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A.1 The Organisation

Our role

The primary purpose of the Economic Development Directorate (the Directorate) is to contribute to the economic and social development of the Canberra region, through securing future productivity, jobs and infrastructure, and improving the Territory's economic performance and overall wellbeing of its people.

Functions

The Directorate's functions include the following.

- Providing services and support to emerging enterprises, entrepreneurs and sectors, working in partnership with business stakeholders and like Australian Government agencies.
- Delivering business development and investment programs.
- Leading and managing the Government's tourism marketing and development programs.
- Managing the Government's sporting, aquatic and recreation venues and major events.
- Leading and managing the Government's sport and recreation programs, policies and investments.
- Coordinating the Government response to high value and high complexity investment and development proposals.
- Driving systemic changes to ACT Public Service (ACTPS) policy and practice to reduce 'red-tape', to deliver on Government priorities and enable investment and business development in the ACT.
- Delivering a variety of programs, including business advice, for skilled and business migration, and trade and export programs.
- Delivering targeted programs and professional development training for the ACT sporting community.
- Implementing programs, advertising and opportunities to enhance businesses through partnership programs, advertising opportunities and marketing material.
- Managing three of Canberra's premier sports and function venues – Canberra Stadium, Manuka Oval and Stromlo Forest Park.
- Managing and delivering capital projects that support the Government's Land Release Program.
- Delivering identified 'major projects' for the ACT including: sporting ground redevelopments, new office buildings and major city/town centre improvements.
- Undertaking functions associated with managing the direct sale of land process.
- Coordinating major strategic projects across government including the City to the Lake Project and the establishment of Capital Metro.

- Providing policy advice and legislative support to the Minister for Economic Development, Minister for Tourism and Events and the Minister for Sport and Recreation.
- Providing gaming and racing policy advice and legislative support to the Minister for Racing and Gaming, working closely with the ACT Gambling and Racing Commission.

The Portfolio also comprises the business units and statutory entities mentioned in the A.2 Overview.

Strategic Plan: July 2011 – December 2012

The Directorate's first Strategic Plan outlined the vision, purpose, role and approach for the Directorate between July 2011 and December 2012. A brief assessment of the Directorate's performance against the objectives of this strategic plan can be found in section A.2.

New Strategic Plan: July 2013 – December 2016

Review of the EDD Strategic Plan commenced early in 2013, and included a series of planning workshops between the Minister and agency executives. The new plan was finalised in July 2013. Further information can be found in section A.4.

EDD Governance and Structure

The Directorate's governance arrangements include the Land Development Agency (LDA) Statement of Governance Arrangements, which reflects the accountabilities of the Land Development Agency Board and Chief Executive Officer under ACT legislation, sets out the ACT Government's governance, policy and reporting requirements for the LDA and formalises the relationship between the LDA and the Economic Development Directorate.

A Memorandum of Understanding (MoU) between the Directorate and the LDA operationalises arrangements between the LDA and the Directorate.

Information regarding governance arrangements, including the MoU, is available at www.economicdevelopment.act.gov.au.

During 2012-13, the Directorate had a MoU in place with the ACT Gambling and Racing Commission to provide strategic human resource services and support.

Further information about governance of the Directorate can be found in section C.5 of this report.

Stakeholders

Our primary client is the ACT community. The Directorate engages with the ACT community on a variety of issues that reflects the diversity of the Directorate's operations. Topics of engagement vary from land release, to sporting events and facilities, celebrations of Canberra's seasons and unique tourist attractions. For further information on the Directorate's community engagement program see section B.1.

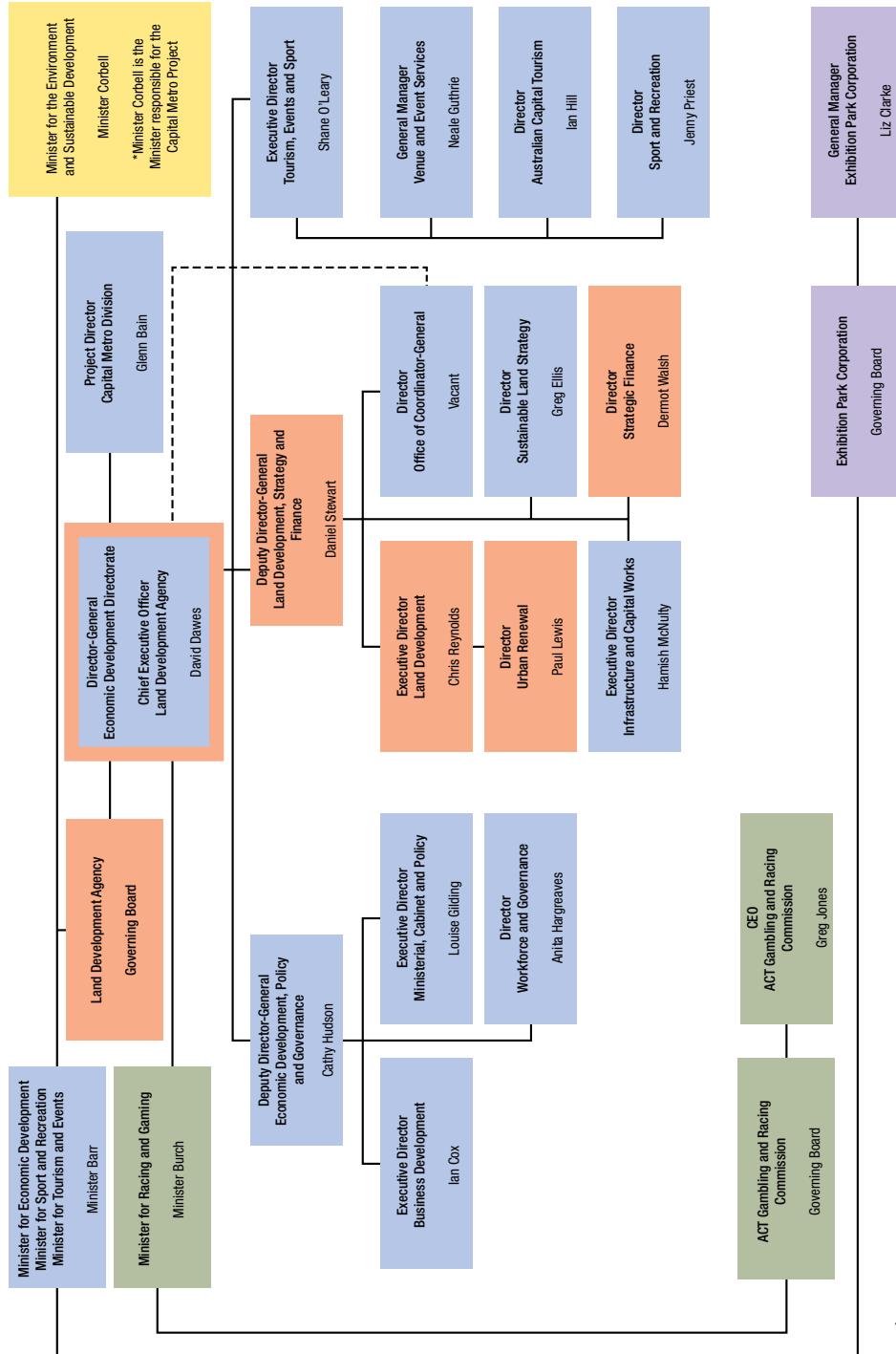
Our primary stakeholder is the ACT Government. The Directorate is responsible for providing advice to Government, reporting quarterly and annually on outcomes and key performance indicators to the Minister for Economic Development, Minister for Sport and

Recreation, Minister for Tourism and Events, and the Minister for Racing and Gaming.

Stakeholders include (in no particular order):

- Andrew Barr MLA in his ministries of Economic Development; Sport and Recreation; and Tourism and Events;
- Joy Burch MLA as Minister for Racing and Gaming;
- Katy Gallagher MLA, Chief Minister;
- Cabinet;
- ACT Legislative Assembly;
- the Head of Service;
- Other ACT Government Directorates;
- ACT residents;
- Community Councils and groups;
- Industry and business institutions;
- ACT, Commonwealth and other State and Territory Government agencies and councils;
- Ministerial Councils;
- Statutory and non-statutory Boards and Committees;
- Media; and
- Suppliers and contractors.

Our Structure – as at 30 June 2013



A.2 Overview

Organisational environment

During 2012-13 the Directorate reported to Mr Andrew Barr MLA the Minister for Economic Development, the Minister for Tourism and Events, and the Minister for Sport and Recreation. The gambling and racing policy function of the Directorate also reported to Ms Joy Burch MLA in her capacity as Minister for Racing and Gaming. The Directorate also reported to Mr Simon Corbell MLA on Capital Metro from April 2013 to June 2013.

The Economic Development portfolio consists of the following business units and statutory entities:

Economic Development, Policy and Governance Division;
Tourism, Events and Sport Division;
Land Development, Strategy and Finance Division;
Land Development Agency¹;
Exhibition Park Corporation¹; and
ACT Gambling and Racing Commission¹.

The Directorate's Senior Executive Committee, comprising the Director-General and the Directorate's three Division Heads, provides leadership and direction on current and emerging priorities (see also section C.5).

Similarly, the Executive Committee, comprising all Executives, ensures coordination between the various areas of the Directorate and identifies forthcoming issues (see also section C.5).

The Directorate works with all sectors of the community, and also closely with other ACT Government Directorates and Commonwealth organisations, to fulfil its roles and responsibilities.

The portfolio's governance arrangements include Memorandum of Understanding's (MoU's) between:

- The Directorate and the Land Development Agency (LDA) to formalise working arrangements between the two parties. Although the MoU continues indefinitely, its operation and detail are reviewed annually. The MoU was reviewed during the 2012-13 financial year and the MoU for 2013-14 was agreed in May 2013.
- The Directorate and ACT Gambling and Racing Commission. For the 2012-13 MoU, the Directorate provided strategic human resource services and support. The MoU for 2013-14 is currently being prepared.

The Directorate also has a MoU in place with the Environment and Sustainable Development Directorate (ESDD) that formally commits the Directors-General of EDD and ESDD to work collaboratively, effectively and efficiently to implement Government programs and policies with respect to land planning and development, sustainability (including affordable housing) and environmental protection in the Territory.

Further information on the MoUs the Directorate has in place can be found at www.economicdevelopment.act.gov.au.

¹ Statutory entities prepare their own Annual Report

Planning framework

The Directorate's first Strategic Plan was developed for the period of July 2011 - December 2012. The review of the Strategic Plan commenced early in 2013 with a series of planning workshops between agency Executives and the Minister. The new Plan has been through a comprehensive development process to incorporate agency objectives, as well as Government priorities and budget initiatives.

The new Strategic Plan will be implemented from 2013-14.

Organisational change

Administrative Changes

As part of the *Administrative Arrangements 2012 (No 2) (NI2012-593)*, the Government Property Strategy function was transferred from the Economic Development Directorate (EDD) to the Commerce and Works Directorate (CWD) with effect from 10 November 2012. However elements of this work continues to be delivered by the Directorate.

Capital Metro Agency

With an ACT Government decision in April 2013 to establish the Capital Metro Agency in the new 2013-14 financial year, the Capital Metro Division was created within the Office of the Coordinator-General in EDD to provide staff to the project team. During 2012-13 the project team was supported by specialist transport planning expertise from within the Environment and Sustainable Development Directorate (ESDD). The work involved the coordination of advice to Government on the scope and nature of studies and preparatory work required to advance the project, and establishing a new Agency (Capital Metro Agency) to take responsibility for that work.

On 1 July 2013, the Capital Metro Agency was established, with the principal objective of designing, planning, procuring and delivering the first stage (Gungahlin to the City) of a light rail network in the Territory. Responsibility for the Capital Metro Agency rests with the Minister for the Environment and Sustainable Development.

Reporting Structure

During the year there were changes to reporting lines within the Directorate. In September 2012 a new Deputy Director-General position was established. The new Deputy Director-General, Land Development, Strategy and Finance, is responsible for the new Land Development, Strategy and Finance Division (which includes some branches of EDD).

Agency performance

Below is a brief assessment of how the Directorate performed against the five objectives in the Directorate's Strategic Plan.

