auditor-General's Office</b>	<b>490</b>	<b>490</b>	
Recoverable audits	490	490	
<b>Northern Territory Electoral Commission</b>	<b>340</b>	<b>1 620</b>	<b>1 280</b>
Council and fee-for-service elections	340	1 620	1 280
<b>Ombudsman's Office</b>	<b>31</b>	<b>31</b>	
Commonwealth Ombudsman service agreement	31	31	
<b>Department of the Chief Minister</b>	<b>3 741</b>	<b>3 055</b>	<b>- 686</b>
Recovery of agency costs	3 181	2 450	- 731
Service level agreements	420	420	
Apprentices Program	72	72	
Other	68	113	45
<b>Department of the Legislative Assembly</b>	<b>32</b>	<b>32</b>	
Other	32	32	
<b>Northern Territory Police, Fire and Emergency Services</b>	<b>5 258</b>	<b>3 458</b>	<b>- 1 800</b>
Safe NT	1 800	999	- 801
Fire Protection – Commonwealth properties	1 620	521	- 1 099
Security for United States naval vessels	500	500	
Ayers Rock Resort Corporation receipts	367	367	
Nhulunbuy Corporation receipts	337	337	
Other	634	734	100
<b>Northern Territory Treasury</b>	<b>384</b>	<b>384</b>	
Fees	330	330	
Apprentices Program	54	54	
<b>Central Holding Authority</b>	<b>14 234</b>	<b>13 879</b>	<b>- 355</b>
Motor vehicle licenses and taxi fees	4 992	4 992	
Fire alarm monitoring fees	3 416	3 202	- 214
Exploration and pipeline licences	1 950	1 950	
Fees from regulatory services	1 463	1 322	- 141
Licensing fees	717	717	
Building Advisory Service fees	480	480	
Teachers' Registration Board fees	456	456	
NT Worksafe fees	294	294	
Marine fees	173	173	
Rail safety	165	165	
Other	128	128	
<b>Department of Justice</b>	<b>8 422</b>	<b>8 422</b>	
Land Titles lodgement fees and levies	2 665	2 665	
Enforcement fees	1 191	1 191	
Land title search fees	1 105	1 105	

(Continued)

**Sales of Goods and Services – continued**

	2010-11	2011-12	
	Estimate	Budget	Variation
	\$000	\$000	\$000
Civil Court fees	561	561	
Births, deaths and marriages fees and levies	512	512	
Public Trustee fees and levies	438	438	
Criminal Court fees	410	410	
Public Trustee commissions	405	405	
Number plate sales	305	305	
Business name registrations	200	200	
Supreme Court fees	177	177	
Other	453	453	
<b>Department of Education and Training</b>	<b>871</b>	<b>663</b>	<b>- 208</b>
International services – study tours and overseas students	200	90	- 110
Regional training centres	140	140	
Callistemon House	138	138	
Other	393	295	- 98
<b>Department of Housing, Local Government and Regional Services</b>	<b>49 156</b>	<b>49 259</b>	<b>103</b>
Rent and tenancy charges	47 512	47 870	358
<i>Darwin Rates Act</i>	800	800	
Aboriginal interpreter services	650	395	- 255
Interpreter and translating services	135	135	
Other	59	59	
<b>Office of the Commissioner for Public Employment</b>	<b>767</b>	<b>965</b>	<b>198</b>
Professional programs	418	616	198
Project employment	349	349	
<b>Department of Health</b>	<b>65 653</b>	<b>60 080</b>	<b>- 5 573</b>
Cross border charges	20 575	20 575	
Compensable patients (TIO, non-TIO and workers compensation)	6 819	6 819	
Service Level Agreements	6 582	6 572	- 10
Hospital patients (private, ineligible, nursing home)	5 453	5 453	
Western Australian beds	3 435	3 435	
District Medical Officer medical bulk billing	3 178	3 189	11
Veterans' Affairs	2 183	2 183	
Salaries recoveries	2 170	1 566	- 604
Alice Springs Transformation Plan	1 989		- 1 989
Staff accommodation rent	1 887	1 887	
Stock recoveries	1 834	1 874	40
South Australian Memorandum of Understanding regarding disability services	845		- 845
Rights to private practice facility fees	753	753	
Aged and disability medical bulk billing	750		- 750
Rental of departmental facilities	590	508	- 82
Strategic Information Group	500		- 500
Medicare bulk billing revenue	490	490	
Electricity recoveries	356	356	

(Continued)

