

Department of Business, Economic and Regional Development

	2006-07 Estimate	2007-08 Budget
	\$000	\$000
Output Group		
Economic Development	25 511	25 424
Total Expenses	25 511	25 424
Output Appropriation	22 225	22 882
Capital Appropriation		

2007-08 Staffing: 138

Agency Profile

The Department of Business, Economic and Regional Development is the Northern Territory's economic development agency, and has a critical role in supporting the Government's priority of maintaining a strong and growing Territory economy.

The department works with partners to secure substantial and lasting economic benefits for Territory business and the broader community, with a particular focus on regional development and developing competitive businesses.

Key functional responsibilities include:

- supporting the development of competitive businesses;
- encouraging regional development; and
- broadening the Territory's economic base.

Strategic issues facing the agency in 2007-08 include:

- delivering a suite of business support programs and services to people and businesses located across the Territory;
- assisting local industry to develop and promote its capability;
- engaging with Department of Defence prime contractors to grow the amount of defence-related business undertaken in the Territory;
- developing a Defence Support Industry Development Strategy that identifies industry development priorities;
- building and coordinating new projects that contribute to the development of the Territory's regions, for example:
 - a community benefits package for the McArthur River mine;
 - Red Centre Way investment; and
 - Alice Springs as a regional supply hub;

- implementing the Northern Territory Indigenous Economic Development Strategy, the Overarching Agreement on Indigenous Affairs and the Bilateral Schedule – *Boosting Indigenous Employment and Economic Development*;
- engaging the Territory's regional communities to identify future economic development opportunities through Economic Development Committees;
- implementing the Economic Development Framework, Business and Skilled Migration and Manufacturing Industry strategies;
- coordinating a review of the Building Northern Territory Industry Participation policy;
- working with the Northern Territory Research and Innovation Board to encourage business investment in research and innovation; and
- supporting Desert Knowledge Australia in the development of the Desert Knowledge Precinct.

Budget Highlights

- Providing business information and licensing services through the Territory Business Centres.
- Delivering business management and capability building programs, including Territory Business Upskills Workshops, Business Growth Programs and October Business Month.
- Funding of \$1.15 million, through the Industry Development Support Program to provide operational and program support for peak business-related organisations.
- Funding of \$0.5 million to assist regional economic development through the Regional Economic Development Fund.
- Funding of \$0.35 million to support research and innovation, including the provision of grants through the Northern Territory Research and Innovation Fund.
- Funding of \$0.3 million to assist the development of new, and to support existing, Indigenous businesses through the Indigenous Business Development Grant Program.
- Funding of \$0.14 million for industry development grants to support Territory businesses with specific development activities.
- Funding of \$99 000 for a Defence Community Liaison Officer position to work closely with Defence support organisations and help make postings to the Territory successful and enjoyable for Defence members and their families.

Outputs and Performance

Output Group/Output	2006-07	2007-08	Variation
	Estimate	Budget	
	\$000	\$000	\$000
Economic Development	25 511	25 424	- 87
Regional Development	6 160	5 890	- 270
Business Development	14 459	14 489	30
Economic Development	4 892	5 045	153
Total Expenses	25 511	25 424	- 87

Key Variations

- Regional Development output costs decrease by \$0.27 million in 2007-08, primarily due to mining-related projects transferred to the Department of Primary Industry, Fisheries and Mines in 2007-08.
- Business Development output costs increase by \$30 000 in 2007-08, largely the result of additional funding for Defence Community Liaison.
- Economic Development output costs increase by \$0.15 million in 2007-08, mainly related to the Northern Territory Research and Innovation Fund.

Output Group: Economic Development

Provides strategic programs and activities to support sustainable economic and regional development, with a focus on regional development and the development of competitive Territory businesses.

The outcome is substantial and lasting economic benefits for business and the broader community.

Regional Development

Work with Economic Development Committees to advance economic development, with a particular focus on Indigenous businesses, and support the activities of other government agencies through the delivery of programs and services across the regions.

Performance Measures		2006-07 Estimate	2007-08 Estimate
<i>Quantity</i>	Activities to support development of Indigenous business or industry participation	71	70
	Agreed projects promoting and supporting Regional Economic Development (RED) under the Building Stronger Regions – Stronger Futures Strategy	20	20
	Indigenous business development awareness activities	125	129
	Biannual reporting to Cabinet on progress against milestones under the Indigenous Economic Development Strategy ¹	2	2
<i>Quality</i>	Client satisfaction ²	80%	80%
<i>Timeliness</i>	Activities to support development of Indigenous business or industry participation conducted within agreed timeframes	90%	90%
	RED projects delivered within specified timeframes	90%	90%
	Indigenous business development awareness activities conducted within agreed timeframes	90%	90%

¹ Replaces previous measure of progress against each of the milestones under this Government-wide strategy.

² Client satisfaction against revised objectives will be formally measured on a rolling triennial basis.

Business Development

Work with business and industry to develop a broader based and more competitive Territory business community by encouraging new investments, delivering training and support programs and providing advice and information.