OBJECTIVE 1 – ESTABLISH FOUNDATIONS	PERFORMANCE AGAINST OBJECTIVE
Establish foundations that support and optimise economic and social dividends.	<ol style="list-style-type: none">During 2012-13 the Directorate continued to establish and build its foundations since its creation in May 2011.The Directorate has enhanced its capacity to support decision making through applying expert knowledge and understanding of economic drivers and business parameters to:<ul style="list-style-type: none">inject economic development considerations into policy development processes and priorities;foresee implications for business and investment confidence; andassess economic value and community benefit arising from assets, infrastructure, programs and services.The Directorate continued to work with the business community in relation to economic development and business support programs and to deliver the Government's land release program.In addition, the Directorate led the ACT and Capital Region tourism industry to create and implement a variety of marketing and development programs. This included the Human Brochure and a number of programs to promote Centenary events.The Directorate facilitated access to a range of sporting and recreation activities through managing sporting programs, venues, sportsgrounds and community events. These activities included a number of Sportenary events like Smash Table Tennis and Streetwise - Learn to Skate.The Directorate also provided gambling and racing policy advice and legislative support to the Minister for Racing and Gaming, including the preparation of legislative amendments to the <i>Gaming Machine Act 2004</i>, to improve the regulation of electronic gaming machines.The Directorate remained focused on the delivery of the Government's priorities and contributed to the development of future whole-of-government priorities.

OBJECTIVE 2 - DEVELOP FRAMEWORKS AND POLICIES

PERFORMANCE AGAINST OBJECTIVE

Develop frameworks and policies to enhance economic and social dividends to the ACT.

The Directorate prepared/achieved the following:

1. Progressed the development of the ACT Tourism Strategy in line with the agreed national Tourism 2020 Strategy.
2. Along with the LDA, developed Interim Workplace Health and Safety (WHS) Guidelines for Major Construction Projects and a Due Diligence Action and Reporting Plan.
3. Progressed red tape reduction through identification and change of regulations as part of the implementation of *Growth, Diversification and Jobs – a Business Development Strategy for the ACT*.
4. Implementation of the Housing Affordability Action Plan (AHAP) Phase III including:
 - facilitation of three applications for the National Rental Affordability Scheme.
 - one Construction Snapshot was developed. A Construction Snapshot is a compiled list of major Government and private sector infrastructure, capital works and development projects either in progress or planned at the time of publication. The Construction Snapshot can be found at: www.economicdevelopment.act.gov.au/infrastructure_and_construction/construction_snapshot
5. Two research papers were delivered detailing specific aspects of the ACT economy including an overview of employment in the ACT.
6. The Directorate regularly engages with the community on a range of topics that reflect the Directorate's operations to ensure that the community has access to the best services and facilities available within allocated budgets.
7. The Directorate worked on implementing and delivering against the ACTIVE 2020 Strategy. The Strategy is a long-term plan for sport and active recreation in the ACT and region.

OBJECTIVE 3 – DELIVER PROGRAMS AND PROJECTS	PERFORMANCE AGAINST OBJECTIVE
<p>Lead and facilitate programs, projects and events to deliver timely economic social dividends.</p>	<p>The Directorate facilitated the following events/programs in the 2012-13 reporting year:</p> <p>Tourism, Events and Sport Division</p> <ul style="list-style-type: none"> • The world's first Human Brochure concept. • A number of programs to promote Centenary events including Sportenary – 100 diverse physical activity events throughout 2013 (until end December 2013). • Floriade and Floriade NightFest. • Australian Baseball League Championships. • Canberra Brumbies and British & Lions match in June 2013. • Two major cricket matches were played at Manuka Oval: Prime Minister's XI and a One Day International. • 2012 SCOTT Australian 24 hour Mountain Bike Championships. <p>Land Development, Strategy and Finance Division</p> <ul style="list-style-type: none"> • Installation of lights at Manuka Oval. • Construction projects completed in 2012-13 include Barton intersection upgrades, Kenny Remediation Contamination and the Cotter-Kirkpatrick intersection. • Remediation work was completed for 80 per cent of the dwelling sites at the Narrabundah Long Stay Park. • Civic public realm upgrade. <p>Economic Development, Policy and Governance Division</p> <ul style="list-style-type: none"> • Implementation of the Business Development Strategy and creating new jobs through accelerating business innovation, supporting business investment and fostering the right business environment. • Attracting skills and investment to Canberra through a range of programs for skilled migrants, business migrants, foreign investors and international students.

OBJECTIVE 4 – BUILD CAPACITY TO ACHIEVE	PERFORMANCE AGAINST OBJECTIVE
Build a professional, ethical and high performing organisation that values and respects its employees and clients.	<ol style="list-style-type: none"> The Directorate's learning and development programs are integral to strengthening the workforce, retention and performance of employees. In this reporting period, Human Resources coordinated a range of learning and development opportunities to enhance and build on existing skills. (See section C.8 for further information on the courses provided to staff). In October 2012, the Head of Service launched the new ACT Public Service Code of Conduct. Directorate Executives attended Executive Workshops where they were provided with support and materials. These workshops and materials assisted them to better perform their responsibilities and aided them with the implementation of the new Code of Conduct across the Directorate. The Directorate is also committed to creating a positive, respectful, supportive and fair work environment where employee differences are respected, valued and utilised to create a productive and collaborative workplace. Training on the Respect, Equity and Diversity Framework is mandatory for all Directorate staff.
OBJECTIVE 5 – COMMUNICATE	PERFORMANCE AGAINST OBJECTIVE
Communicate effectively and build robust internal and external relationships.	<ol style="list-style-type: none"> The Directorate actively participates with internal stakeholders through a range of mechanisms including the Coordinated Communication Network and the Strategic Board and its subcommittees. A number of strategies are in place to build robust internal relationships. These strategies include the Directorate's performance and development framework, training opportunities and an active Directorate Social Club. The Directorate also has robust mechanisms in place with external stakeholders to ensure we understand their perspectives and can embrace opportunities to work together that are mutually beneficial e.g. Brand Counsel. As part of the Government's commitment to community engagement, the Directorate engages with the community on a variety of issues that reflects the diverse nature of the Directorate's operations. Topics of engagement vary from land release, to sporting and events, facilities and unique tourist attractions. The Directorate also works closely with other ACT Government directorates to coordinate and manage its portfolio responsibilities to ensure that the ACT community has access to the best service and facilities available (for further information on community engagement see section B.1).

Administration of legislation

As a result of the ACT Government election held during the reporting year, there were three different sets of Administrative Arrangements during this reporting period (*Administrative Arrangements 2012 (No 1)* (repealed), *Administrative Arrangements 2012 (No 2)* (repealed) and the current *Administrative Arrangements 2013 (No 1)*); however the responsible Ministers remained the same, and the legislation administrated by the Directorate did not change throughout this period.

As of 30 June 2013 the *Administrative Arrangements 2013 (No 1)* allocated responsibility for administration of the following legislation to the Directorate:

Minister for Economic Development

Mutual Recognition (Australian Capital Territory) Act 1992

This Act provides for the recognition within each State and Territory of the Commonwealth of regulatory standards adopted elsewhere in Australia regarding goods and occupations.

Planning and Development Act 2007, chapter 4

This Act provides for the establishment and functions of the Land Development Agency.

Trans-Tasman Mutual Recognition Act 1997

This Act relates to the recognition of regulatory standards adopted in New Zealand regarding goods and occupations.

Minister for Sport and Recreation

Boxing Control Act 1993

This Act regulates the conduct of professional and amateur boxing.

Drugs in Sport Act 1999

This Act gives functions to the Australian Sports Anti-Doping Authority in relation to the use of drugs and doping methods in sport.

Nudity Act 1976

This Act is to permit nudity in certain public places.

Public Baths and Public Bathing Act 1956

This Act relates to the management of public baths and public bathing.

Minister for Tourism and Events

Exhibition Park Corporation Act 1976

This Act is to establish the Exhibition Park Corporation.

Minister for Racing and Gaming

Betting (ACTTAB) Limited Act 1964

This Act relates to the operations of ACTTAB Limited.

Casino Control Act 2006

This Act is for the establishment, licensing and control of the casino.

Gambling and Racing Control Act 1999

This Act provides for the administration of certain Acts relating to gambling and racing and to create the gambling and racing commission.

Gaming Machine Act 2004

This Act relates to the licensing and regulation of gaming machines.

Interactive Gambling Act 1998

This Act regulates interactive gambling.

Lotteries Act 1964

This Act regulates all lotteries in the ACT.

Pool Betting Act 1964

This Act regulates pool betting in the ACT.

Race and Sports Bookmaking Act 2001

This Act regulates betting on races and other sports events.

Racing Act 1999

This Act regulates thoroughbred racing, harness racing and greyhound racing conducted for the purpose of betting, and for related purposes.

Unlawful Gambling Act 2009

This Act regulates unlawful gambling in the ACT.

The Acts under the responsibility of the Minister for Racing and Gaming are administrated by the ACT Gambling and Racing Commission.

Subsidiaries, joint ventures or partnerships

The Directorate has no subsidiaries, joint ventures or partnerships.

A.3 Highlights

Noteworthy operational achievements

During 2012-13 the Directorate worked on delivering agreed strategic and operational priorities. Some noteworthy operational achievements from the reporting year are listed below.

The Human Brochure

The Human Brochure campaign was an award-winning world-first tourism advocacy program using social media as a communications platform to promote the Canberra region's attractions and experiences.

Australian Capital Tourism invited 500 social media savvy Australians over two weekends in October 2012 and February 2013 (250 participants per weekend) for a best of Canberra and region experience. In return for their weekend, the participants shared their experiences with family and friends using their own words, pictures and videos on social media such as Facebook, Twitter, Pinterest and Instagram.

The campaign aligned with Australian Capital Tourism's objectives of promoting Canberra as a short break destination and increasing visitation during the 2013 Centenary of Canberra and beyond.

The "humans" shared their experiences of the nation's capital with over 4.3 million Australians during the second weekend in February 2013 and over 4.2 million during the first weekend in October 2012.

Across two weekends, the 500 humans posted 4,952 images on Instagram, made 7,782 tweets and 1,843 Facebook posts. The sentiment analysis of the tweets, posts, photos and videos was more than 90 per cent positive.

The campaign generated significant public relations coverage resulting in over 590 print and online news articles.

The campaign website, www.humanbrochure.com.au has aggregated all content using #HumanBrochure to create the world's first Human Brochure.

More than 60 local tourism businesses were involved in the campaign, providing experiences, accommodation and meals. The project has developed industry capacity and learnings in the online and social media space.

A recent survey with the 500 humans showed that over 85 per cent of respondents agreed that their impressions and opinions of Canberra had positively changed as a result of their weekend in Canberra.

City to the Lake

The City to the Lake project provides a development framework for the broad southern flank of the City stretching from the West Basin to Anzac Parade including the Canberra Olympic Pool, the existing convention centre and large surface car parks. The detailed development framework and infrastructure plan are consistent with Amendments 59, 60 and 61 to the National Capital Plan which provides the strategic policy settings for the project.

Preliminary analysis indicated that linking the City to the Lake is a viable urban development project that provides for early land release and delivering high rates of return on public investment and economic and social benefits for the Territory. The project plan includes sites for a new multi-purpose stadium, the Australia Forum and a new Civic Pool in order to ‘future proof’ the City.

The City to the Lake project is part of the overarching City Plan, and both were launched for public consultation from March to May 2013. Early indications from the consultation are that there are high levels of support (approximately 71 per cent) for the City to the Lake project.

This project was also awarded the Planning Institute of Australia, Award for Urban Design in the Policies, Program and Concepts category.

NICTA Agreement

The ACT Government has a strong relationship with NICTA (National ICT Australia) and has provided over \$29 million over the period 2002 to 2013. The level and long-term nature of our commitment to NICTA recognises the important contribution it makes to a robust economy, fostering innovation and developing ICT skills for the ACT and Australia.

NICTA is a critical player in the ACT innovation system and a key partner in the ACT Government’s drive to establish Canberra as a centre for world-class ICT research, commercialisation, business development and usage. NICTA’s presence in the ACT contributes to skills development through its PhD program, attracts funding from the Australian Government and directly impacts businesses and other stakeholders through its collaboration and engagement activities.

NICTA’s research program in Canberra is diverse and is delivering opportunities for commercialisation and benefits to Australian and ACT Government agencies.