Sales of Goods and Services – continued	2010-11	2011-12	
	Estimate	Budget	Variation
	\$000	\$000	\$000
Malabam funded medical service	350		- 350
Homelands	300	405	105
Remote workforce scholarships	263	270	7
Other	4 351	3 745	- 606
<b>Department of Children and Families</b>	<b>111</b>	<b>111</b>	
Overseas adoption fees	100	100	
Fees and charges	11	11	
<b>Department of Resources</b>	<b>6 045</b>	<b>5 158</b>	<b>- 887</b>
Water analysis testing	1 571	1 274	- 297
Offshore petroleum rents	1 174	980	- 194
Research farms – sale of stock and produce	800	800	
Application, advertising and dealing fees (licences/titles)	475	475	
Fishing licence fees	470	470	
Sale of fingerlings	400	400	
West Arunta gravity survey	286		- 286
Disease risk assessment	171	171	
Livestock export and diagnostic testing	120	120	
Termite trials	100		- 100
Other	478	468	- 10
<b>Department of Business and Employment</b>	<b>24 935</b>	<b>24 564</b>	<b>- 371</b>
ICT Infrastructure Program	9 989	10 062	73
Shared Services corporate management charges	6 746	6 736	- 10
Rent recovery	5 155	4 891	- 264
Short courses	880	880	
Salary sacrifice administrative fee	750	750	
Desert Knowledge Precinct	685	685	
Digital Regions	330	425	95
Indigenous Employment Program	195		- 195
October Business Month	75	75	
Business Growth	70		- 70
Trade Support Scheme	60	60	
<b>Data Centre Services</b>	<b>22 004</b>	<b>22 004</b>	
Data Centre Management	22 004	22 004	
<b>Government Printing Office</b>	<b>5 900</b>	<b>6 018</b>	<b>118</b>
Sales and charges	5 900	6 018	118
<b>NT Fleet</b>	<b>46 127</b>	<b>46 127</b>	
Vehicle lease revenue	46 127	46 127	
<b>Aboriginal Areas Protection Authority</b>	<b>2 000</b>	<b>1 298</b>	<b>- 702</b>
Fees and charges	2 000	1 298	- 702

(Continued)

**Sales of Goods and Services – continued**

	2010-11	2011-12	
	Estimate	Budget	Variation
	\$000	\$000	\$000
<b>Tourism NT</b>	<b>1 392</b>	<b>504</b>	<b>- 888</b>
Corroboree	568		- 568
Territory Discoveries service level agreement	188	188	
NT Convention Bureau	179		- 179
NT Muster	120	120	
Accreditation Program	92	37	- 55
International marketing fees	65		- 65
NT Broлга Awards	61	43	- 18
Other	119	116	- 3
<b>Territory Discoveries</b>	<b>2 832</b>	<b>2 477</b>	<b>- 355</b>
Commissions	1 210	1 200	- 10
Information services for Tourism NT	957	1 022	65
Participation fees and co-op advertising	600	200	- 400
Other	65	55	- 10
<b>Department of Natural Resources, Environment, The Arts and Sport</b>	<b>7 295</b>	<b>4 831</b>	<b>- 2 464</b>
Cost-recovery arrangements with Natural Resources Management Board	1 080	1 080	
Araluen Arts Centre charges	1 027	1 027	
Museum shop sales and other charges	666	612	- 54
Parks camping fees	645	645	
Hydrographic and drilling projects	549		- 549
Arafura Games revenue	500		- 500
Vacant Crown Land strategy	487	358	- 129
Sport and recreation charges	386	386	
Victoria River Highway offset strategy	360		- 360
Territory Wildlife Parks service level agreement	242	242	
Contribution to the Technical Library	158		- 158
Flood Alert Program	137		- 137
Hidden Valley Motor Sports Complex hire	135	77	- 58
Coral Reef Research Consultancy	132		- 132
Wildlife management and permits	100	87	- 13
Other	691	317	- 374
<b>Territory Wildlife Parks</b>	<b>2 320</b>	<b>2 320</b>	
Fees and charges	2 320	2 320	
<b>Department of Lands and Planning</b>	<b>10 562</b>	<b>9 652</b>	<b>- 910</b>
Motor Vehicle Registry administration charges	5 305	5 305	
Bus fares and passes	2 108	1 308	- 800
Sale of products, maps and valuations	1 019	796	- 223
Development assessment application fees	927	927	
Business division support charges	714	827	113
Rents	412	412	
Other	77	77	

