

Natural Resources, Environment and the Arts

	2005-06 Estimate	2006-07 Budget
	\$000	\$000
Output Group		
Parks and Reserves	32 608	33 082
Biological Parks	10 058	10 108
Natural Resources	53 358	45 692
Environment Protection	3 991	4 486
Heritage and Conservation	2 540	2 482
Scientific and Cultural Collections	14 202	13 079
Arts and Screen Industry Support	12 956	13 035
Total Expenses	129 713	121 964
Output Appropriation	107 328	96 181
Capital Appropriation	520	520

2006-07 Staffing: 665

Agency Profile

The Department of Natural Resources, Environment and the Arts was created in July 2005 by merging the Conservation and Natural Resources group and the Office of the Environment and Heritage from the former Department of Infrastructure, Planning and Environment, and the Arts and Museums division from the former Department of Community Development, Sport and Cultural Affairs.

The department is responsible for conserving, enhancing and ensuring best possible access to, and enjoyment of, the Territory's natural and cultural assets, including native wildlife and habitats, renewable natural resources, natural landscapes, historic buildings and places, and scientific and cultural collections. The department also promotes and develops the arts sector.

Key functional responsibilities:

- conserve for posterity the Territory's parks and reserves, historic buildings and permanent museum and art gallery collections;
- support community involvement in the environment and heritage and develop, promote and grow the arts sector and screen industries, by providing information, grants and in kind financial assistance targeted at heritage, the environment, natural resource management, regional museums, arts and film;
- investigate, monitor, recommend and enforce sustainable utilisation of natural resources including water, native vegetation and wildlife;
- assess and advise Government on environmental issues arising from proposed land uses;
- protect heritage sites and objects and threatened wildlife;
- predict and mitigate threats created by floods, wildfires, invasive species, resource degradation and nuisance wildlife; and

- create commercial, educational and recreational opportunities through the use of natural resources, artistic and creative enterprises and Government owned institutions, including the Desert and Territory Wildlife Parks, the Araluen Centre, Museums and Art Galleries of the Northern Territory, heritage buildings, botanic gardens and the parks estate.

Strategic issues facing the agency in 2006-07 include:

- increasing public access to information on natural and cultural resources and enhancing the transparency of decision-making processes;
- framing and promoting application of the principles of adaptive management so that Government and the community collaborate in learning better ways to use resources sustainably, while protecting important values;
- contributing to regional and Indigenous development in ways that promote sustainable environmental outcomes;
- managing the parks estate, including establishing an equitable partnership in joint-managed parks to benefit the traditional Aboriginal owners and wider community, protect biological diversity and serve visitor and community needs for education and enjoyment;
- enhancing the quality of engagement with the community to make better use of local and regional knowledge, skills and commitment to better protect natural and cultural values and encouraging community contributions to conservation goals;
- maintaining and expanding audience levels at cultural facilities through audience development strategies and relevant and engaging programming;
- formulating an effective screen industry development strategy for the Territory;
- improving the reach and performance of systems for monitoring the use and condition of natural resources so that adverse change can be promptly and effectively corrected;
- working with the community to adopt best practice environmental management strategies and to provide a robust framework to support these strategies;
- developing a best practice legislative framework for environment protection and heritage conservation, which provides confidence and certainty to business and the community;
- coordinating the Territory's response to the potential impacts of climate change through the implementation of the Northern Territory Strategy for Greenhouse Action; and
- furthering effective integration of the complementary elements of the newly constituted department, maximising potential synergies in all programs and projects by sharing perspectives, knowledge and skills while maintaining focus on high priority issues.

Budget Highlights

- \$3 million for the continued implementation of the Joint Management Program into parks and reserves in accordance with the *Territory Parks and Wildlife Conservation Act*.
- \$90 000 for off-park Indigenous rangers in the Ntaria community at Hermannsburg in Central Australia.
- *Pastoral Land Act* and *Water Act* reform.