Performance Measures		2006-07 Estimate	2007-08 Estimate
<i>Quantity</i>	Licence and business information service contacts	96 000	100 000
	Clients assisted through business improvement programs	12 500	12 860
	Business and skilled migration applications certified	500	520
	Business education and skilled migration awareness activities conducted	275	297
	Territory businesses and organisations provided with financial assistance ¹	180	200
	Significant defence support projects	5	4
	Defence-related business development and awareness activities	24	20
	Other major projects, trade fairs and missions supported through facilitation activities	34	39
	Industry Participation Plans (IPPs) negotiated to conclusion	9	12
	<i>Quality</i>	Client satisfaction ²	80%
Business and skilled migration nominations and sponsorships approved		90%	90%
<i>Timeliness</i>	Awareness activities conducted within agreed timeframes	90%	90%
	Business and skilled migration certificates completed within agreed service timeframe	90%	90%
	Financial assistance provided within agreed timeframes	90%	90%
	Projects, trade fairs and missions supported within specified timeframes	90%	90%
	IPPs signed off prior to project commencement	90%	90%

¹ Business Growth applications less than estimated for 2006-07.

² Client satisfaction against revised objectives will be formally measured on a rolling triennial basis.

Economic Development

Provide strategic policy advice and analysis to support the Territory's economic development and assist business and Government decision making. Work closely with business, research institutions and other government agencies to identify opportunities to improve business innovation and competitiveness.

Performance Measures		2006-07 Estimate	2007-08 Estimate
<i>Quantity</i>	Agreed milestones under the Economic Development Framework	3	1
	Agreed industry and economic policy and advice projects ¹	48	26
	Business Round Table meetings facilitated	10	10
	Agreed innovation and knowledge economy projects supported through partnerships and collaborations	24	31
<i>Quality</i>	Client satisfaction ²	80%	80%
<i>Timeliness</i>	Agreed policy and advice projects delivered within specified timeframes	90%	90%

1 Various one-off projects in 2006-07.

2 Client satisfaction against revised objectives will be formally measured on a rolling triennial basis.

Operating Statement

	2006-07 Estimate	2007-08 Budget
	\$000	\$000
INCOME		
Taxation revenue		
Grants and subsidies revenue		
Current	616	437
Capital		
Output revenue	22 225	22 882
Sales of goods and services	175	102
Interest revenue	43	37
Goods and services received free of charge	1 851	1 851
Gain(+)/loss(-) on disposal of assets		
Other revenue		
TOTAL INCOME	24 910	25 309
EXPENSES		
Employee expenses	13 012	13 170
Administrative expenses		
Purchases of goods and services	6 019	5 312
Repairs and maintenance	23	93
Depreciation and amortisation	115	115
DCIS services free of charge	1 851	1 851
Other administrative expenses		
Grants and subsidies expenses		
Current	4 491	4 883
Capital		
Community service obligations		
Interest expense		
TOTAL EXPENSES	25 511	25 424
NET SURPLUS(+)/DEFICIT(-)	- 601	- 115

Balance Sheet

	2006-07 Estimate	2007-08 Budget
	\$000	\$000
ASSETS		
Cash and deposits	507	507
Receivables	651	651
Prepayments	149	149
Inventories	60	60
Advances and investments	942	942
Property, plant and equipment	413	298
Other assets		
TOTAL ASSETS	2 722	2 607
LIABILITIES		
Deposits held		
Creditors and accruals	686	686
Borrowings and advances		
Provisions	1 853	1 853
Other liabilities		
TOTAL LIABILITIES	2 539	2 539
NET ASSETS	183	68
EQUITY		
Capital		
Opening balance	- 61	- 61
Equity injections/withdrawals		
Reserves		
Accumulated funds		
Opening balance	845	244
Current year surplus(+)/deficit(-)	- 601	- 115
Accounting policy changes and corrections		
TOTAL EQUITY	183	68

Cash Flow Statement

	2006-07 Estimate	2007-08 Budget
	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating receipts		
Taxes received		
Grants and subsidies received		
Current	616	437
Capital		
Receipts from sales of goods and services		
Output revenue received	22 225	22 882
Other agency receipts	175	102
Interest received	43	37
Total operating receipts	23 059	23 458
Operating payments		
Payments to employees	13 012	13 170
Payments for goods and services	6 042	5 405
Grants and subsidies paid		
Current	4 491	4 883
Capital		
Community service obligations		
Interest paid		
Total operating payments	23 545	23 458
NET CASH FROM OPERATING ACTIVITIES	- 486	
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		
Advances and investing payments		
Total investing payments		
NET CASH FROM INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES		
Financing receipts		
Proceeds of borrowings		
Deposits received		
Equity injections		
Capital Appropriation		
Other equity injections		
Total financing receipts		
Financing payments		
Repayment of borrowings		
Finance lease payments		
Equity withdrawals		
Total financing payments		
NET CASH FROM FINANCING ACTIVITIES		
Net increase(+)/decrease(-) in cash held	- 486	
Cash at beginning of financial year	993	507
CASH AT END OF FINANCIAL YEAR	507	507