*(Continued)*

Sales of Goods and Services – continued	2010-11	2011-12	Variation
	Estimate	Budget	
	\$000	\$000	\$000
<b>Department of Construction and Infrastructure</b>	<b>9 148</b>	<b>9 025</b>	<b>- 123</b>
Service level agreements	7 949	7 949	
Rent charged on Government owned buildings	1 022	1 022	
Other	177	54	- 123
<b>Construction Division</b>	<b>62 620</b>	<b>57 431</b>	<b>- 5 189</b>
Professional fees	62 140	57 431	- 4 709
Other	480		- 480
<b>PUBLIC NON FINANCIAL CORPORATIONS</b>	<b>38 710</b>	<b>42 195</b>	<b>3 485</b>
<b>Darwin Bus Service</b>	<b>7 961</b>	<b>7 961</b>	
Contract revenue	7 961	7 961	
<b>Darwin Port Corporation</b>	<b>30 749</b>	<b>34 234</b>	<b>3 485</b>
Commercial shipping – wharfage and berthage	24 536	27 404	2 868
Pilotage	4 001	4 300	299
Port dues	2 212	2 530	318
<b>PUBLIC FINANCIAL CORPORATIONS</b>	<b>471</b>	<b>471</b>	
<b>Northern Territory Treasury Corporation</b>	<b>471</b>	<b>471</b>	
Investment management fees	471	471	
<b>TOTAL</b>	<b>391 851</b>	<b>376 524</b>	<b>- 15 327</b>

## Sales of Goods and Services

The sales of goods and services category includes fees and charges levied on regulatory functions, the provision of certain services, and the issue of licences and permits to carry out otherwise prohibited or restricted activities. Goods and services revenue is primarily collected by Government to recoup costs, particularly regulation costs.

This category also includes charges paid by one agency or government business division to another, with the main charges for 2011-12 being:

- Construction Division – infrastructure project management costs (\$57.4 million);
- Department of Housing, Local Government and Regional Services – rental and tenancy charges (\$47.9 million);
- NT Fleet – provision and management of Government vehicles (\$46.1 million);
- Darwin Port Corporation – wharfage and berthage charges for commercial shipping (\$27.4 million); and
- Data Centre Services – computing and communication services (\$22 million).

Overall, the sales of goods and services revenue comprises 7 per cent of total revenue in 2011-12. Revenue received from sales of goods and services is expected to decrease by \$15.3 million in 2011-12. The more significant variations are described below:

- Department of Health goods and services revenue is expected to decrease by \$5.6 million in 2011-12, primarily due to one-off contracts in 2010-11;

- Construction Division goods and services revenue is expected to decrease by \$5.2 million in 2011-12 due to decreased revenue from project management fees, largely due to Building the Education Revolution and other stimulus programs approaching completion during 2011-12, following record infrastructure spends in 2009-10 and 2010-11;
- Darwin Port Corporation expects an increase of \$3.5 million reflecting some additional in trade volumes together with a more commercial approach to pricing for the East Arm wharf business lines;
- Department of Natural Resources, Environment, The Arts and Sport goods and services revenue is expected to decrease by \$2.5 million in 2011-12, due to revenue from the bi-annual Arafura Games and one-off program revenue received in 2010-11; and
- Northern Territory Electoral Commission goods and services revenue is expected to increase by \$1.3 million in 2011-12 due to a large number of local government elections expected to be conducted in March 2012.