- \$1 million for development and implementation of the Daly River Adaptive Management Program (and related water monitoring) under the Living Rivers initiative.
- Provision of integrated natural resource management advice.
- \$0.16 million for amelioration of the impact of cane toads and related public awareness programs.
- Progression of the development and implementation of threatened species recovery plans and a reassessment of the threatened status of Territory wildlife.
- An additional \$0.58 million for strategic management and eradication of priority weed species across the Territory, including expansion of the Cabomba aquatic weed eradication program.
- Continued implementation of regional fire mitigation and suppression strategies to protect life, property and the environment and to reduce greenhouse gas emissions.
- Continued funding to coordinate implementation of the Northern Territory Strategy for Greenhouse Action.
- Establishing the Environment Protection Agency.
- \$0.57 million for grants to community organisations to encourage and promote adoption of sustainable environmental practices by householders, industry and local government.
- \$0.16 million to undertake consultation, collect and compile documentation in preparation for the nomination of West MacDonnell National Park for both National Heritage and World Heritage listing.
- \$0.3 million for implementing the Public Art Policy to enhance the quality of the built environment and public facilities and to support the arts community through economic and professional opportunities.
- Additional funding of \$50 000 for the Film Office grants program to enhance the film, television and digital media industries in the Territory.
- Continued funding of the Indigenous Arts Strategy 2006-2008.
- The following table shows the approved new capital works projects for 2006-07. For further details of these and other projects, see *Budget Paper No.4*.

2006-07 Major Capital Works	\$M
Mary River Wetlands desalination – construct new and upgrade existing weirs for saltwater intrusion control works	0.5
Nitmiluk National Park – upgrade first and second gorge crossovers	1.0
2006-07 Major Capital Grants	
Public Art Strategy	0.3

Outputs and Performance

Output Group/Output	2005-06	2006-07	Variation
	Estimate	Budget	
	\$000	\$000	\$000
Parks and Reserves	32 608	33 082	474
Parks Joint Management Programs	4 642	5 107	465
Parks and Reserves Management Programs	10 815	10 679	- 136
Regulation and Enforcement for Conservation	17 151	17 296	145
Biological Parks	10 058	10 108	50
Visitor and Education Facilities	8 076	8 064	- 12
Botanic Gardens	1 982	2 044	62
Natural Resources	53 358	45 692	-7 666
Natural Resource Assessments	8 717	8 846	129
Natural Resource Management Activities	33 169	25 232	-7 937
Natural Resource Regulation and Enforcement	4 074	3 878	- 196
Flood Forecasting	1 025	1 028	3
Hydrographic and Drilling Services	6 373	6 708	335
Environment Protection	3 991	4 486	495
Environment Protection Agency	3 991	4 486	495
Heritage and Conservation	2 540	2 482	- 58
Heritage and Conservation Services	2 540	2 482	- 58
Scientific and Cultural Collections	14 202	13 079	-1 123
Museums and Art Galleries of the NT	12 739	11 638	-1 101
Herbarium	1 463	1 441	- 22
Arts and Screen Industry Support	12 956	13 035	79
Arts and Screen Sector	8 359	8 507	148
The Araluen Centre	4 597	4 528	- 69
Total Expenses	129 713	121 964	-7 749

Key Variations

- Parks and Reserves output group increases in 2006-07 due to final funding under the Parks Agenda of \$0.35 million, the off-park Indigenous Ranger Program of \$0.09 million and additional repairs and maintenance and responsibility for maintenance of walking tracks of \$0.25 million.
- Second year funding for the Daly River Protection Program increases from \$0.5 million to \$1 million in 2006-07, which impacts on the Natural Resource Assessment and Hydrographic and Drilling Services outputs.
- A one-off expense of \$7.15 million in 2005-06 relates to the Natural Heritage Trust (NHT) grants carry-overs from 2004-05. The impact is a decrease in expenditure between the two years across a number of outputs, primarily Natural Resource Management Activities, with some impact on Heritage Conservation Services, Herbarium, and Museums and Art Galleries of the Northern Territory. Details of Australian Government funding under this program have not yet been finalised, but will increase the 2006-07 budget for these outputs when it occurs.
- An increase in the Environment Protection output group in 2006-07 is due to the transfer of the Aquatic Health program from the Natural Resources output group.

- Expenses for the Museums and Art Galleries of the Northern Territory output are higher in 2005-06 due to one-off funding that was carried forward from 2004-05. Expenses for 2006-07 are expected to increase due to a range of anticipated one-off grants.

