

Department of

Business, Industry and Resource Development

	2004-05 Estimate	2005-06 Budget
	\$000	\$000
Output Group		
Development	75 114	73 426
Management	17 160	16 524
Total Operating Expenses	92 274	89 950
Output Appropriation	65 742	66 653
Capital Appropriation	173	

2005-06 Staffing: 619

Agency Profile

The Department of Business, Industry and Resource Development has a key role in strengthening economic development throughout the Northern Territory. The department, in partnership with business, industry and the community, supports economic development in the Territory and the sustainable and responsible management of resources across the Territory's regions.

The department manages programs that develop the minerals, petroleum, pastoral, agriculture, horticulture, fishing, manufacturing and services sectors. It also assists individual businesses to grow and improve. In addition to a wide range of research and industry support programs, the department also provides financial support to many industry organisations in the Territory.

Key functional responsibilities include:

- facilitating access to trade opportunities for Territory business and industry and developing international relations especially in the Asian region;
- developing business and industry capacity and capability to help Territory businesses expand and grow;
- identifying new industry opportunities and facilitating access to Territory resources;
- delivering licensing, business information and other services through Territory Business Centres;
- identifying new opportunities to improve competitiveness and productivity in a national and global marketplace;
- improving the business operating environment in the Territory through development of strategies and policies in partnership with business and industry;
- improving the sustainability of businesses, industry and resources through information and regulation to ensure the long-term economic viability of the Territory's resources;
- assisting Indigenous communities, local businesses and regions through policies and initiatives designed to increase their participation in future business and industry opportunities;

- building extensive partnerships across industries, communities, agencies, governments and global regions to ensure maximum leverage for the economic development of Territory businesses and industry.

Strategic issues facing the agency in 2005-06 include:

- strengthening and developing the Territory's international relationships;
- assisting industry to develop proposals to maximise returns to the Territory for major Defence-related contracts including through life support for Abrams tanks, Tiger helicopters, Armidale Class patrol boats and other major Defence platforms;
- developing partnerships to advance Indigenous economic development and establish sustainable enterprises on Indigenous land;
- implementing the Business and Skilled Migration Strategy;
- developing a business services action agenda that increases the growth prospects for the Territory's business services sector;
- continuing implementation of Making it in the Territory, the Territory's manufacturing industry strategy;
- reviewing key legislation to keep pace with developing business, community and environmental requirements, specifically the *Mining Act* and the *Fisheries Act*;
- continuing to provide information to industry on the prospectivity of the Territory as a base for minerals and petroleum exploration;
- providing a frontline response against the invasion of pests and diseases that might affect the viability of the Territory's plant and animal industries;
- developing and implementing a marine industry strategic plan;
- building the business management capacities of Indigenous people through specifically designed programs;
- pursuing aquaculture opportunities such as mud crabs and trepang on Indigenous land;
- supporting Indigenous communities to play a key role in managing their resources through initiatives such as the Indigenous Marine Ranger Program; and
- developing a strategy for innovation, technology development and commercialisation that provides essential research to ensure long-term viability and sustainability of current and emerging primary industries.

Budget Highlights

- Funding of \$3.8 million for the continued implementation of Building the Territory's Resource Base to provide pre-exploration information, assist in access to land for minerals and petroleum exploration and production, and promote the prospectivity of the Territory's mineral and petroleum resources.
- With the Department of the Chief Minister and the Department of Justice, work towards providing a one-stop shop in Palmerston for information, business and community justice services.
- Additional capital works funding of \$0.5 million in 2005-06 for the development of recreational fishing infrastructure.
- Additional ongoing funding from 2005-06 of \$0.25 million to increase the availability of skilled workers for industry through the Business and Skilled Migration Strategy.
- Additional funding of \$0.9 million over three years to expand business support programs with specific initiatives aimed at encouraging Indigenous business development and growth.

- Additional funding of \$0.4 million over two years for audit and inspection activities on mine sites.
- Additional funding of \$0.37 million for the effective management and rehabilitation of the Mt Todd mine site.