NICTA and the ACT Government continued to support the Australian e-Government Technology Cluster in 2012-13. The Cluster’s membership grew to 118 under the direction of a dedicated Manager and steering committee and is working on five collaborative projects with either ACT or Australian government and industry support.

Implementation of the Affordable Housing Action Plan (AHAP) Phase III

The implementation of the AHAP Phase III included the facilitation of three applications for the National Rental Affordability Scheme which will deliver 86 affordable rental dwellings if successful, development of one Construction Snapshot and implementation of the Land Rent Security Payment scheme.

Narrabundah Ballpark

The Narrabundah Ballpark hosted the 2012-13 Australian Baseball League Championships won by the Canberra Cavalry. The Championship series was broadcast live throughout Australia and replayed in South-East Asia and the USA. This is the first time a Canberra team has won the Claxton Shield since its inception in 1934.

Major challenges

The formation of the Directorate in May 2011 was one of the key administrative reforms following the Hawke ‘One Government’ review. The Directorate brought together the diverse range of government functions that focus on the ACT’s economic activity.

The bringing together of functions has involved a significant change management and cultural reform process while simultaneously delivering on the ACT Government’s priorities.

A major challenge experienced during the 2012-13 financial year included:

Installation of new lighting at Manuka Oval

The installation of the broadcast quality sports lighting at Manuka Oval was a very complex project which was completed within a very short timeframe. Work on site commenced in August 2012 and had to be completed in time for the Prime Minister’s XI game on 29 January 2013. The light towers and custom designed headframes were manufactured in England and shipped to Australia in 20 shipping containers and two air freight pallets. The six towers, each around 40 metres tall, are inclined towards the playing surface and hold a total of 594 individual floodlights. Each tower contains four different types of light – wide, medium, narrow and extra-narrow – which are fanned out to ensure an equal coverage on the playing surface while minimising light spill outside the ground.

The successful completion of the project relied on very good project management which ensured that the transport logistics and work on site were closely integrated. The work on the site included a significant number of tasks including construction of the footings for the towers, installation of two substations, installation of switch cabinets at each tower, installation of kilometres of electrical cable, assembly of the towers and headframes, installation and connection of the floodlights, lifting of the towers and commissioning of the lights. These activities required coordination of a large number of subcontractors and trades as well as the use of the largest mobile crane in Canberra. Each of the 594 lights had to be individually aimed to ensure that the light levels on the ground were as designed.

During the implementation of the project a number of problems were encountered including ground water, vandalism of the cables on one tower and delayed shipments from England. The Directorate project team worked closely with the superintendent and contractors to ensure that these problems were resolved and the project completed on time. The lights were used for the first time for the Prime Minister’s XI game and were well received by the teams, the broadcaster and the large crowd in attendance. Subsequently the lights have been used for a one day cricket international and a number of AFL games and continue to perform very well.



Manuka Lights from Manuka Circle

Key achievements against outputs and service delivery priorities.

In line with the 2012-13 Budget Papers our performance is measured against the six outputs below. This section provides a general summary of achievements against the outputs; the audited Statement of Performance, which reports against the 2012-13 Accountability Indicators, can be found in section A.7.

Output 1.1: Economic Development

Economic Development Policy will deliver key Government policy and project initiatives and lead and coordinate the implementation of affordable housing policies.

Achievement at a glance against the output

Phase III of the Affordable Housing Action Plan was coordinated and implemented. Two reports were provided to the Minister in September 2012 and March 2013.

The 2012 Update of the ACT Government Infrastructure Plan was released.

The branch prepared one update to the Construction Snapshot.

The following policy and project initiatives were undertaken:

- Red Tape Reduction Panel (secretariat support and policy support). Five meetings were supported during the reporting period: 12 July 2012, 26 July 2012, 30 August 2012, 12 December 2012 and 24 May 2013.
- Developed the policy and implementation for a number of amendments to the Territory's racing and gaming legislation. These amendments included the *Gaming Machine Amendment Act 2012*, the *Gaming Machine Amendment Act 2013*, and the *Racing Amendment Act 2012*.
- Worked with industry to deliver a Memorandum of Understanding between the ACT Government and ClubsACT that sets out the policy and reform agenda for the licensed club sector over the next four years.

Output Class 1.2: Business Development

The Directorate will provide programs, initiatives and business policy advice to support business development in the ACT.

Achievement at a glance against the output

National ICT Australia (NICTA)

The ACT Government's strong relationship with NICTA has provided over \$29 million over the period 2002 to 2013. The level and long-term nature of our commitment to NICTA recognises the important contribution it makes to a robust economy, fostering innovation and developing ICT skills for the ACT and Australia.

NICTA is a critical player in the ACT innovation system and a key partner in the ACT Government's drive to establish Canberra as a centre for world-class ICT research, commercialisation, business development and usage.

Innovation Connect

Is a matched-funding grant program which provides grants of up to \$50,000 to assist early stage commercialisation of innovative products, services and solutions. Over 80 applications were submitted in 2012-13 and of these 26 were awarded funding.

Canberra BusinessPoint

Is an ACT Government funded advisory service available to ACT SME's and small business intenders. In 2012-13 the service conducted 55 workshops and masterclasses, 14 networking events for 1895 participants and 790 one-on-one client consultations.

Trade Mission Program

The program is delivered in partnership with Austrade and comprises annual outbound Ministerial led delegations of ACT companies. Two trade missions were successfully delivered in 2012-13.

CollabIT

CollabIT is an engagement and business development initiative that links small and medium sized enterprises with multinational corporations. CollabIT has 170 members and has facilitated over 140 SME referrals to industry partners.

ScreenACT

ScreenACT is the ACT Office of Film. ScreenACT undertook its first trade mission to the Marché du Film market in Cannes in May 2013.

InvestACT

InvestACT is the ACT Government's investment promotion agency. InvestACT facilitated 42 investment leads sourced through direct outreach, Austrade and other sources.

Skilled Migration Program

The ACT Government operates a skills attraction and migration program. In 2012-13 the ACT nominated 695 skilled workers to migrate to Australia and live in Canberra through the skilled independent stream. A further 434 skilled workers have been permanently sponsored by individual employers through the employer sponsored stream.

Output Class 1.3: Tourism

The Directorate will create and implement a range of marketing and development programs and activities in partnership with industry that aim to increase visitation.

Achievement at a glance against the output

In 2012-13 the target of 800,000 'visits' to the visitcanberra website was exceeded, achieving 1,462,723 visits.

97.2 per cent of visitors to the Canberra and Region Visitors Centre (CRVC) rated the overall customer service experience as either very good or excellent.

For the year ending December 2012 the ACT's room occupancy rate was 69.2 per cent compared to the national average of 65.6 per cent.

The Directorate delivered the world's first Human Brochure concept and a number of programs to promote Centenary events.

The Directorate delivered the 2012-13 Special Event Fund that financially supported two blockbuster exhibitions – *Toulouse-Lautrec – Paris and the Moulin Rouge* and *Turner From The Tate – The Making of a Master*.

Output Class 1.4: Sport and Recreation

The Directorate will implement and develop programs and policies, provide grants and create education and training opportunities to maintain and improve the capabilities of the sport and recreation sector in the Territory. It will also manage and maintain sportsgrounds and facilities, and provide support services to high performance athletes in the ACT.

Achievement at a glance against the output

Sport and Recreation Services delivered a variety of targeted education and professional development opportunities in 2012-13. Over 900 people were provided with education and professional opportunities in 2012-13.

95 per cent of respondents were satisfied with the overall management of sportsgrounds.

550,000 visits were recorded across the four ACT Government public swimming pools: Lakeside Leisure Centre, Canberra Olympic Pool, Dickson Aquatic Centre, and Manuka Swimming Pool. A survey found that 93 per cent of respondents were satisfied with the overall management and quality of the facilities.

For the 2012-13 period, 120 athletes and coaches from the Academy of Sport were eligible to complete a survey on the services provided. Of the 70 surveys returned, 100 per cent of respondents were satisfied with the level of services during their respective scholarship periods.

Output Class 1.5: Venues and Events

This output involves the management and promotion of sporting and recreation events at major sporting and recreational venues including the Canberra Stadium, Manuka Oval, Stromlo Forest Park and the Canberra Business Events Centre. It also includes the management and delivery of major and significant events such as Floriade, Nightfest, Enlighten, New Year's Eve, Australia Day and the Nara Candle Festival.

Achievement at a glance against the output

Some of the key events delivered in 2012-13 included:

- New Year's Eve
- Australia Day
- Canberra Nara Festival
- Lighting of the Christmas Tree
- Enlighten
- Balloon Spectacular
- Floriade
- Floriade NightFest

Floriade and NightFest exceeded targets for economic impact, with record attendance and patron satisfaction. The staging of Floriade (and Floriade NightFest) 2012 generated direct expenditure in the ACT totalling \$27.6 million.

The 2012 ACT Festival Fund and the Events Assistance Program funded a total of 30 local festivals and events to a value of \$552,000.

Output Class 1.6: Land Strategy and Infrastructure Delivery

The Directorate will deliver and/or oversee a diverse range of capital projects in collaboration with government agencies, the private sector and the community, including the delivery of the land release capital works program. The Directorate will also lead and coordinate the delivery of the Government's land supply strategy.

Achievement at a glance against the output

Construction projects completed in 2012-13 include Barton Intersection Upgrades, Kenny Remediation Contamination and the Cotter-Kirkpatrick intersection.

Four design projects were completed in 2012-13:

- Gungahlin Town Centre Roads;
- Sewer and Pedestrian Bridge over the Molonglo River;
- Molonglo Sewer 3 Central; and
- The Woden Valley Stormwater Retardation Basins.

The request for tender process concluded for the proposed ACT Government Office Block in Gungahlin. The project will accommodate more than 500 ACT public servants.

Remediation is complete for 80 per cent of the dwelling sites at Narrabundah Long Stay Park.

A contract for construction of the Gungahlin Leisure Centre was let in August 2012 and work commenced in November 2012.

During the year, direct sales of land managed by Sustainable Land Strategy included:

- Billabong Aboriginal Development Corporation
- The Scout Association of Australia; and
- Bombell Barron Pty Ltd

For further information on achievements against outputs please see section A.7.

A.4 Outlook

In 2013-14 the Directorate will continue to implement the Directorate's strategic priorities and key deliverables. The *EDD Strategic Plan 2013-2016* lists the following key priorities:

Liveability and opportunity

- Better public services through enabling the community and businesses to better connect with Government and through reducing red tape (implementing *Red Tape Reduction Panel* initiatives).

Growing the Economy

- Delivering a compelling brand strategy (*Brand Canberra*) to shape and promote the Canberra region's comparative advantage to attract skills, tourism and events, business and investment.
- Boosting tourism activity and growing visitor numbers through securing international flight services for Canberra and the region and through implementing the *Tourism 2020 Strategy*.
- Building on the legacy of the Canberra Centenary by investing in events that provide economic benefits to the city.
- Fostering growth, economic diversification and job creation through implementing the *Growth, Diversification and Jobs, a Business Development Strategy for the ACT*.
- Attracting foreign investment through implementing *INVEST in Canberra* and attracting skilled and business migrants.
- Growing our export capabilities, including partnering with our universities.
- Supporting the development of emerging enterprises, entrepreneurs and sectors.
- Promoting Canberra as a digital city and supporting the National Broadband Network roll-out across the Territory.
- Providing affordable housing options through the implementation of the *Affordable Housing Action Plan*.

Urban Renewal

- Implementing the City to the Lake Project as part of the City Plan.
- Developing a longer term approach to programming land release in order to better reflect market demand and enhance urban renewal and redevelopment outcomes.
- Long-term infrastructure planning to support sustained economic growth of the city.
- Improving the accessibility and quality of our local sportsgrounds and facilities including upgrades to Manuka Oval and Stromlo Forest Park and new facilities such as University of Canberra Sports Commons.

Healthy and Smart

- Boosting grassroots sport as well as elite sport, promoting physical activity for children, providing recreational opportunities and implementing the ACTIVE 2020 Strategy.

Changes in operating environment and issues facing the directorate in the immediate future.

The challenges faced by the Directorate now and in the immediate future are not new. They include budget considerations and issues of workforce retention.