Output Group: Parks and Reserves

The management of parks and reserves to protect biological biodiversity and create commercial, educational and recreational opportunities for visitors and the Territory community, providing a core for regional development and economic growth.

Functions are prescribed in the *Territory Parks and Wildlife Conservation Act* and associated Regulations and By-laws and the *Parks and Wildlife Commission Act*.

The outcome is the protection of the natural assets of the Territory Parks Estate, providing opportunities for Territorians and visitors to learn about and enjoy the environment.

Parks Joint Management Programs

Jointly establish an equitable partnership to manage and maintain the park or reserve as part of a comprehensive and representative system benefiting both the traditional Aboriginal owners and the wider community, protecting biological diversity and serving visitor and community needs for education and enjoyment.

Performance Measures		2005-06 Estimate	2006-07 Estimate
Quantity	Joint management programs being implemented	9	11
	Proportion of programs progressed	33%	41%
Quality	Stakeholder satisfaction with programs ¹	65%	65%

¹ Stakeholders are traditional owners, land councils, general public, neighbours and government.

Parks and Reserves Management Programs

Management of parks and reserves to protect biodiversity and create commercial, educational and recreational opportunities, including producing management plans, interpretive programs and infrastructure to serve visitor and community needs.

Performance Measures		2005-06 Estimate	2006-07 Estimate
Quantity	Stakeholder programs implemented ¹	62	62
	Management plans produced (excluding joint management plans)	27	27
	Parks managed ²	63	63
Quality	Visitor and stakeholder satisfaction with management programs	65%	65%

¹ Stakeholders are traditional owners, land councils, general public, neighbours, specialist groups and government.

² Parks refers in this case to parks and reserves outside the joint management framework.

Regulation and Enforcement for Conservation

Consistent with legislated requirements for the establishment, care, control and management of the Northern Territory's parks and reserves, conduct conservation management programs and enforce regulations and by-laws to protect biodiversity.

Performance Measures		2005-06 Estimate	2006-07 Estimate
<i>Quantity</i>	Penalties issued ¹	90	120
	Conservation programs being implemented	103	103
<i>Quality</i>	Proportion of penalties pursued to conclusion ²	80%	80%
<i>Timeliness</i>	Average days taken from issue to finalisation of a penalty	45	45

1 Revised Parks and Wildlife Regulations and By-laws commence in 2006-07 enabling more effective penalties and pursuit of penalties through to conclusion.

2 Offence notices issued in parks and reserves are passed to the Fines Recovery Unit for collection.

Output Group: Biological Parks

Create displays of native plants and animals that replicate natural habitats and botanical gardens that provide:

- opportunities to experience and learn about the Territory's natural flora and fauna;
- commercial educational and recreational opportunities;
- community awareness about the conservation of the Territory's flora and fauna; and
- support to the Territory's tourism-based economy by attracting visitors and extending their length of stay within the Territory, and by providing an introduction to the Territory's parks and reserves.

The outcome is to provide opportunities to experience and learn about the Territory's natural flora and fauna.

Visitor and Education Facilities

Create commercial and educational opportunities by providing funding to Alice Springs Desert Park and Territory Wildlife Park in the form of community service obligations, and by operating Window on the Wetlands.

Performance Measures		2005-06 Estimate	2006-07 Estimate
<i>Quantity</i>	Visitors	160 000	162 000
	Subsidy per visitor	\$48.85	\$48.35
	Threatened species breeding programs	9	9
<i>Quality</i>	Success of threatened species programs ¹	80%	80%

1 A breeding program is successful if an individual project milestone is achieved (i.e. maintaining genetic diversity).

Botanic Gardens

Manage the George Brown Darwin Botanic Gardens as a state level facility in the Northern Territory's capital city to conserve the Territory's living flora collections and provide education and enjoyment to the community.

Performance Measures		2005-06 Estimate	2006-07 Estimate
Quantity	Functions and special events	2	3
	New significant visitor experiences created	0	2
Quality	User satisfaction with venue	90%	90%

Output Group: Natural Resources

Assess, manage and conserve the natural resources of the Northern Territory.

Provide integrated support, advisory, monitoring and regulatory services in respect of the Territory's natural resources and the mitigation of potential threats, including erosion, weeds, bushfires, floods and feral animals, with the involvement of the community and land managers.