Outputs and Performance

Output Group/Output	2004-05	2005-06	Variation
	Estimate	Budget	
	\$000	\$000	\$000
Development	75 114	73 426	-1 688
Minerals and Energy	16 986	17 404	418
Primary Industry	35 593	34 525	-1 068
Business and Trade Development	15 235	14 009	-1 226
Policy Development and Coordination	3 437	3 562	125
Indigenous Business and Information Services	1 285	1 619	334
Fisheries	2 578	2 307	- 271
Management	17 160	16 524	- 636
Minerals and Energy	9 564	9 799	235
Fisheries	7 596	6 725	- 871
Total Operating Expenses	92 274	89 950	-2 324

Key Variations

- Output costs reflect resource variations for wages, inflation and productivity dividend.
- Output cost increases in 2004-05 reflect additional expenses of \$1.76 million, relating to externally funded projects where funds were received and not spent in 2003-04. These include Northern Territory Fisheries Industry Resource Development Association (Management, Fisheries output), Renewable Remote Power Generation Program (Development, Minerals and Energy output) and FarmBis (Business and Trade Development output).
- Current output costs show a decrease of \$1.8 million in 2005-06 relating to estimates for externally funded projects. This figure is expected to realign with the previous year's estimates once formal agreements on funding levels for new projects are achieved later in the year. Projects reducing or ceasing in 2005-06 include Grape and Wine, Bamboo Shoots, Cocoa Industry Study, Cotton, Sesame, Grapevine Leaf Rust Survey, Genetag, Jewfish Aggregation and Regional Mineral Study.
- Additional Australian Government grant funding of \$1.5 million for the Renewable Remote Power Generation Program in 2005-06 (Development, Minerals and Energy output).
- Business and Trade Development output costs decrease in 2005-06 relating to one-off grants in 2004-05.
- Anticipated decrease in revenue and expenses in 2005-06 of \$0.58 million for Australian Government-funded programs including Australian Fisheries Management Authority and Tuberculosis Freedom Assurance Program (Management, Fisheries output and Primary Industry output).
- Additional funding of \$0.3 million for the development and growth of Indigenous businesses (Indigenous Business and Information Services output).

- Reduced revenue of \$0.36 million associated with agency fees and charges including offshore mining and petroleum titles, water testing and the Australian Quarantine and Inspection Service rents (Primary Industry output and Management, Minerals and Energy output).
- Increase in resources of \$0.57 million for audit and inspection activities on mine sites and rehabilitation and site management of Mt Todd (Management, Minerals and Energy output).

Output Group: Development

This output group brings together strategic programs and activities with a focus on developing and enhancing capacity, performance and sustainability of the Territory's economy, industry and business sectors.

The outcome is sustainable development of the Territory's resources and enhanced capacity and performance of business and industry sectors.

Minerals and Energy

Provision of strategic services to support the acceleration of exploration and sustainable development of Northern Territory mineral (and onshore petroleum) resources and facilitation of efficient and economic use of energy.

Performance Measures		2004-05 Estimate	2005-06 Estimate
Northern Territory Geological Survey			
<i>Quantity</i>	New geospatial data sets and publications requested by key client group		400
	Geoscientific data products developed	155	150
	Northern Territory Geological Survey products (under 5mb) and geoscientific databases online		1
<i>Quality</i>	Target rating for Mineral Potential Index in Fraser Institute Annual Survey ¹	11	11
	Target rating for Geological Database in Fraser Institute Annual Survey ¹	5	5
	Client satisfaction	80%	80%
<i>Timeliness</i>	Information and product request responses within agreed timeframes		90%
	Quarterly advice of data product releases to key clients		100%
Renewable Energy			
<i>Quantity</i>	Rebate applications approved	61	65
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Applications and rebate payments processed within agreed timeframes	95%	95%
Mining Development			
<i>Quantity</i>	Project leads generated or progressed		20
	Promotion and investment attraction activities completed		10
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Information and advice provided within agreed timeframes		90%

¹ The Fraser Institute is a research organisation that seeks to establish the relative investment attractiveness of regions throughout the world.

Primary Industry

The delivery of a range of strategic services that facilitate profitable and sustainable primary industries in the Northern Territory and maintain access to markets for animals, plants, and animal and plant products.

Strategic outcomes are achieved through focused research and development programs, specific programs that support Indigenous pastoral and horticultural development, effective extension services and maintaining targeted programs to monitor, detect and respond to emergency and endemic animal and plant pests and diseases.