Interest Revenue	2010-11	2011-12	Variation
	Estimate	Budget	
	\$000	\$000	\$000
<b>GENERAL GOVERNMENT</b>	<b>103 639</b>	<b>65 539</b>	<b>- 38 100</b>
<b>Central Holding Authority</b>	<b>91 604</b>	<b>55 262</b>	<b>- 36 342</b>
Interest	38 863	25 496	- 13 367
Conditions of Service Reserve (net unrealised movements)	49 582	26 577	- 23 005
Medium-term investments (net unrealised movements)	3 159	3 189	30
<b>Department of Education and Training</b>	<b>1 700</b>		<b>- 1 700</b>
Interest on Building the Education Revolution <sup>1</sup>	1 700		- 1 700
<b>NT Home Ownership</b>	<b>8 635</b>	<b>8 735</b>	<b>100</b>
Interest on loans	8 189	8 213	24
Interest on cash balances	446	522	76
<b>Department of Business and Employment</b>	<b>20</b>	<b>20</b>	
Natural Disaster Relief Arrangement loans	15	15	
Business loans	5	5	
<b>Data Centre Services</b>	<b>299</b>	<b>359</b>	<b>60</b>
Interest on cash balances	299	359	60
<b>Government Printing Office</b>	<b>75</b>	<b>75</b>	
Interest on cash balances	75	75	
<b>NT Fleet</b>	<b>350</b>	<b>320</b>	<b>- 30</b>
Interest on cash balances	350	320	- 30
<b>Territory Discoveries</b>	<b>200</b>	<b>150</b>	<b>- 50</b>
Interest on cash balances	200	150	- 50
<b>Department of Natural Resources, Environment, The Arts and Sport</b>	<b>138</b>		<b>- 138</b>
Interest on cash balances (Caring for Our Country) <sup>1</sup>	138		- 138
<b>Territory Wildlife Parks</b>	<b>18</b>	<b>18</b>	
Interest on cash balances	18	18	
<b>Construction Division</b>	<b>600</b>	<b>600</b>	
Interest on cash balances	600	600	
<b>PUBLIC NON FINANCIAL CORPORATIONS</b>	<b>525</b>	<b>545</b>	<b>20</b>
<b>Darwin Bus Service</b>	<b>235</b>	<b>235</b>	
Interest on cash balances	235	235	
<b>Darwin Port Corporation</b>	<b>290</b>	<b>310</b>	<b>20</b>
Interest on cash balances	290	250	- 40
Other		60	60
<b>PUBLIC FINANCIAL CORPORATIONS</b>	<b>197 507</b>	<b>222 724</b>	<b>25 217</b>
<b>Northern Territory Treasury Corporation</b>	<b>197 507</b>	<b>222 724</b>	<b>25 217</b>
Interest from general government	131 088	143 398	12 310
Interest from public non financial corporations	66 190	79 099	12 909
Interest from local government	29	27	- 2
Gain on Territory Bonds	200	200	
<b>TOTAL</b>	<b>301 671</b>	<b>288 808</b>	<b>- 12 863</b>

1 Interest revenue received used for associated Commonwealth-funded programs

## Interest Revenue

This revenue category comprises interest earned on:

- investments of surplus cash balances;
- advances outstanding, such as home loans by NT Home Ownership;
- loans to local government bodies; and
- cash balances held by the Central Holding Authority (CHA) and government business divisions.

The \$12.9 million decrease in interest revenue in 2011-12 reflects:

- CHA interest revenue (including net unrealised movements) \$36.3 million higher in 2010-11 than 2011-12 as a result of higher than anticipated returns for cash, the Conditions of Service Reserve and medium-term investments. For 2011-12 cash balances are projected to be lower and the market is expected to stabilise with unrealised market movements projected at more conservative long-term rates;
- Department of Education and Training interest revenue of \$1.7 million expected in 2010-11 for interest earned on funds received from the Commonwealth for Building the Education Revolution. No provision has yet been accrued for any residual amounts in 2011-12; and offset by:
- Northern Territory Treasury Corporation interest revenue expected to increase by \$25.2 million, reflecting higher interest received due to increased borrowings by the CHA, Power and Water Corporation and Darwin Port Corporation.

<b>Royalties, Rents and Dividends</b>	2010-11	2011-12	
	Estimate	Budget	Variation
	\$000	\$000	\$000
<b>GENERAL GOVERNMENT</b>	<b>176 955</b>	<b>195 298</b>	<b>18 343</b>
<b>Central Holding Authority</b>	<b>176 955</b>	<b>195 298</b>	<b>18 343</b>
Mining and petroleum royalties	145 731	162 293	16 562
Land rents	5 799	5 799	
Mining and petroleum rents	820	820	
Wildlife royalties	21	21	
Dividends from:			
Northern Territory Treasury Corporation	16 844	19 134	2 290
NT Home Ownership	218	12	- 206
Data Centre Services	1 344	1 237	- 107
Government Printing Office	39	85	46
NT Fleet	5 401	5 402	1
Darwin Bus Service	197	197	
Construction Division	541	298	- 243
<b>TOTAL</b>	<b>176 955</b>	<b>195 298</b>	<b>18 343</b>

## Royalties, Rents and Dividends

Revenue from royalties, rents and dividends is expected to increase by \$18.3 million in 2011-12.

Mining and petroleum royalties, the most significant in this category, are expected to increase by \$16.6 million in 2011-12. This is as a result of lower than estimated receipts in 2010-11 with the forecast for 2011-12 to increase to \$162.3 million, reflecting advice received from mining companies and the value of the Australian dollar.