The outcome is to provide central mechanisms for sustainable use of the renewable natural resources of the Northern Territory.

Natural Resource Assessment

Formulate and implement assessment programs, including monitoring and evaluation, with respect to soil condition, water, coastlines, native vegetation and biological diversity.

Performance Measures		2005-06 Estimate	2006-07 Estimate
Quantity	Strategic assessment projects ¹	22	22
Quality	Stakeholder satisfaction ²	90%	90%
Timeliness	Assessment project milestones met	85%	87.5%

¹ Strategic assessment projects for biodiversity, surface, ground and coastal waters, and regional vegetation and land capability.

² Stakeholders are community and Government natural resource managers.

Natural Resource Management Activities

Identify and mitigate risks to and associated with natural resources, including risks surrounding the management of bushfires, weeds, water resources, native vegetation and soil conservation.

Performance Measures		2005-06 Estimate	2006-07 Estimate
Quantity	Strategic programs	22	22
	Territory expenditure as a proportion of total dollars committed ¹	35%	57%
	Area of wildfires versus controlled burns ²	2.6:1	2.6:1
Quality	Programs meeting agreed targets	80%	80%
Timeliness	Program project milestones met	80%	80%

¹ Natural Resource Management Activities leverages considerable Australian Government grant funding. The level of Northern Territory Government expenditure thus leverages additional capacity in this area that would not otherwise occur.

² Wildfires burn more extensively than controlled fires.

Natural Resource Regulation and Enforcement

Implement and enforce legislation and regulations to ensure the allocation and sustainable use of the Northern Territory's natural resources and wildlife.

Performance Measures		2005-06 Estimate	2006-07 Estimate
Quantity	Water licences and land clearing permits issued	30	30
	Wildlife permits issued	2 500	2 500
Quality	Non-permitted activities detected ¹	75	75
Timeliness	Permits issued within regulatory timeframes	90%	90%

¹ Non-permitted activities include illegal clearing not associated with a permit and illegal extraction of water resources.

Flood Forecasting

A flood forecasting service to the Northern Territory Police, Fire and Emergency Services in order to minimise risk to life and property in the event of flooding.

Performance Measures		2005-06 Estimate	2006-07 Estimate
Quantity	Installations ¹	23	25
Quality	Reliability of equipment ²	70%	85%
Timeliness	Services delivered within agreed timeframes ³	95%	95%

¹ An installation refers to a gauging station located on a river bank recording river height data and equipped with communication technology such that real time data can be transmitted, where downstream flooding poses a risk to life and property.

² Installations will occasionally fail and acceptable or standard level of failure is approximately 30 per cent (redundancy is built in for vital installations).

³ Delivery of service within agreed timeframes refers to delivering flood forecasts to Northern Territory Emergency Services within agreed timeframes to ensure sufficient warning time.

Hydrographic and Drilling Services

Measure the surface and groundwater resources of the Northern Territory and undertake drilling and bore testing to increase knowledge of the Territory's groundwater and to facilitate sustainable utilisation.

Performance Measures		2005-06 Estimate	2006-07 Estimate
Quantity	Gauging stations	193	200
	Operational rig days ¹	158	195
Quality	Time series data collected at agreed standards	55%	60%
	Proportion of unscheduled maintenance of drilling rigs	5%	5%
Timeliness	Services delivered within agreed timeframes	90%	90%
Cost	Cost per rig day	\$15 000	\$13 667

¹ An operational rig day refers to a day of drilling in the field.

Output Group: Environment Protection

Effective advice to Government, industry and the community in relation to environmental protection issues.

Advise Government on environmental issues arising from proposed land uses to protect the Territory's environment from detrimental effects.

The outcome is the promotion of development in an environmentally sustainable manner.

Environment Protection Agency

Assess and regulate potential environmental impacts of development, coordinate greenhouse and climate change policy and responses and promote maintenance of aquatic ecosystem health.