Performance Measures		2004-05 Estimate	2005-06 Estimate
Biosecurity and Market Access			
<i>Quantity</i>	Animal disease and residue projects being implemented	13	13
	Plant pest and disease biosecurity plans developed	1	1
<i>Quality</i>	Compliance with national animal health system performance standards		90%
	Client satisfaction		80%
<i>Timeliness</i>	Project and plan milestones met		90%
	Response time for animal and plant pest and disease incursions met		<24hrs
Sustainable Primary Industry Development			
<i>Quantity</i>	Research, development and extension projects in progress ¹	98	37
	Technical publications and information packages available to clients	727	826
	New and improved agricultural products produced through research, development and extension projects	3	4
<i>Quality</i>	Client satisfaction		80%
<i>Timeliness</i>	Research and development project milestones completed on time		90%
	Technical publications and information packages, produced or updated within specified timeframes		90%
	New and improved products commercialisation timelines met		90%

¹ Number of projects in 2005-06 is lower, reflecting a change in criteria for what constitutes a project. From 2005-06, the criteria were extended to include a minimum number of staff required to be involved in the project (1), minimum value of the project (\$10 000) and minimum duration (12 months). As a result, a number of smaller projects have been amalgamated.

Business and Trade Development

Delivers a range of strategic services to help businesses upgrade their skills and capabilities through programs such as Business Growth and UpSkills. Assists new and emerging exporters and provides financial assistance to a range of industry associations. Pursues industry development opportunities in defence support, mining and petroleum service and supply and some specific industry sectors such as bio-prospecting, food, manufacturing and marine services. Provides information, advisory and facilitation services to Territory business operators and industry sectors, and includes the operation of the Territory Business Centres, the Territory Business Channel and the web portal.

Performance Measures		2004-05 Estimate	2005-06 Estimate
Business and Industry Assistance and Commercial Services			
<i>Quantity</i>	Territory businesses and organisations provided with financial assistance ¹	320	300
	Applications for permits, licences and certificates lodged	23 000	25 000
	Licence and business information service contacts	87 000	89 000
	Business education and awareness activities conducted	50	50
	Clients assisted through business improvement programs	6 000	6 000
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Client satisfaction with timeliness of service delivery	90%	90%
Defence Support Services			
<i>Quantity</i>	Defence-related projects of significant economic value to the Territory	5	5
	Business development and awareness activities	105	108
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Project milestones completed within agreed timeframes	90%	90%
	Client satisfaction with timeliness of service delivery	90%	90%
International Trade Development			
<i>Quantity</i>	Businesses funded through the Trade Support Scheme	78	80
	Companies newly involved in exporting	19	21
	Value of goods passing through Customs pre-inspection facilities	\$1.5M	\$2.0M
	Trade fairs and missions supported	10	12
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Client satisfaction with timeliness of service delivery	90%	90%

¹ Businesses reduce in 2005-06 due to cessation of the Fertiliser Freight program ceases in 2004-05.

Business and Trade Development (continued)

Performance Measures		2004-05 Estimate	2005-06 Estimate
Mining and Petroleum and Industry Development Services			
<i>Quantity</i>	Facilitation and awareness services supporting major mining and petroleum projects	18	14
	Non-mining and petroleum projects supported	23	23
	Local Industry Participation Plans (LIPPs) negotiated to conclusion	6	6
	Trade fairs and missions supported	4	4
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Client satisfaction with timeliness of service delivery	90%	90%
	LIPPs signed off prior to project commencement	90%	90%

Policy Development and Coordination

Provides strategic information and advice on issues relating to business and industry development and the Territory's Asian and international relations, with the aim of enhancing economic development opportunities for the Northern Territory.

Performance Measures		2004-05 Estimate	2005-06 Estimate
Policy Development			
<i>Quantity</i>	Agreed policy project milestones	18	20
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Milestones met as agreed	80%	90%
Coordination of Advice and Information			
<i>Quantity</i>	Business Round Table meetings facilitated as directed by the Chief Minister	10	10
	Significant information and advice projects in progress	50	50
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Business Round Table meetings held within agreed timeframes	100%	100%
	Projects delivered within specified timeframes		90%
Implementation of Specific Programs			
<i>Quantity</i>	Business and skilled migration applications certified	180	200
	Business and skilled migration awareness-raising activities undertaken	12	15
<i>Quality</i>	Nominations and sponsorships approved	90%	90%
	Client satisfaction	80%	80%
<i>Timeliness</i>	Business and skilled migration certifications completed within agreed service timeframe	90%	90%
	Business and skilled migration awareness-raising activities conducted in accordance with agreed schedule	90%	90%

Indigenous Business and Information Services

Promotes the establishment and growth of Indigenous businesses, including prime responsibility for delivering services which facilitate access to land and promote mineral and energy resource opportunities.