Land rents relate primarily to payments made under certain landholding arrangements, for example, pastoral lease rents and mining lease rents, and are expected to remain constant in 2011-12 at \$5.8 million.

Dividends represent a portion of profits from the government owned corporation and government business divisions paid to the Government through the CHA, and represent a return on the Government's investment.

The Power and Water Corporation was granted a dividend moratorium in 2007-08 and the moratorium is expected to continue.

Dividends received from other government business divisions are expected to increase by \$1.8 million in 2011-12 to \$26.4 million, largely due to Northern Territory Treasury Corporation's (NTTC) increased profitability as a result of the provision of additional borrowings. NTTC pays a dividend of 100 per cent of its profit.

<b>Gain/Loss on Disposal of Assets</b>	2010-11	2011-12	
	Estimate	Budget	Variation
	\$000	\$000	\$000
<b>GENERAL GOVERNMENT</b>	<b>15 464</b>	<b>18 206</b>	<b>2 742</b>
<b>Northern Territory Police, Fire and Emergency Services</b>	<b>100</b>	<b>100</b>	
Gain on disposal of assets	100	100	
<b>Department of Housing, Local Government and Regional Services</b>	<b>1 037</b>	<b>2 000</b>	<b>963</b>
Gain on sale of assets	1 037	2 000	963
<b>NT Home Ownership</b>	<b>2 425</b>	<b>1 293</b>	<b>- 1 132</b>
Gain on sale of assets	2 425	1 293	- 1 132
<b>Government Printing Office</b>		<b>92</b>	<b>92</b>
Gain on sale of assets		92	92
<b>NT Fleet</b>	<b>5 000</b>	<b>5 000</b>	
Gain on sale of vehicles	5 000	5 000	
<b>Land Development Corporation</b>	<b>6 902</b>	<b>9 721</b>	<b>2 819</b>
Gain on disposal of assets	6 902	9 721	2 819
<b>PUBLIC NON FINANCIAL CORPORATIONS</b>	<b>120</b>	<b>120</b>	
<b>Darwin Bus Service</b>	<b>120</b>	<b>120</b>	
Gain on disposal of buses	120	120	
<b>TOTAL</b>	<b>15 584</b>	<b>18 326</b>	<b>2 742</b>

## Gain/Loss on Disposal of Assets

This category includes gains and losses from asset disposals, primarily dwellings and vehicles, but also includes the sale of Crown land.

The recognition of a gain or loss is an accrual concept and does not reflect the cash received on the sale of an asset, but rather the difference between an asset's written down book value and the sale proceeds. Consistent with Australian Accounting Standards, the Territory Government has adopted a current valuation methodology for most asset classes, meaning the book value of assets typically approximates the market value, resulting in minimal gains or losses.

For this reason, although some assets will be sold by agencies in 2011-12, specific allowances for gains or losses on their disposal are not generally made.

Budget variations in gains/losses across years reflect the fact that disposal of assets are typically one-off occurrences rather than regular business.

Overall, the gain/loss on the sale of assets in 2011-12 is expected to be \$2.7 million higher than in 2010-11. This is largely due to an increase in projected contracted sales from the Land Development Corporation in 2011-12.

Other Revenue	2010-11	2011-12	Variation
	Estimate	Budget	
	\$000	\$000	\$000
<b>GENERAL GOVERNMENT</b>	<b>75 690</b>	<b>67 368</b>	<b>- 8 322</b>
<b>Department of the Chief Minister</b>	<b>45</b>	<b>45</b>	
Other	45	45	
<b>Department of the Legislative Assembly</b>	<b>5</b>	<b>5</b>	
Other	5	5	
<b>Northern Territory Police, Fire and Emergency Services</b>	<b>977</b>	<b>622</b>	<b>- 355</b>
Commonwealth seconded staff arrangements	316	316	
Chemical, biological and radiological equipment	103		- 103
Other	558	306	- 252
<b>Northern Territory Treasury</b>	<b>110</b>	<b>110</b>	
Other	110	110	
<b>Central Holding Authority</b>	<b>55 111</b>	<b>54 192</b>	<b>- 919</b>
Superannuation contributions	43 700	41 279	- 2 421
Criminal infringement and other fines	8 375	8 375	
Crime property forfeiture	1 273	1 273	
Territory Insurance Office – road safety	549	1 129	580
Territory Insurance Office – driver training and licensing	508	1 044	536
Unclaimed monies	473	473	
Territory Insurance Office – motorcyclist training	176	362	186
Superannuation administration recoveries		200	200
Other	57	57	
<b>Department of Justice</b>	<b>8 965</b>	<b>6 155</b>	<b>- 2 810</b>
Solicitor for the NT – outposted lawyers	3 522	252	- 3 270
Crime Victims Assistance levy	1 660	2 660	1 000
Police prosecution services	471		- 471
Property Agents Licensing – Agents Licensing Fidelity Guarantee Fund	344	344	
<i>Residential Tenancies Act</i> – Agents Licensing Fidelity Guarantee Fund	325	305	- 20
Policy coordination – outposted services	99	50	- 49
Other revenue	2 544	2 544	
<b>Department of Education and Training</b>	<b>841</b>	<b>356</b>	<b>- 485</b>
Other	841	356	- 485
<b>Department of Housing, Local Government and Regional Services</b>	<b>1 365</b>	<b>65</b>	<b>- 1 300</b>
Other	1 365	65	- 1 300
<b>Department of Health</b>	<b>612</b>	<b>563</b>	<b>- 49</b>
Renal anemia co-ordinator	100	100	
Other	512	463	- 49
<b>Department of Children and Families</b>	<b>52</b>	<b>52</b>	
Other revenue	52	52	