Performance Measures		2005-06 Estimate	2006-07 Estimate
Quantity	Environmental assessment reports to Minister	11	12
	Licences and approvals administered ¹	55	60
	Capacity to provide assistance to community, industry and local government to promote environmental sustainability ²	\$0.78M	\$0.57M
	Capacity to provide advice about environmental protection and climate change matters	\$2.05M	\$2.4M
Quality	Stakeholder satisfaction with advice ³	80%	80%
Timeliness	Meet statutory timeframes established under relevant legislation ⁴	100%	100%

1 Licences and approvals managed under the *Waste Management and Pollution Control Act* and Part 7 of the *Water Act*.

2 Includes Environment NT Grants, Cool Communities and Litter Grants programs.

3 Stakeholders include the Territory community, business and industry and other areas of Government that have involvement with environment protection programs.

4 Legislation includes the *Environmental Assessment Act* and *Administrative Procedures; Waste Management and Pollution Control Act* and Part 7 of the *Water Act*.

Output Group: Heritage and Conservation

Conservation of the Northern Territory's heritage assets through advice, assistance and regulation.

The outcome is the conservation of the Northern Territory's heritage assets.

Heritage Conservation Services

Provide advice, assistance and regulatory services to protect and conserve the Territory's heritage assets.

Performance Measures		2005-06 Estimate	2006-07 Estimate
Quantity	Assessment reports to Heritage Advisory Council	9	12
	Capacity to provide assistance to private owners of heritage places	\$0.2M	\$0.2M
	Capacity to maintain Government-owned heritage facilities	\$1.0M	\$1.0M
Quality	Stakeholder satisfaction with advice ¹	80%	80%
Timeliness	Meet statutory timeframes established by the <i>Heritage Conservation Act</i>	100%	100%

1 Stakeholders include heritage property owners and special interest groups.

Output Group: Scientific and Cultural Collections

Preserve and provide access to the Northern Territory's natural, scientific and cultural heritage. Create commercial, educational and recreational opportunities through interpretation and display of collections.

The outcome is enhancement and the preservation for posterity of the Northern Territory's permanent scientific and cultural collections to serve visitor and community needs.

Museums and Art Galleries of the Northern Territory

Account for, preserve and provide access to Territory art, cultural and natural history collections, including historic buildings in the care of the Museum and Art Gallery of the Northern Territory, the Museum of Central Australia and the Strehlow Research Centre.

Performance Measures		2005-06 Estimate	2006-07 Estimate
<i>Quantity</i>	Visitors	230 000	230 000
	Major exhibitions	5	5
	Grants and sponsorships received and managed ¹	\$0.3M	\$0.3M
	Grants	5	5
<i>Quality</i>	Visitor satisfaction	95%	95%
	Acquisitions that meet collection policy	100%	100%
	Collection accessible to the public	10%	10%
<i>Timeliness</i>	Public programs delivered within published delivery dates	100%	100%

¹ Grants include sponsorships such as the Telstra art awards.

Herbarium

Preserve the Territory's scientific plant collection and provide access to the flora information held within the Northern Territory Herbarium located in Darwin and Alice Springs.

Performance Measures		2005-06 Estimate	2006-07 Estimate
<i>Quantity</i>	Specimens in the collection	222 000	222 000
<i>Quality</i>	Standard of curation of botanical collections ¹	90%	90%
<i>Timeliness</i>	Project milestones met	90%	90%

¹ Extent to which the Herbarium meets the national standards for curation of botanical collections.

Output Group: Arts and Screen Industry Support

Support the performing and visual arts, cinema and film industry for the benefit of the local community and visitors.

The outcome is an enhanced opportunity to be informed, entertained and inspired.

Arts and Screen Sector

Provide financial and in kind support for the development and promotion of the arts sector in the Northern Territory. Support, develop and grow the screen industries in the Northern Territory.

Performance Measures		2005-06 Estimate	2006-07 Estimate
<i>Quantity</i>	Grants managed ¹	650	700
	Grants distributed	\$5.23M	\$5.36M
<i>Quality</i>	Stakeholder satisfaction ²	85%	85%
<i>Timeliness</i>	Grants paid within agreed timeframes	100%	100%

¹ All new grant applications and acquittals processed.

² Stakeholders include Northern Territory arts sector and screen industry members.

The Araluen Centre

Delivery, facilitation and promotion of performing arts, cinema, visual arts and tourism programs and attractions for local residents and visitors to Central Australia.