Performance Measures		2004-05 Estimate	2005-06 Estimate
Indigenous Consultation			
<i>Quantity</i>	Community information activities undertaken		17
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Community information activities conducted within agreed timeframes		90%
Indigenous Business and Industry Support Services			
<i>Quantity</i>	Activities to support development of Indigenous business or industry participation		65
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Activities to support development conducted within agreed timeframes		90%

Fisheries

Provision of research, information, advice and marine resource management and facilitation services to the commercial, recreational and Indigenous fishing and aquaculture industries for the stewardship of marine resources and their sustainable utilisation. The services include policy development and implementation, granting and maintenance of licences, development of formal Fishery Management Plans, advice on new investment opportunities and development of production technologies through aquaculture research.

Performance Measures		2004-05 Estimate	2005-06 Estimate
Aquaculture Development			
<i>Quantity</i>	Current aquaculture development projects	27	30
	Presentations made and scientific and technical articles published	7	7
	Aquaculture licences issued	18	18
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Milestones completed within agreed timeframes	90%	90%

Output Group: Management

This output group brings together strategic programs and activities focused on resource management, safety and sustainability.

The outcome is sustainable and responsible management of Territory resources.

Minerals and Energy

Comprises a range of services including primary responsibility for delivering strategic services that regulate mining and petroleum tenure, inspection and audits to ensure best practice in environmental management, workplace safety, occupational health and radiation safety and the evaluation and reduction of environmental impacts arising from mine sites.

Performance Measures		2004-05 Estimate	2005-06 Estimate
Authorisations			
<i>Quantity</i>	Planning documents assessed	185	200
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Plans assessed within established timeframes		90%
Compliance			
<i>Quantity</i>	Site reported incidents	646	550
	Site Category 1 non-conformances identified ¹	3	3
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Site reported incidents closed out within agreed timeframes		90%
	Site Category 1 non-conformances closed out within timeframes specified in notices of non-conformances ¹		90%
Mining Evaluation			
<i>Quantity</i>	Projects dealing with long-term mining issues		30
	Mining site monitoring programs actioned	50	50
<i>Quality</i>	Client satisfaction		80%
<i>Timeliness</i>	Project milestones completed within agreed timeframes		90%
	Sites monitored according to the agreed schedule		90%
Mineral Titles			
<i>Quantity</i>	Mineral exploration licences granted	774	800
	Applications for mineral exploration licences	647	650
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Mineral exploration licence applications determined within specified timeframes		80%
Petroleum Titles			
<i>Quantity</i>	Petroleum exploration permits granted	31	50
	Applications received for petroleum exploration permits	30	50
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Petroleum exploration permit applications determined within specified timeframes		80%

¹ Site Category 1 represents a deviation from expectations that could potentially result in a high risk occupational health and safety or environmental event occurring.

Fisheries

Manage the Northern Territory's aquatic resources through the provision of information and assistance to the community, Government and the fishing industry sectors to support sustainable development. Services include policy development and implementation, research, the granting and maintenance of licences, the development and implementation of fishery management arrangements and the monitoring and control of aquatic pest and disease issues.

Performance Measures		2004-05 Estimate	2005-06 Estimate
Research Services			
<i>Quantity</i>	Current research projects	15	15
	Presentations made and scientific and technical articles published	24	24
	Aquatic pest management projects	3	3
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Milestones completed within agreed timeframes	90%	90%
Aquatic Resource Management			
<i>Quantity</i>	Recreational fisheries management projects	8	8
	Commercial fisheries management projects	3	3
	Indigenous projects	3	3
	Fisheries accredited	6	8
	Other aquatic resource management projects	1	1
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Project milestones completed within agreed timeframes	90%	90%