(Continued)

<b>Other Revenue – continued</b>	2010-11	2011-12	Variation
	Estimate	Budget	
	\$000	\$000	\$000
<b>Department of Resources</b>	<b>2 537</b>	<b>1 026</b>	<b>- 1 511</b>
Private research and development corporations and organisations	2 537	1 026	- 1 511
<b>Department of Business and Employment</b>	<b>369</b>	<b>70</b>	<b>- 299</b>
Other	369	70	- 299
<b>Government Printing Office</b>	<b>15</b>	<b>15</b>	
Other	15	15	
<b>NT Fleet</b>	<b>140</b>	<b>140</b>	
Other	140	140	
<b>Tourism NT</b>	<b>38</b>	<b>38</b>	
Other	38	38	
<b>Territory Discoveries</b>	<b>50</b>	<b>40</b>	<b>- 10</b>
Other	50	40	- 10
<b>Department of Lands and Planning</b>	<b>2 278</b>	<b>1 050</b>	<b>- 1 228</b>
Territory Insurance Office – road safety	549		- 549
Territory Insurance Office – driver training and licensing	508		- 508
Wharf Precinct electricity costs reimbursement	360	360	
Territory Insurance Office – motorcyclist training	171		- 171
Other	690	690	
<b>Land Development Corporation</b>	<b>2 099</b>	<b>2 764</b>	<b>665</b>
Rent	2 099	2 764	665
<b>Department of Construction and Infrastructure</b>	<b>81</b>	<b>60</b>	<b>- 21</b>
Other	81	60	- 21
<b>PUBLIC NON FINANCIAL CORPORATIONS</b>	<b>3 096</b>	<b>2 923</b>	<b>- 173</b>
<b>Darwin Bus Service</b>	<b>437</b>	<b>264</b>	<b>- 173</b>
Diesel and Alternative Fuels Grants Scheme	264	264	
Insurance claim	173		- 173
<b>Darwin Port Corporation</b>	<b>2 659</b>	<b>2 659</b>	
Property rental	2 459	2 459	
Other	200	200	
<b>TOTAL</b>	<b>78 786</b>	<b>70 291</b>	<b>- 8 495</b>

## Other Revenue

This revenue category includes:

- fines that are defined by the Australian Bureau of Statistics as ‘civil and criminal penalties imposed on law breakers other than penalties imposed by tax authorities’;
- contributions from non-government sources towards an agency program or program component;
- any balances in clearing accounts;

- refunds of overpayments incurred in previous financial years; and
- unclaimed money.

Overall, other revenue is expected to decrease by \$8.5 million in 2011-12 due to:

- a decrease in the Department of Justice of \$2.8 million in 2011-12, primarily due to the contracts for the provision of legal advice and services to government agencies being agreed to only one year at a time;
- a decrease in the Department of Resources of \$1.5 million in 2011-12 due to agreements for externally funded projects yet to be negotiated and formalised for 2011-12;
- a decrease in the Department of Housing, Local Government and Regional Services of \$1.3 million in 2011-12 due to a large number of one-off items in 2010-11; and
- a decrease in superannuation contributions in the CHA of \$2.4 million in 2011-12. Superannuation contributions are amounts paid by agencies for employees who are members of the Northern Territory Government superannuation schemes. These superannuation schemes are closed to new members and, as a result the value of superannuation contribution, is expected to decline over time.