Significant risks associated with the above issues include the Directorate not being able to:

- deliver priority strategic projects, programs or policies within schedule and on budget;
- facilitate timely and cost effective Capital Works; and
- attract, retain and develop people and skills.

These challenges influence and impact on the Directorate's ability to achieve its objectives which are clearly articulated in the Directorate's Strategic Plan 2013-16. The Strategic Plan provides all staff with the priorities for the Directorate in the immediate future and has a focus on the Directorate's purpose, measures and operating principles, and is supplemented by more detailed Divisional priorities and indicators.

To manage these challenges, we are:

- finding new and innovative approaches to delivering services and programs more efficiently and effectively, including through undertaking detailed analysis of all programs and projects; and
- planning the Directorate's workforce requirements effectively, both through strategic forward planning and the provision of relevant and appropriate staff training.

A.5 Management Discussion and Analysis

General Overview

Objectives

The primary purpose of the Economic Development Directorate is to work with the business community in relation to economic development and business support programs and to design and deliver the ACT Government's land release program. The Directorate leads the ACT and capital region tourism industry in creating and implementing a variety of marketing and development programs.

The Directorate also facilitates access to a range of sporting and recreation activities by managing sporting programs, venues, sportsgrounds and community events and provides policy advice on land and economic matters, as well as gambling and racing matters.

Changes to Administrative Structure

As part of the *Administrative Arrangements 2012 (No 2)* (NI2012-593), Government Accommodation Strategy transferred from the Economic Development Directorate (EDD) to the Commerce and Works Directorate (CWD) with effect from 10 November 2012.

Risk Management

Risk management in EDD is monitored by the Directorate's Senior Executive Committee, with recommendations provided by the EDD Audit Committee and ACT Auditor-General's Office as appropriate. The Executive is committed to, and places a high priority on, effective risk management across the full range of organisational functions. The overarching approach to manage risk at strategic and operational levels includes incorporation of appropriate fraud prevention and control processes and practices to ensure the early identification and treatment of emerging risks.

The EDD Audit Committee Charter was ratified in September 2011. Annual and forward audit programs are guided by governance, risk and compliance programs and supported by an audit recommendations register.

The EDD Risk Management Framework and Policy Statement was endorsed by the EDD Audit Committee and approved by the Senior Executive Committee in September 2012, following a review to ensure its robustness.

The risk management framework aims to apply an enterprise-wide risk management infrastructure which focuses on applying logical and systematic risk management processes to all stages in the life cycle of all strategic and operational functions and activities. Incorporating effective risk management into all activities benefits the underlying organisational culture and provides a positive influence on decision-making and accountability. EDD planning processes, including strategic and business planning, together with organisational policy development and project management, incorporate risk management.

The EDD's approach to risk management is based on the relevant standard, *AS/NZS ISO 31000:2009 - Risk Management - Principles and Guidelines*. EDD's Risk Register and Plan, and Fraud Risk Register and Plan, were developed in accordance with the Standard to include organisational risks, sources, impacts, responsibilities, treatments and monitoring/review responsibilities. A series of workshops was held in late 2011-12 to assist Executives to identify significant risks and determine appropriate mitigation strategies. The results were incorporated into the EDD Risk Registers, which were approved by the Audit Committee and Senior Executive Committee. During 2012-13, business units completed a review of EDD's Risk Registers, with amendments endorsed by the Senior Executive Committee. Identified risks will continue to be reviewed regularly by the Senior Executive and Audit Committees to ensure risk mitigation strategies are included in business plans and regularly reported against.

Directorate Financial Performance

The following financial information is based on audited Financial Statements for 2012-13, and the original budget and forward estimates contained in the 2013-14 Budget Papers.

Operating Result

The operating result for the 2012-13 financial year is an operating deficit from ordinary activities of **\$59.9 million**, which is **\$45.6 million** or **320.1 per cent** higher than the original budget deficit of **\$14.3 million**.

Table 1: Total Net Cost of Services

	Actual 2011-12	Original Budget 2012-13	Actual 2012-13	Forward Estimate 2013-14	Forward Estimate 2014-15	Forward Estimate 2015-16	Forward Estimate 2016-17
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Total Expenditure	101.899	100.487	155.802	117.305	100.914	97.857	99.788
Total Own Source Revenue	15.123	10.991	17.995	13.717	13.207	13.573	13.577
Net Cost of Services	86.776	89.496	137.807	103.588	87.707	84.284	86.211

Comparison to Original Budget

The Directorate's net cost of services for 2012-13 of **\$137.8 million** was **\$48.3 million** or **54.0 per cent** higher than the 2012-13 Budget, reflecting a combination of factors including:

- asset transfers in ordinary course of business (**\$44.5 million**);
- higher grants and purchased services (**\$2.5 million**);
- higher supplies and services (**\$6.3 million**); and
- higher employee expenses (**\$1.4 million**);

partially offset by:

- higher user charges – ACT Government (**\$2.2 million**);
- higher user charges – Non-ACT Government (**\$3.2 million**); and
- higher other revenue (**\$1.1 million**).

A detailed analysis is provided under 'Total Expenditure' and 'Total Own Source Revenue' below.

Comparison to 2011-12 Actual Result

Total net cost of services of **\$137.8 million** was **\$51.0 million** or **58.8 per cent** higher than the prior year mainly due to:

- asset transfers in ordinary course of business (**\$44.5 million**);
- an increase in grants and purchased services (**\$6.7 million**); and
- an increase in supplies and services (**\$3.8 million**);

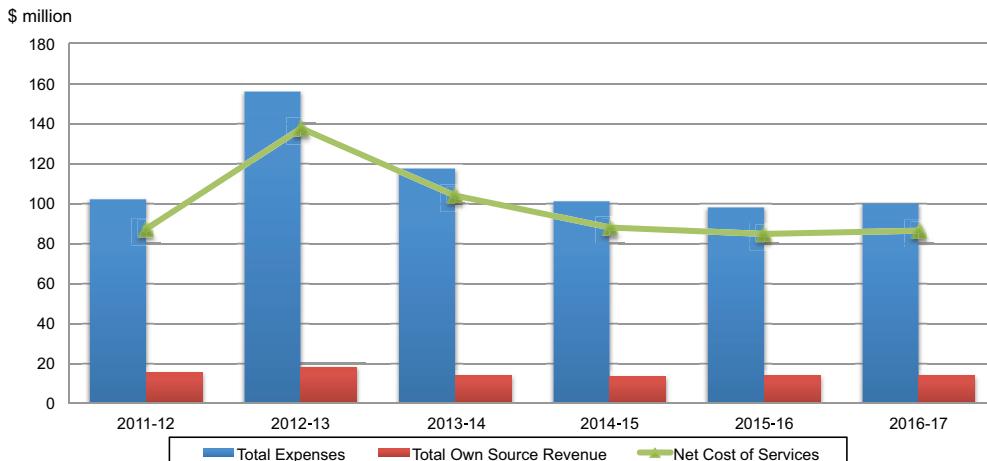
partially offset by:

- an increase in user charges – ACT Government (**\$0.6 million**); and
- an increase in user charges – Non-ACT Government (**\$2.5 million**).

Further analysis is provided below under 'Total Expenditure' and 'Total Own Source Revenue'.

Future Trends

Figure 1: Net Cost of Services



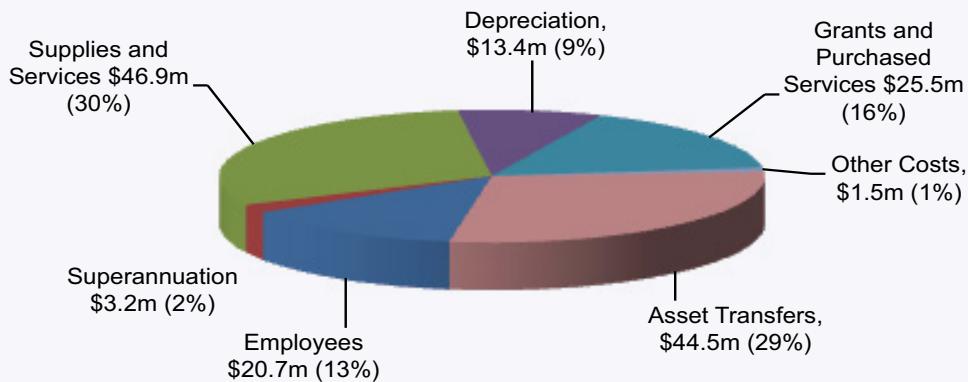
The Directorate's forecast net cost of services in 2013-14 is \$103.6 million, comprising \$117.3 million in expenditure and own source revenue of \$13.7 million.

Total Expenditure

Components of Expenditure

Figure 2 below indicates the components of the Directorate's expenditure for 2012-13, with the largest components of expenditure being employee and superannuation expenses representing **15 per cent (\$23.9 million)** of total expenditure, supplies and services representing **30 per cent (\$46.9 million)**, grants and purchased services **16 per cent (\$25.5 million)** and asset transfers **29 per cent (\$44.5 million)**.

Figure 2: Components of Expenditure for 2012-13



Comparison to the Original Budget

Total expenditure of **\$155.8 million** was **\$55.3 million**, or **55.0 per cent** higher than the 2012-13 original budget of **\$100.5 million**. The main contributors to this result were:

- higher asset transfers in the ordinary course of business (**\$44.5 million**) relating to the transfer of completed capital works to other ACT Government custodian agencies. These largely comprise roads and stormwater assets (to the Territory and Municipal Services Directorate) and water, sewerage and electricity assets (to ACTEW Corporation). The capital works transferred include Clarrie Hermes Drive, Wells Station Drive, and other infrastructure to support land release; and
- higher supplies and services (**\$6.2 million**) due to increased cost of goods sold to stage events which were not budgeted (a Super 15 finals match, a National Rugby League test, the British and Irish Lions international rugby union match and a significant concert); higher water charges due to increased sportsground watering during summer and autumn and increases in the price of potable water; partially offset by lower Professional Fees (consisting of charges for expert advice in relation to business and migration programs, sporting programs and tourism advisory services) due to use of in-house expertise; and a reduction in capital works in progress written off.

Comparison to 2011-12 Actual Result

Total expenditure for 2012-13 was **\$53.9 million** or **52.9 per cent** higher than the 2011-12 result. The increase is primarily a result of:

- increased asset transfers in the ordinary course of business (**\$44.5 million**) as outlined above;
- increased grants and purchased services (**\$6.7 million**), due mainly to business support initiatives funded in the 2012-13 Budget (mainly to NICTA, a research body jointly funded by the Commonwealth and State and Territory Governments) and the payment to Pace Farm to convert its facilities from cage egg to barn egg production; and
- increase in supplies and services (**\$3.8 million**) due mainly to increase in cost of goods sold and utilities partially offset by decrease in professional fees and work in progress expensed, as outlined above.

Future Trends

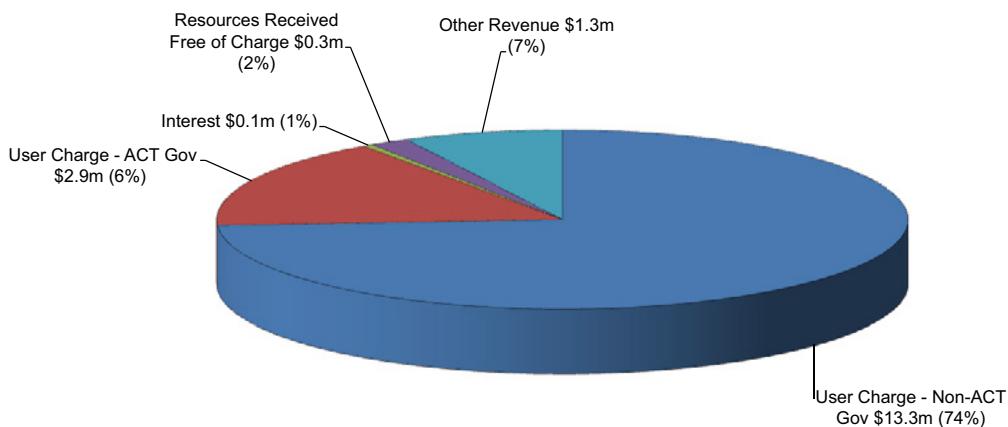
Total expenditure is expected to reduce to **\$117.3 million** in 2013-14 and again in 2014-15 to **\$100.9 million**, remaining flat across the out years. The decrease in 2013-14 mainly reflects a decrease in the quantum of completed capital works that are expected to be transferred, partially offset by an increase in expenditure related to GPO funded capital works.