Performance Measures		2005-06 Estimate	2006-07 Estimate
<i>Quantity</i>	Visitors to visual arts exhibitions	31 500	31 500
	Patrons to cinema and performances	28 000	28 000
<i>Quality</i>	Visitor satisfaction with Araluen galleries experience	90%	90%
	Client satisfaction with Araluen theatre and cinema programs	90%	90%
<i>Timeliness</i>	Public programs delivered within published delivery dates	100%	100%

Operating Statement

	2005-06 Estimate	2006-07 Budget
	\$000	\$000
INCOME		
Taxation revenue		
Grants and subsidies revenue		
Current	8 218	11 824
Capital		
Output revenue	107 328	96 181
Sales of goods and services	3 132	2 794
Interest revenue	494	300
Goods and services received free of charge	6 073	6 073
Gain(+)/loss(-) on disposal of assets		
Other revenue	107	170
TOTAL INCOME	125 352	117 342
EXPENSES		
Employee expenses	47 208	46 502
Administrative expenses		
Purchases of goods and services	32 666	31 855
Repairs and maintenance	6 781	6 700
Depreciation and amortisation	4 650	4 650
DCIS services free of charge	6 073	6 073
Other administrative expenses		
Grants and subsidies expenses		
Current	23 724	17 750
Capital	300	300
Community service obligations	7 817	7 834
Interest expense	494	300
TOTAL EXPENSES	129 713	121 964
NET SURPLUS(+)/DEFICIT(-)	- 4 361	- 4 622

Income Administered for the Central Holding Authority

INCOME		
Taxation revenue		
Grants and subsidies revenue		
GST revenue		
Current		
Capital		
Fees from regulatory services		
Interest revenue		
Royalties and rents	3 524	3 524
Other revenue		
TOTAL INCOME	3 524	3 524

Balance Sheet

	2005-06 Estimate	2006-07 Budget
	\$000	\$000
ASSETS		
Cash and deposits	15 686	14 638
Receivables	2	2
Prepayments	92	92
Inventories	57	57
Advances and investments		
Property, plant and equipment	122 225	118 095
Other assets		
TOTAL ASSETS	138 062	132 884
LIABILITIES		
Deposits held	9 816	8 740
Creditors and accruals	121	121
Borrowings and advances	6	6
Provisions	6 902	6 902
Other liabilities		
TOTAL LIABILITIES	16 845	15 769
NET ASSETS	121 217	117 115
EQUITY		
Capital		
Opening balance		125 956
Equity injections/withdrawals	125 956	520
Reserves	3	3
Accumulated funds		
Opening balance		- 4 742
Current year surplus(+)/deficit(-)	- 4 361	- 4 622
Accounting policy changes and corrections	- 381	
TOTAL EQUITY	121 217	117 115

Cash Flow Statement

	2005-06 Estimate	2006-07 Budget
	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating receipts		
Taxes received		
Grants and subsidies received		
Current	8 218	11 824
Capital		
Receipts from sales of goods and services		
Output revenue received	107 328	96 181
Other agency receipts	3 237	2 964
Interest received	494	300
Total operating receipts	119 277	111 269
Operating payments		
Payments to employees	40 306	46 502
Payments for goods and services	39 469	38 555
Grants and subsidies paid		
Current	23 724	17 750
Capital	300	300
Community service obligations	7 817	7 834
Interest paid	494	300
Total operating payments	112 110	111 241
NET CASH FROM OPERATING ACTIVITIES	7 167	28
CASH FLOWS FROM INVESTING ACTIVITIES		
Investing receipts		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
Total investing receipts		
Investing payments		
Purchases of assets	520	520
Advances and investing payments		
Total investing payments	520	520
NET CASH FROM INVESTING ACTIVITIES	- 520	- 520
CASH FLOWS FROM FINANCING ACTIVITIES		
Financing receipts		
Proceeds of borrowings		
Deposits received	9 816	- 1 076
Equity injections		
Capital Appropriation	520	520
Other equity injections	5 812	
Total financing receipts	16 148	- 556
Financing payments		
Repayment of borrowings		
Finance lease payments		
Equity withdrawals	7 109	
Total financing payments	7 109	
NET CASH FROM FINANCING ACTIVITIES	9 039	- 556
Net increase(+)/decrease(-) in cash held	15 686	- 1 048
Cash at beginning of financial year		15 686
CASH AT END OF FINANCIAL YEAR	15 686	14 638