Statement of Financial Performance

	2004-05 Estimate	2005-06 Budget
	\$000	\$000
OPERATING REVENUE		
Taxation revenue		
Grants and subsidies		
Current	1 519	948
Capital	5 029	6 420
Sales of goods and services		
Output revenue	65 742	66 653
Other agency revenue	8 512	5 845
Interest revenue	59	55
Miscellaneous revenue	2 555	1 325
Goods and services received free of charge	5 475	5 475
Profit/loss on disposal of assets	72	
TOTAL OPERATING REVENUE	88 963	86 721
OPERATING EXPENSES		
Employee expenses	44 467	45 347
Administrative expenses		
Purchases of goods and services	25 498	23 102
Repairs and maintenance	1 400	1 500
Depreciation and amortisation	3 240	3 229
DCIS services free of charge	5 475	5 475
Other administrative expenses	141	
Grants and subsidies		
Current	6 120	4 877
Capital	5 932	6 420
Community service obligations		
Interest expense	1	
TOTAL OPERATING EXPENSES	92 274	89 950
NET OPERATING SURPLUS	-3 311	-3 229

Revenue Administered for Central Holding Authority

OPERATING REVENUE		
Taxation revenue		
Grants and subsidies		
GST revenue		
Current		
Capital		
Sales of goods and services		
Fees from regulatory services	1 051	1 050
Interest revenue		
Royalties and rents	1 346	1 346
Other revenue	245	245
TOTAL OPERATING REVENUE	2 642	2 641

Statement of Financial Position

	2004-05 Estimate	2005-06 Budget
	\$000	\$000
ASSETS		
Cash and deposits	3 031	3 246
Receivables	2 649	2 651
Prepayments	301	301
Inventories		
Advances and investments	653	193
Land and improvements	64 510	61 994
Plant and equipment	2 620	2 152
Other assets		
TOTAL ASSETS	73 764	70 537
LIABILITIES		
Deposits held	2 507	2 507
Creditors and accruals	3 667	3 669
Borrowings and advances	28	28
Provisions	7 630	7 630
Other liabilities		
TOTAL LIABILITIES	13 832	13 834
NET ASSETS	59 932	56 703
EQUITY		
Capital		
Opening balance	73 096	67 967
Equity injections/withdrawals	-5 129	
Reserves	2 259	2 259
Accumulated funds		
Opening balance	-6 983	-10 294
Current year surplus(+)/deficit(-)	-3 311	-3 229
TOTAL EQUITY	59 932	56 703

Assets and Liabilities Administered for Central Holding Authority

ASSETS		
Taxes receivable		
Grants and subsidies receivable		
Royalties and rent receivable		
Other receivables	1 891	1 891
TOTAL ASSETS	1 891	1 891
LIABILITIES		
Central Holding Authority revenue payable		
Unearned Central Holding Authority revenue	1 891	1 891
TOTAL LIABILITIES	1 891	1 891
NET ASSETS		

Statement of Cash Flows

	2004-05 Estimate	2005-06 Budget
	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating receipts		
Taxes received		
Grants and subsidies received		
Current	1 519	948
Capital	5 029	6 420
Receipts from sales of goods and services		
Output revenue received	65 742	66 653
Other agency receipts	11 067	7 170
Interest received	59	53
Total operating receipts	83 416	81 244
Operating payments		
Payments to employees	44 467	45 347
Payments for goods and services	26 900	24 600
Grants and subsidies paid		
Current	6 120	4 877
Capital	5 932	6 420
Community service obligations		
Interest paid	1	
Total operating payments	83 420	81 244
NET CASH FROM OPERATING ACTIVITIES	-4	
CASH FLOWS FROM INVESTING ACTIVITIES		
Investing receipts		
Proceeds from asset sales	78	6
Repayment of advances	1 040	460
Sales of investments		
Total investing receipts	1 118	466
Investing payments		
Purchases of assets	1 119	251
Advances and investing payments		
Total investing payments	1 119	251
NET CASH FROM INVESTING ACTIVITIES	-1	215
CASH FLOWS FROM FINANCING ACTIVITIES		
Financing receipts		
Proceeds of borrowings		
Deposits received		
Equity injections		
Capital appropriation	173	
Other equity injections		
Total financing receipts	173	
Financing payments		
Repayment of borrowings		
Finance lease payments		
Equity withdrawals	6 504	
Total financing payments	6 504	
NET CASH FROM FINANCING ACTIVITIES	-6 331	
Net increase in cash held	-6 336	215
Cash at beginning of financial year	9 367	3 031
CASH AT END OF FINANCIAL YEAR	3 031	3 246