Total Own Source Revenue

Components of Own Source Revenue

Figure 3 below indicates that for the financial year ended 30 June 2013, the Directorate's own source revenue was made up mainly of user charges - ACT Government (**\$2.9 million**), user charges – Non-ACT Government (**\$13.3 million**), interest (**\$0.1 million**), resources received free of charge (**\$0.3 million**) and other revenue and gains (**\$1.3 million**).

Figure 3: Components of Own Source Revenue for 2012-13



Comparison to the Original Budget

Own source revenue for the year ended 30 June 2013 was **\$7.0 million** or **63.7 per cent** higher than the original 2012-13 Budget of **\$11.0 million**.

The main contributors to this result were:

- higher User Charges – ACT Government (**\$2.2 million**) largely due to cost recovery for services provided to the Land Development Agency (LDA) under the Memorandum of Understanding (MoU) between EDD and LDA;
- higher User Charges – Non-ACT Government (**\$3.2 million**), which include sports match receipts, hire of venues, merchandising of tourist products and tourism activities such as Floriade, Nightfest and the Autumn Festival. The increase is mainly due to revenue relating to the National Rugby League and Super 15 matches as well as a large concert at the Canberra Stadium not anticipated in the budget;
- higher other revenue (**\$1.2 million**) largely due to contributions from State and National sporting organisations for the conduct and delivery of ACT Academy of Sport programs, costs reimbursed from the Restructure Fund (relating to staff redundancy costs) and costs reimbursed for the delivery of the Accelerated Land Release program, and funds recovered from the Territorial account related to the maintenance of Territorial sporting assets leased to community sporting organisations; and
- higher resources received free of charge (**\$0.3 million**) for legal services provided by the Justice and Community Safety Directorate which were not budgeted.

Comparison to 2011-12 Actual Income

Own source revenue for the year ending 30 June 2013 was **\$2.9 million** or **19.0 per cent** higher than the 2011-12 result of **\$15.1 million**, mainly as a result of:

- increase in user charges – ACT Government (**\$0.7 million**) mainly due to recovery of expenses from LDA outside the scope of the MoU; and
- increase in user charges – Non-ACT Government (**\$2.5 million**) due to an unbudgeted National Rugby League international test match and Super 15 match as well as a major concert at the Canberra Stadium as outlined above;

partially offset by:

- decrease in resources received free of charge (**\$0.5 million**) due mainly to a reduction in Non-ACT Business Incentive Fund (ACTBIF) waivers granted to NICTA which are now recorded by the ACT Revenue Office.

Future Trends

The total annual own source revenue is expected to reduce to **\$13.2 million** in 2013-14 reflecting a return to levels of own source revenue which do not include an expectation of earnings from one-off events. The Directorate's own source revenue is expected to be stable across the forward estimates from 2014-15.

Directorate's Financial Position

Net Assets/(Liabilities)

Net assets for the financial year ended 30 June 2013 were \$595.7 million, which is \$136.4 million higher than the original budget of \$459.3 million, and \$318.6 million higher than the 30 June 2012 actual of \$277.1 million. Reasons for these variations are explained below.

Table 2: Net Assets/(Liabilities)

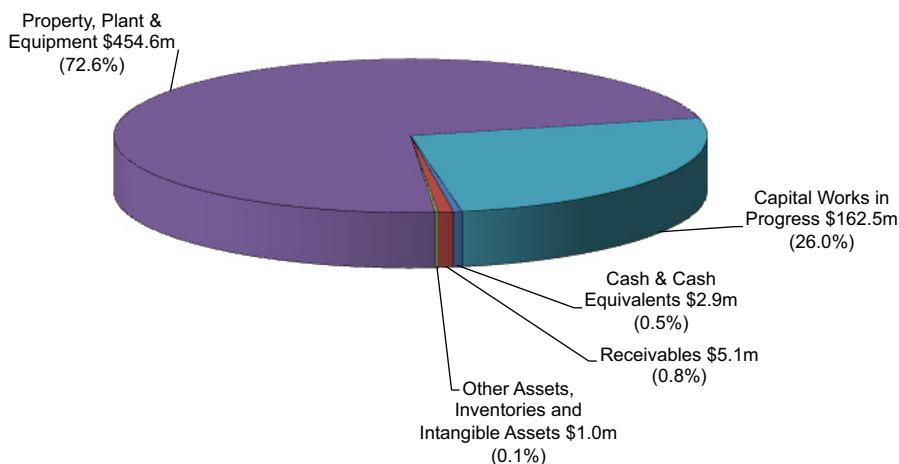
	Actual 2011-12 \$m	Original Budget 2012-13 \$m	Actual 2012-13 \$m
Total Assets	313.143	476.424	626.261
Total Liabilities	36.068	17.163	30.568
Net Assets/(Liabilities)	277.075	459.261	595.693

Total Assets

Components of Total Assets

Figure 4 below indicates that for the financial year ended 30 June 2013, the Directorate held **72 per cent** of its assets in property, plant and equipment, **26 per cent** in capital works in progress, receivables **1 per cent** and cash and cash equivalents **1 per cent**.

Figure 4: Total Assets as at 30 June 2013



Comparison to Original Budget

The total asset position as at 30 June 2013 was **\$626.3 million**, **\$149.8 million** higher than the original 2012-13 Budget of **\$476.4 million**, mainly due to:

- higher capital works in progress (**\$96.9 million**) reflecting the ongoing construction of significant projects which were originally expected to be capitalised, including:
 - The Gungahlin Leisure Centre;
 - Roads related to land release in Molonglo and Gungahlin, notably the John Gorton Drive, Horse Park Drive and Clarrie Hermes Drive Extension projects; and
 - Infrastructure related to land release in Molonglo.
 - higher property, plant and equipment (**\$54.5 million**) mainly relating to a revaluation of the Directorate's assets as at 30 June 2013. The increase was mainly due to increases in the assessed values of land improvements and heritage and community assets;

partially offset by

- lower investments (**\$1.7 million**) mainly due to decision to expense rather than capitalise the investment in the ACT Film Fund and a subsequent write down of the value of the investment to fair value.

Comparison to 2011-12 Actual

The Directorate's total asset position was **\$313.1 million** higher than the 2011-12 result of **\$313.1 million** mainly due to:

- an increase in property, plant and equipment (**\$257.3 million**) mainly relating to the revaluation of the Directorate's assets as at 30 June 2013 as outlined above; and
- an increase capital works in progress (**\$58.6 million**) due to the ongoing construction of capital works projects as outlined above;

partially offset by:

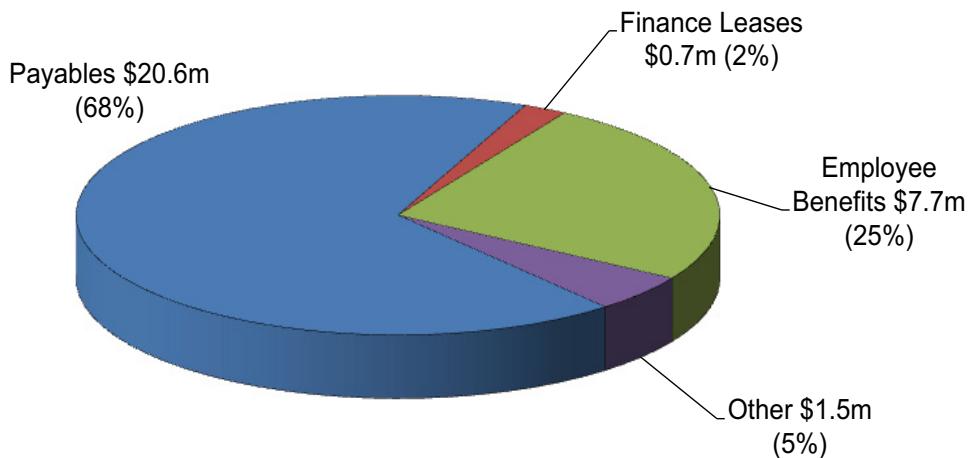
- a decrease in cash and cash equivalents (**\$1.4 million**) reflecting lower levels of cash carried over for payments relating to capital works projects; and
- a decrease in receivables (**\$1.5 million**) due to the collection of amounts owed to the Directorate before the end of the reporting period.

Total Liabilities

Components of Total Liabilities

Figure 5 below indicates that the majority of the Directorate's liabilities comprised of payables (**68 per cent**) and employee benefits (**25 per cent**).

Figure 5: Total Liabilities as at 30 June 2013



Comparison to Original Budget

The Directorate's total liabilities for the year ended 30 June 2013 of **\$30.6 million** were **\$13.4 million** higher than the 2012-13 original budget of **\$17.2 million**. This is due mainly to:

- higher payables (**\$12.0 million**) reflecting accruals recorded at the end of the financial year in relation to work completed, for which invoices are expected to be received early in the new financial year;
- higher employee benefits (**\$0.8 million**) mainly due to the flow on impact of the 2011-12 audited outcome; and
- higher other liabilities (**\$0.4 million**) due to increase in revenue received in advance relating to Floriade and Canberra Stadium.

Comparison to 2011-12 Actual

Total liabilities were **\$5.5 million** lower than the 2011-12 result of **\$36.1 million** primarily due to a decrease in payables reflecting the payment of invoices before they fall due.

Territorial Statement of Revenues and Expenses

The Territorial financial statements usually include revenue, expenses, assets and liabilities, which the Directorate administers on behalf of the ACT Government, but does not control.

Total Income

Total income for 2012-13 was **\$7.8 million**, and was mainly comprised of funds appropriated under the *Financial Management Act 1996* for expenses incurred on behalf of the Territory, the main one being Grant payments to ACT racing clubs.

Total Expenditure

Total expenditure for 2012-13 was **\$8.0 million** comprising of Grants (**\$7.7 million**) to ACT racing clubs, supplies and services (**\$0.1 million**) for repairs and maintenance, and loss on investments (**\$0.3 million**) reflecting the reduction in value of the Canberra Business Development Fund (CBDF).

Territorial Financial Position

Territorial assets comprises of Investment in the CBDF.

Comparison to Original Budget

The total asset position as at 30 June 2013 was **\$1.3 million**, **\$1.5 million** lower than the original 2012-13 Budget of **\$2.8 million** reflecting the diminution in value of investment in the CBDF.

Comparison to 2011-12

The total asset position was **\$0.3 million** higher than the 2011-12 result of **\$1.0 million** mainly due to the purchase of additional investments in the CBDF (**\$0.5 million**), offset by a diminution in value of the investment (**\$0.2 million**).

A.6 Financial Report



ACT AUDITOR-GENERAL'S OFFICE



INDEPENDENT AUDIT REPORT ECONOMIC DEVELOPMENT DIRECTORATE

To the Members of the ACT Legislative Assembly

Report on the financial statements

The financial statements of the Economic Development Directorate (the Directorate) for the year ended 30 June 2013 have been audited. These comprise the following financial statements and accompanying notes:

- Controlled statements – operating statement, balance sheet, statement of changes in equity, cash flow statement and statement of appropriation.
- Territorial statements – statement of income and expenses on behalf of the Territory, statement of assets and liabilities on behalf of the Territory, statement of changes in equity on behalf of the Territory, cash flow statement on behalf of the Territory and statement of appropriation.

Responsibility for the financial statements

The Director-General of the Directorate is responsible for the preparation and fair presentation of the financial statements in accordance with the *Financial Management Act 1996*. This includes responsibility for maintaining adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and the accounting policies and estimates used in the preparation of the financial statements.

The auditor's responsibility

Under the *Financial Management Act 1996*, I am responsible for expressing an independent audit opinion on the financial statements of the Directorate.

The audit was conducted in accordance with Australian Auditing Standards to provide reasonable assurance that the financial statements are free of material misstatement.

I formed the audit opinion following the use of audit procedures to obtain evidence about the amounts and disclosures in the financial statements. As these procedures are influenced by the use of professional judgement, selective testing of evidence supporting the amounts and other disclosures in the financial statements, inherent limitations of internal control and the availability of persuasive rather than conclusive evidence, an audit cannot guarantee that all material misstatements have been detected.

Level 4, 11 Moore Street, Canberra City, ACT 2601 | PO Box 275, Civic Square, ACT 2608
Telephone: 02 6207 0833 | Facsimile: 02 6207 0826 | Email: actauditorgeneral@act.gov.au

Although the effectiveness of internal controls is considered when determining the nature and extent of audit procedures, the audit was not designed to provide assurance on internal controls.

The audit is not designed to provide assurance on the appropriateness of budget information included in the financial statements or to evaluate the prudence of decisions made by the Directorate.

Electronic presentation of the audited financial statements

Those viewing an electronic presentation of the financial statements should note that the audit does not provide assurance on the integrity of information presented electronically, and does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from the electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.

Independence

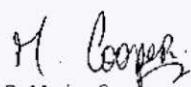
Applicable independence requirements of Australian professional ethical pronouncements were followed in conducting the audit.

Audit opinion

In my opinion, the financial statements of the Directorate for the year ended 30 June 2013:

- (i) are presented in accordance with the *Financial Management Act 1996*, Accounting Standards and other mandatory financial reporting requirements in Australia; and
- (ii) present fairly the financial position of the Directorate as at 30 June 2013 and the results of its operations and cash flows for the year then ended.

This audit opinion should be read in conjunction with the other information disclosed in this report.


Dr Maxine Cooper
Auditor-General
12 September 2013

ECONOMIC DEVELOPMENT DIRECTORATE

CONTROLLED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

Section A

Section B

Section C

**Economic Development Directorate
Financial Statements
For the Year Ended 30 June 2013**

Statement of Responsibility

In my opinion, the financial statements are in agreement with the Directorate's accounts and records and fairly reflect the financial operations of the Directorate for the year ended 30 June 2013 and the financial position of the Directorate on that date.



David Dawes
Director-General
Economic Development Directorate
12 September 2013

**Economic Development Directorate
Financial Statements
For the Year Ended 30 June 2013**

Statement by the Chief Finance Officer

In my opinion, the financial statements have been prepared in accordance with generally accepted accounting principles, and are in agreement with the Directorate's accounts and records and fairly reflect the financial operations of the Directorate for the year ended 30 June 2013 and the financial position of the Directorate on that date.



Dermot Walsh
Chief Finance Officer
Economic Development Directorate
12th September 2013

Economic Development Directorate
Operating Statement
For the Year Ended 30 June 2013

	Note No.	Actual 2013 \$'000	Original Budget 2013 \$'000	Actual 2012 \$'000
Income				
<i>Revenue</i>				
Government Payment for Outputs	4	77,889	75,236	65,919
User Charges – ACT Government	5	2,930	721	2,275
User Charges – Non-ACT Government	5	13,307	10,080	10,839
Interest	6	84	50	115
Resources Received Free of Charge	7	331	-	810
Other Revenue	8	1,293	140	933
<i>Total Revenue</i>		<u>95,834</u>	<u>86,227</u>	<u>80,891</u>
<i>Gains</i>				
Other Gains	9	50	-	151
<i>Total Gains</i>		<u>50</u>	<u>-</u>	<u>151</u>
Total Income		<u>95,884</u>	<u>86,227</u>	<u>81,042</u>
Expenses				
Employee Expenses	10	20,745	19,358	21,496
Superannuation Expenses	11	3,179	2,787	2,819
Supplies and Services	12	46,940	40,684	43,112
Depreciation and Amortisation	13	13,375	14,109	14,298
Grants and Purchased Services	14	25,528	22,991	18,815
Borrowing Costs	15	39	48	48
Other Expenses	16	1,488	510	1,310
Asset Transfers	17	44,508	-	-
<i>Total Expenses</i>		<u>155,802</u>	<u>100,487</u>	<u>101,898</u>
Operating (Deficit)		<u>(59,918)</u>	<u>(14,260)</u>	<u>(20,856)</u>
Other Comprehensive Income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Increase in the Asset Revaluation Surplus	32	266,830	-	-
Total Other Comprehensive Income		<u>266,830</u>	<u>-</u>	<u>-</u>
Total Comprehensive Income/(Deficit)		<u>206,912</u>	<u>(14,260)</u>	<u>(20,856)</u>

The above Operating Statement should be read in conjunction with the accompanying notes.

The Directorate has one output class only and as such the above operating statement is also the Directorate's Operating Statement for the Economic Development output class.

**Economic Development Directorate
Balance Sheet
As at 30 June 2013**

	Note	Actual 2013 \$'000	Original Budget 2013 \$'000	Actual 2012 \$'000
Current Assets				
Cash and Cash Equivalents	21	2,938	3,120	4,342
Receivables	22	5,118	5,411	6,586
Inventories	23	64	53	54
Other Assets	27	690	100	495
Total Current Assets		8,810	8,684	11,477
Non-Current Assets				
Property, Plant and Equipment	24	454,653	400,097	197,295
Investments		-	1,731	-
Intangible Assets	25	262	269	418
Capital Works in Progress	26	162,536	65,643	103,953
Total Non-Current Assets		617,451	467,740	301,666
Total Assets		626,261	476,424	313,143
Current Liabilities				
Payables	28	20,662	8,651	26,277
Finance Leases	29	456	228	395
Employee Benefits	30	7,203	6,410	7,123
Other Provisions		-	35	-
Other Liabilities	31	1,311	1,117	1,352
Total Current Liabilities		29,632	16,441	35,147
Non-Current Liabilities				
Finance Leases	29	212	225	228
Employee Benefits	30	484	497	692
Other Liabilities	31	240	-	-
Total Non-Current Liabilities		936	722	920
Total Liabilities		30,568	17,163	36,067
Net Assets		595,693	459,261	277,076
Equity				
Accumulated Funds		328,414	458,812	276,626
Asset Revaluation Surplus	32	267,279	449	449
Total Equity		595,693	459,261	277,076

The above Balance Sheet should be read in conjunction with the accompanying notes.

Economic Development Directorate
Statement of Changes in Equity
For the Year Ended 30 June 2013

	Note No.	Accumulated Funds Actual	Asset Revaluation Surplus Actual	Total Equity Actual	Original Budget 2013
		2013 \$'000	2013 \$'000	2013 \$'000	2013 \$'000
Balance at the Beginning of the Reporting Period		276,626	449	277,076	291,876
Comprehensive Income					
Operating (Deficit)		(59,918)	-	(59,918)	(14,260)
Increase in the Asset Revaluation Surplus	32	-	266,830	266,830	-
Total Comprehensive (Deficit)/Income		(59,918)	266,830	206,912	(14,260)
Transactions Involving Owners Affecting Accumulated Funds					
Capital Injections		111,440	-	111,440	181,645
Net Assets transferred in as part of an Administrative Restructure	33	266	-	266	-
Total Transactions Involving Owners Affecting Accumulated Funds		111,706	-	111,706	181,645
Balance at the End of the Reporting Period		328,414	267,279	595,693	459,261

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**Economic Development Directorate
Statement of Changes in Equity
For the Year Ended 30 June 2013**

	Accumulated Funds Note	Revaluation Surplus Actual	Asset 2012	Total Equity 2012
	No.	\$'000	\$'000	\$'000
Balance at the Beginning of the Reporting Period			259,777	449
Comprehensive Income				
Operating (Deficit)			(20,856)	-
Total Comprehensive (Deficit)			(20,856)	-
Transactions Involving Owners Affecting Accumulated Funds				
Capital Injections			75,473	-
Net Assets transferred in as part of an Administrative Restructure	33	(37,000)	-	(37,000)
Other Net Asset Transfers			(767)	(767)
Total Transactions Involving Owners Affecting Accumulated Funds			37,706	-
Balance at the End of the Reporting Period			276,626	449
				277,076

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Economic Development Directorate
Cash Flow Statement
For the Year Ended 30 June 2013

	Actual	Original Budget	Actual
Note	2013	2013	2012
No.	\$'000	\$'000	\$'000
Cash Flows from Operating Activities			
Receipts			
Government Payment for Outputs	77,889	75,236	65,919
User Charges – ACT Government	2,164	11,008	3,678
User Charges – Non-ACT Government	13,826	-	7,859
Interest Received	84	50	115
Goods and Services Tax Input Tax Credits from the Australian Taxation Office	15,444	-	10,836
Other	1,670	250	1,726
Total Receipts from Operating Activities	111,077	86,544	90,133
<hr/>			
Payments			
Employee	20,866	19,343	19,860
Superannuation	3,179	2,615	2,907
Supplies and Services	63,892	41,379	34,020
Borrowing Costs	39	42	48
Goods and Services Tax Paid to Suppliers	14,899	-	11,983
Grants and Purchased Services	23,569	22,992	18,818
Other	805	394	704
Total Payments from Operating Activities	127,249	86,765	88,340
Net Cash (Outflows)/Inflows from Operating Activities	37	(16,172)	1,793
<hr/>			
Cash Flows from Investing Activities			
Receipts			
Proceeds from Sale of Property, Plant and Equipment	50	-	109
Total Receipts from Investing Activities	50	-	109
<hr/>			
Payments			
Purchase of Investments	-	800	-
Purchase of Property, Plant and Equipment	96,683	180,971	74,095
Total Payments from Investing Activities	96,683	181,771	74,095
Net Cash (Outflows) from Investing Activities	(96,633)	(181,771)	(73,986)

**Economic Development Directorate
Cash Flow Statement - Continued
For the Year Ended 30 June 2013**

	Note No.	Actual 2013 \$'000	Original Budget 2013 \$'000	Actual 2012 \$'000
Cash Flows from Financing Activities				
Receipts				
Capital Injections		111,440	181,645	75,473
Total Receipts from Financing Activities		111,440	181,645	75,473
Payments				
Repayment of Finance Lease Liabilities		39	109	46
Payment of Transferred Cash Balances		-	-	1,050
Total Payments from Financing Activities		39	109	1,096
Net Cash Inflows from Financing Activities		111,401	181,536	74,377
Net (Decrease)/Increase in Cash and Cash Equivalents				
Cash and Cash Equivalents at the Beginning of the Reporting Period		(1,404)	(456)	2,184
Cash and Cash Equivalents at the End of the Reporting Period	37	4,342	3,576	2,158
		2,938	3,120	4,342

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

Economic Development Directorate
Controlled Statement of Appropriation
For the Year Ended 30 June 2013

	Original Budget 2013 \$'000	Total Appropriated 2013 \$'000	Appropriation Drawn 2013 \$'000	Appropriation Drawn 2012 \$'000
Controlled				
Government Payment for Outputs	75,236	83,264	77,889	65,919
Capital Injections	181,645	188,518	111,440	75,473
Total Controlled Appropriation	256,881	271,782	189,329	141,392

The above Controlled Statement of Appropriation should be read in conjunction with the accompanying notes.

Column Heading Explanations

The *Original Budget* column shows the amounts that appear in the Cash Flow Statement in the Budget Papers. This amount also appears in the Cash Flow Statement.

The *Total Appropriated* column is inclusive of all appropriation variations occurring after the Original Budget.

The *Appropriation Drawn* is the total amount of appropriation received by the Directorate during the year. This amount appears in the Cash Flow Statement.

Reconciliation of Appropriation for 2012-13

	Government Payment for Outputs \$'000	Capital Injections \$'000
Original Budget	75,236	181,645
Section 14 Transfer ^(a)	2,158	(2,158)
Section 16 Transfers ^(b)	(20)	573
Treasurer's Advance ^(c)	5,890	-
Section 16B Rollovers ^(d)	-	8,458
Total Appropriated	83,264	188,518
Undrawn Funds	(e) 5,375	(f) 77,078
Appropriation Drawn	77,889	111,440

(a) Variation of capital injection to Government Payment for Outputs for three separate capital works projects to more appropriately reflect the nature of expenditure and the variation of capital injection funding transferred from the Environment and Sustainable Development Directorate (ESDD) to Government Payment for Outputs for the recurrent expenses of the Capital Metro project.

(b) Transfer of Infrastructure Planning function and capital works from ESDD, the Plan for the Protection of Matters of National Environmental Significance to the Territory and Municipal Services Directorate and the Government Accommodation Strategy function to the Commerce and Works Directorate.

(c) Additional funding was received for the grant of assistance to Pace Farm to convert its operations from cage to barn egg production, the Young Pioneers Program to support two ACT entrants into a leadership program for young Australians, and unbudgeted sportsground irrigation charges as a consequence of the warm and dry summer and autumn seasons.

**Economic Development Directorate
Controlled Statement of Appropriation
For the Year Ended 30 June 2013**

(d) Rollover of undisbursed 2011-12 appropriation, mainly related to undrawn capital works funding for projects supporting land release and for sporting infrastructure projects, where the works had largely been progressed in 2011-12 but where the timing of invoicing required access to appropriation in 2012-13.

(e) Largely relates to business and events initiative and capital works funding which was not drawn, mainly due to revisions in the timing of payments, where the works and programs had largely been progressed but where the timing of invoicing required access to appropriation in the following year. The funds were rolled over to 2013-14 through the 2013-14 Budget.

(f) Mostly due to capital works funding that was not drawn (in the areas of land release and community and sporting infrastructure) in 2012-13. This was largely due to the timing of payments, which reflect an expectation that these will be made in 2013-14 and the forward years, and in the main part, do not reflect a delay in project delivery. The funding was rolled over to 2013-14 through the 2013-14 Budget. In addition, the undrawn amount includes savings related to the cancellation of the Mitchell - Sandford Street Extension to the Federal Highway capital works project which was no longer required to support the land release program, following variations in the scheduled release of Kenny (\$12.6m) and the savings achieved in delivery of the John Gorton Drive Extension project (\$2m).

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

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CONTROLLED NOTE INDEX

Note 1.	Objectives of Economic Development Directorate
Note 2.	Summary of Significant Accounting Policies
Note 3.	Change in Accounting Policy and Accounting Estimates,
Income Notes	
Note 4.	Government Payment for Outputs
Note 5.	User Charges for Goods and Services
Note 6.	Interest
Note 7.	Resources Received Free of Charge
Note 8.	Other Revenue
Note 9.	Other Gains
Expense Notes	
Note 10.	Employee Expenses
Note 11.	Superannuation Expenses
Note 12.	Supplies and Services
Note 13.	Depreciation and Amortisation
Note 14.	Grants and Purchased Services
Note 15.	Borrowing Costs
Note 16.	Other Expenses
Note 17.	Asset Transfers
Note 18.	Waivers, Impairment Losses and Write-Offs
Note 19.	Act of Grace Payments
Note 20.	Auditor's Remuneration
Asset Notes	
Note 21.	Cash and Cash Equivalents
Note 22.	Receivables
Note 23.	Inventories
Note 24.	Property, Plant and Equipment
Note 25.	Intangible Assets
Note 26.	Capital Works in Progress
Note 27.	Other Assets
Liability Notes	
Note 28.	Payables
Note 29.	Finance Leases
Note 30.	Employee Benefits
Note 31.	Other Liabilities
Equity Notes	
Note 32.	Asset Revaluation Surplus
Note 33.	Restructure of Administrative Arrangements
Note 34.	Financial Instruments
Note 35.	Commitments
Note 36.	Contingent Liabilities and Contingent Assets
Note 37.	Cash Flow Reconciliation
Note 38.	Events Occurring after Balance Date
Note 39.	Third Party Monies

**Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013**

NOTE 1. OBJECTIVES OF ECONOMIC DEVELOPMENT DIRECTORATE

The primary purpose of the Economic Development Directorate (the Directorate) is to work with the business community in relation to economic development and business support programs and to design and deliver the Government's land release program. The Directorate will lead the ACT and Capital Region tourism industry to create and implement a variety of marketing and development programs. The Directorate also provides gambling and racing policy advice and legislative support.

The Directorate will facilitate access to a range of sporting and recreation activities by managing sporting programs, venues, sportsgrounds and community events.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The *Financial Management Act 1996* (*FMA*) requires the preparation of annual financial statements for ACT Government agencies.

The *FMA* and the *Financial Management Guidelines* issued under the *Act* requires the Directorate's financial statements to include:

- i. an Operating Statement for the year;
- ii. a Balance Sheet at the end of the year;
- iii. a Statement of Changes in Equity for the year;
- iv. a Cash Flow Statement for the year;
- v. a Statement of Appropriation for the year;
- vi. an Operating Statement for each class of output for the year;
- vii. a summary of the significant accounting policies adopted for the year; and
- viii. such other statements as are necessary to fairly reflect the financial operations of the Directorate during the year and its financial position at the end of the year.

These general-purpose financial statements have been prepared to comply with 'Generally Accepted Accounting Principles' (GAAP) as required by the *FMA*. The financial statements have been prepared in accordance with:

- i. Australian Accounting Standards; and
- ii. ACT Accounting and Disclosure Policies.

The financial statements have been prepared using the accrual basis of accounting, which recognises the effects of transactions and events when they occur. The financial statements have also been prepared according to the historical cost convention, except for assets which were valued in accordance with the revaluation policies applicable to the Directorate during the reporting period.

These financial statements are presented in Australian dollars, which is the Directorate's functional currency.

The Directorate is an individual reporting entity.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

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NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(b) Controlled and Territorial Items

The Directorate produces Controlled and Territorial financial statements. The Controlled financial statements include income, expenses, assets and liabilities over which the Directorate has control. The Territorial financial statements include income, expenses, assets and liabilities that the Directorate administers on behalf of the ACT Government, but does not control.

The purpose of the distinction between Controlled and Territorial is to enable an assessment of the Directorate's performance against the decisions it has made in relation to the resources it controls, while maintaining accountability for all resources under its responsibility.

The basis of accounting described in Note 2(a) above applies to both Controlled and Territorial financial statements except where specified otherwise.

(c) The Reporting Period

These financial statements state the financial performance, changes in equity and cash flows of the Directorate for the year ending 30 June 2013 together with the financial position of the Directorate as at 30 June 2013.

(d) Comparative Figures

Budget Figures

To facilitate a comparison with Budget Papers, as required by the *Financial Management Act 1996*, budget information for 2012-13 has been presented in the financial statements. Budget numbers in the financial statements are the original budget numbers that appear in the Budget Papers.

Prior Year Comparatives

Comparative information has been disclosed except where an Australian Accounting Standard does not require comparative information to be disclosed.

Where the presentation or classification of items in the financial statements is amended, the comparative amounts have been reclassified where practical. Where a reclassification has occurred, the nature, amount and reason for the reclassification is provided.

(e) Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000). Tables and notes may not add due to rounding. Use of the “-” symbol represents zero amounts or amounts rounded up or down to zero.

(f) Revenue Recognition

Revenue is recognised at the fair value of the consideration received or receivable in the Operating Statement. All revenue is recognised to the extent that it is probable that the economic benefits will flow to the Directorate and the revenue can be reliably measured. The Directorate's main sources of revenue are Government Payments for Output (see Note 4) and User Charges (see Note 5). In addition, the following specific recognition criteria must be met before revenue is recognised:

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(f) Revenue Recognition - Continued

Government Payment for Outputs

Government Payment for Outputs is recognised as revenue at the time the payment is received by the Directorate.

Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, the Directorate retains neither continuing managerial involvement nor effective control over the goods sold and the costs incurred in respect of the transaction can be measured reliably.

Rendering of Services

Revenue from the rendering of services is recognised when the stage of completion of the transaction at the reporting date can be measured reliably and the costs of rendering those services can be measured reliably.

Interest

Interest revenue is recognised using the effective interest method.

Fees

Fees are recognised as revenue at the time of payment or when a legal entitlement to the revenue exists.

(g) Resources Received and Provided Free of Charge

Resources received free of charge are recorded as a revenue and expense in the Operating Statement at fair value. The revenue is separately disclosed under resources received free of charge, with the expense being recorded in the line item to which it relates.

Goods and services received free of charge from ACT Government agencies are recorded as resources received free of charge, whereas goods and services received free of charge from entities external to the ACT Government are recorded as donations. Services that are received free of charge are only recorded in the Operating Statement if they can be reliably measured and would have been purchased if not provided to the Directorate free of charge.

Resources provided free of charge are recorded at their fair value in the expense line items to which they relate.

(h) Repairs and Maintenance

The Directorate undertakes major cyclical maintenance on its assets. Where the maintenance leads to an upgrade of the asset, and increases the service potential of the existing asset, the cost is capitalised. Maintenance expenses which do not increase the service potential of the asset are expensed.

(i) Borrowing Costs

Borrowing costs are expensed in the period in which they are incurred.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

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NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(j) Waivers of Debt

Debts that are waived during the year under Section 131 of the FMA are expensed during the year in which the right to payment was waived. Further details of waivers are disclosed at Note 18: *Waivers, Impairment Losses and Write-offs*.

(k) Current and Non-Current Items

Assets and liabilities are classified as current or non-current in the Balance Sheet and in the relevant notes. Assets are classified as current where they are expected to be realised within 12 months after the reporting date. Liabilities are classified as current when they are due to be settled within 12 months after the reporting date or the Directorate does not have an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date.

Assets or liabilities which do not fall within the current classification are classified as non-current.

(l) Impairment of Assets

The Directorate assesses, at each reporting date, whether there is any indication that an asset may be impaired. Assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. However, intangible assets that are not yet available for use are tested annually for impairment regardless of whether there is an indication of impairment, or more frequently if events or circumstances indicate they might be impaired.

Any resulting impairment losses, for infrastructure assets, buildings, leasehold improvements, intangible and community and heritage assets, are recognised as a decrease in the Asset Revaluation Surplus relating to these classes of assets. Where the impairment loss is greater than the balance in the Asset Revaluation Surplus for the relevant class of asset, the difference is expensed in the Operating Statement. Impairment losses for plant and equipment are recognised in the Operating Statement. Also, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's 'fair value less cost to sell' and its 'value in use'. An asset's 'value in use' is its depreciated replacement cost, where the asset would be replaced if the Directorate were deprived of it. Non-financial assets that have previously been impaired are reviewed for possible reversal of impairment at each reporting date.

(m) Cash and Cash Equivalents

For the purposes of the Cash Flow Statement and the Balance Sheet, cash includes cash at bank and cash on hand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are included in cash and cash equivalents in the cash flow statement but not in the cash and cash equivalents line on the Balance Sheet.

**Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(n) Investment

The Territory holds an equal investment with Australian Capital Ventures Limited (ACVL) in the Canberra Business Development Fund (CBDF). The CBDF is a unit trust whose principal activity is to invest in the equity of early stage businesses carrying out activities providing potential benefits to the Canberra Region. This investment is accounted for as a Territorial investment (see Note 46).

The investment has been designated as a Financial Asset at Fair Value through Profit and Loss. This asset is measured at fair value with any adjustments to the carrying amount going to the Statement of Income and Expenses on Behalf of the Territory. Fair value is based on net assets attributable to the Directorate as a unit holder of the trust. The net assets are based on the current share market price for investments in publicly listed entities. Fair value of investments in unlisted entities is determined by recent arm's length transactions for a reasonable quantity of securities (e.g. security issue or transfer) or by valuation provided by the directors of the CBDF if the book value of the entity is deemed inappropriate.

(o) Receivables

Accounts receivable (including trade receivables) are initially recognised at fair value and are subsequently measured at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement.

Trade receivables arise in the normal course of selling goods and services to other agencies and to the public. Trade receivables are payable within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

The allowance for impairment losses represents the amount of trade receivables and other trade receivables that the Directorate estimates will not be paid. The Directorate determines the allowance for impairment losses based on objective evidence and a review of balances within receivables that are unlikely to be collected. The Directorate considers the following is objective evidence of impairment:

- . debts more than 60 days overdue; or
- . identified disputed invoices.

The allowance for impairment losses is written-off against the receivables account when the Directorate ceases action to collect the debt, as it considers that it will cost more to recover the debt than the debt is worth.

(p) Inventories

Inventories held for sale are valued at the lower of cost and net realisable value. Cost comprises the purchase price of inventories as well as transport, handling and other costs directly attributable to the acquisition of inventories. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase. The cost of inventories is assigned using the first-in, first-out method.

Net realisable value is determined using the estimated sales proceeds less costs incurred in marketing, selling and distribution to customers.

Inventories held for distribution are measured at cost, adjusted when applicable, for any loss of service potential.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

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NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(q) Acquisition and Recognition of Property, Plant and Equipment

Property, plant and equipment is initially recorded at cost. Cost includes the purchase price, directly attributable costs and the estimated cost of dismantling and removing the item (where, upon acquisition, there is a present obligation to remove the item).

Where property, plant and equipment is acquired at no cost, or minimal cost, cost is its fair value as at the date of acquisition. However property, plant and equipment acquired at no cost or minimal cost as part of a restructuring of administrative arrangements is measured at the transferor's book value.

Where payment of property, plant and equipment is deferred beyond normal credit terms, the difference between its cash price equivalent and the total payment is measured as interest over the period of credit. The discount rate used to calculate the cash price equivalent is an asset specific rate.

The Directorate capitalises all non-current physical assets with a value of \$5,000 or more. If a certain category of physical asset (i.e. desktops, printers, faxes, etc) is considered material because of the volume and nature of the assets purchased, then even though the individual cost of these assets may be less than \$5,000 they are still capitalised and recorded as an asset in the Balance Sheet.

(r) Measurement of Property, Plant and Equipment after Initial Recognition

Property, plant and equipment is valued using the cost or revaluation model of valuation. Land, buildings, infrastructure assets, plant and equipment and community and heritage assets are measured at fair value. Leasehold improvements are measured at cost.

Fair value is the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. Fair value is measured using market based evidence available for that asset (or a similar asset), as this is the best evidence of an asset's fair value. Where the market price for an asset cannot be obtained because the asset is specialised and is rarely sold, depreciated replacement cost is used to estimate fair value.

Fair value for land and buildings is measured using current prices in a market for similar properties in a similar location and condition.

Fair value for infrastructure assets and some community and heritage assets is measured using depreciated replacement cost. For other community and heritage assets, fair value is determined using a market price where there is a market for the same or similar item. Land, buildings, infrastructure assets, plant and equipment and community and heritage assets are revalued every 3 years. However, if at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place. Any accumulated depreciation relating to buildings, plant and equipment and community and heritage assets at the date of revaluation is written-back against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Any accumulated depreciation relating to infrastructure assets is restated proportionally with the change in the gross carrying amount so that the net carrying amount of those assets after revaluation equals its revalued amount.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(r) Measurement of Property, Plant and Equipment after Initial Recognition – Continued

The Directorate's property, plant and equipment assets (excluding leasehold improvements which are carried at cost) were re-valued by independent valuers, the Australian Valuation Office and Allbids Liquidity Partners (Certified Practicing Valuers), as at 30 June 2013.

The cost of leasehold improvements comprises the purchase price and any directly attributable construction costs.

(s) Intangible Assets

The Directorate's intangible assets comprise externally acquired software for internal use and externally purchased other intangible assets. Externally acquired software is recognised and capitalised when:

- (a) it is probable that the expected future economic benefits that are attributable to the software will flow to the Directorate;
- (b) the cost of the software can be measured reliably; and
- (c) the acquisition cost is equal to or exceeds \$50,000.

Capitalised software has a finite useful life. Software is amortised on a straight-line basis over its useful life, over a period not exceeding 5 years.

Externally purchased other intangible assets comprise a licence agreement to occupy the Canberra Business and Events Centre (CBEC) which is amortised on a straight line basis over a period of 20 years.

Intangible Assets are measured at cost.

(t) Depreciation and Amortisation of Non-Current Assets

Non-current assets with a limited useful life are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential. The useful life commences when an asset is ready for use. When an asset is revalued, it is depreciated/amortised over its newly assessed remaining useful life. Amortisation is used in relation to intangible assets while depreciation is applied to physical assets such as buildings and plant and equipment.

Land, heritage and community assets and some infrastructure assets have an unlimited useful life and are therefore not depreciated.

Leasehold improvements and motor vehicles under a finance lease are depreciated over the estimated useful life of each asset improvement, or the unexpired period of the relevant lease, whichever is shorter.

All depreciation is calculated after first deducting any residual values which remain for each asset.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

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NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(t) Depreciation and Amortisation of Non-Current Assets – Continued

Depreciation/amortisation for non-current assets is determined as follows:

Class of Asset	Depreciation / Amortisation Method	Useful Life (Years)
Buildings	Straight Line	10 – 99
Leasehold Improvements	Straight Line	3 – 10
Plant and Equipment	Straight Line	2 – 7
Infrastructure	Straight Line	20 – 100
Intangible Assets	Straight Line	5 – 20
Community and Heritage	Straight Line	5 – 100

Land improvements are included with buildings.

The useful lives of all major assets held are reassessed on an annual basis.

(u) Payables

Payables are a financial liability and are measured at the fair value of the consideration received when initially recognised and at amortised cost subsequent to initial recognition, with any adjustments to the carrying amount being recorded in the Operating Statement. All amounts are normally settled within 30 days after the invoice date.

Payables include Trade Payables, Accrued Expenses and Other Payables.

Trade Payables represent the amounts owing for goods and services received prior to the end of the reporting period and unpaid at the end of the reporting period and relating to the normal operations of the Directorate.

Accrued Expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received by period end.

Other Payables are those unpaid invoices that do not directly relate to the normal operations of the Directorate.

(v) Leases

The Directorate has entered into finance leases and operating leases.

Finance Leases

Finance leases effectively transfer to the Directorate substantially all the risks and rewards incidental to ownership of the assets under a finance lease. The title may or may not eventually be transferred. Finance leases are initially recognised as an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments each being determined at the inception of the lease. The discount rate used to calculate the present value of the minimum lease payments is the interest rate implicit in the lease. Assets under a finance lease are depreciated over the shorter of the asset's useful life or lease term.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Finance Leases - Continued

Assets under a finance lease are depreciated on a straight-line basis. Each lease payment is allocated between interest expense and reduction of the lease liability. Lease liabilities are classified as current and non-current.

Operating Leases

Operating leases do not effectively transfer to the Directorate substantially all the risks and rewards incidental to ownership of the asset under an operating lease. Operating lease payments are recorded as an expense in the Operating Statement on a straight-line basis over the term of the lease.

(w) Employee Benefits

Employee benefits include salaries and wages, annual leave, annual leave loading, long service leave and applicable on-costs. On-costs include annual leave, long service leave, superannuation and other costs that are incurred when employees take annual and long service leave. These benefits accrue as a result of services provided by employees up to the reporting date that remain unpaid. They are recorded as a liability and as an expense.

Salaries and Wages

Accrued salaries and wages are measured at the amount that remains unpaid to employees at the end of the reporting period.

Annual and Long Service Leave

Annual leave and long service leave that fall due wholly within the next 12 months is measured based on the estimated amount of remuneration payable when the leave is taken.

Annual and long service leave including applicable on-costs that do not fall due within the next 12 months are measured at the present value of estimated future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to the future wage and salary levels, experience of employee departures and periods of service. At each reporting period, the present value of future payments is calculated using market yields on Commonwealth Government bonds with terms to maturity that match, as closely as possible, the estimated future cash flows. In 2012-13, the rate used to estimate the present value of these future payments is 101.3% (106.6% in 2011-12).

The long service leave liability is estimated with reference to the minimum period of qualifying service. For employees with less than the required minimum period of 7 years qualifying service, the probability that employees will reach the required minimum period has been taken into account in estimating the provision for long service leave and the applicable on-costs.

The provision for annual leave and long service leave includes estimated on-costs. As these on-costs only become payable if the employee takes annual and long service leave while in-service, the probability that employees will take annual and long service leave while in service has been taken into account in estimating the liability for on-costs.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

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NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(w) Employee Benefits - Continued

Annual and Long Service Leave - Continued

Annual leave and long service leave liabilities are classified as current liabilities in the Balance Sheet where there are no unconditional rights to defer the settlement of the liability for at least 12 months. However, where there is an unconditional right to defer settlement of the liability for at least 12 months, annual leave and long service leave have been classified as a non-current liability in the Balance Sheet.

(x) Superannuation

The Directorate receives funding for superannuation payments as part of the Government Payment for Outputs. The Directorate then makes payments on a fortnightly basis to the Territory Banking Account, to cover the Directorate's superannuation liability for the Commonwealth Superannuation Scheme (CSS) and the Public Sector Superannuation Scheme (PSS). This payment covers the CSS/PSS employer contribution, but does not include the productivity component. The productivity component is paid directly to Comsuper by the Directorate. The CSS and PSS are defined benefit superannuation plans meaning that the defined benefits received by employees are based on the employee's years of service and average final salary.

Superannuation payments have also been made directly to superannuation funds for those members of the Public Sector who are part of superannuation accumulation schemes. This includes the Public Sector Superannuation Scheme Accumulation Plan (PSSAP) and schemes of employee choice.

Superannuation employer contribution payments, for the CSS and PSS, are calculated, by taking the salary level at an employee's anniversary date and multiplying it by the actuarially assessed nominal CSS or PSS employer contribution rate for each employee. The productivity component payments are calculated by taking the salary level, at an employee's anniversary date, and multiplying it by the employer contribution rate (approximately 3%) for each employee. Superannuation payments for the PSSAP are calculated by taking the salary level, at an employee's anniversary date, and multiplying it by the appropriate employer contribution rate. Superannuation payments for fund of choice arrangements are calculated by taking an employee's salary each pay and multiplying it by the appropriate employer contribution rate.

A superannuation liability is not recognised in the Balance Sheet as the Superannuation Provision Account recognises the total Territory superannuation liability for the CSS and PSS, and Comsuper and the external schemes recognise the superannuation liability for the PSSAP and other schemes respectively.

The ACT Government is liable for the reimbursement of the emerging costs of benefits paid each year to members of the CSS and PSS in respect of the ACT Government service provided after 1 July 1989. These reimbursement payments are made from the Superannuation Provision Account.

(y) Equity Contributed by the ACT Government

Contributions made by the ACT Government, through its role as owner of the Directorate, are treated as contributions of equity.

Increases or decreases in net assets as a result of Administrative Restructures are also recognised in equity.

**Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(z) Insurance

Major risks are insured through the ACT Insurance Authority. The excess payable, under this arrangement, varies depending on each class of insurance held.

(aa) Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, the Directorate has made the following judgements and estimates that have the most significant impact on the amounts recorded in the financial statements:

Impairment of Receivables

Note 2 (o): 'Receivables' discloses that where there is objective evidence that a receivable may not be collected, an assessment of the likelihood of the recovery of a receivable is required to determine whether an impairment loss must be recognised.

Measurement of Territorial Investments at Fair Value

Note 2 (n): 'Investment': The Directorate has invested in shares in the Canberra Business Development Fund (CBDF), a unit trust jointly-owned by the ACT Government and the private sector with the stated aim of facilitating business growth through investing in business ventures. The valuation of shares held by the Unit Trust was made on 30 June 2013.

A financial asset is classified as an investment if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Financial Instruments: Recognition and Measurement. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the Statement of Income and Expenses on Behalf of the Territory in the period in which they arise. The Directors of the trustee company assess the fair value of the investments at each reporting date by evaluating the conditions specific to the investments of the CBDF. Fair value calculations performed for unlisted investments incorporate a number of key estimates including revenue forecasts and industry multipliers.

Measurement of Property, Plant and Equipment at Fair Value

Note 2 (r): 'Measurement of Property, Plant and Equipment after Initial Recognition'. The Directorate has made significant judgements regarding the fair value of its assets. Land and Buildings have been recorded at the market value of similar properties as determined by an independent valuer. In some circumstances, buildings that are purpose built may in fact realise more or less in the market. Infrastructure assets and some community and heritage assets have been recorded at fair value based on depreciated replacement cost as determined by an independent valuer. The Directorate's property, plant and equipment assets (excluding leasehold improvements which are carried at cost) were re-valued by independent valuers, the Australian Valuation Office and Allbids Liquidity Partners, as at 30 June 2013.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

Hidden words

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(aa) Significant Accounting Judgements and Estimates - Continued

Estimate of Useful Lives

The Directorate has made a significant estimate in determining the useful lives of its Property, Plant and Equipment. The estimation of useful lives of Property, Plant and Equipment has been based on the historical experience of similar assets. In the revaluation as at 30 June 2013, the valuers also reviewed the estimated useful lives of all assets being revalued.

The useful lives are assessed on an annual basis and any adjustments are made when considered necessary. Further disclosure concerning an asset's useful life can be found at Note 2 (t): 'Depreciation and Amortisation of Non-Current Assets'.

Employee Benefits

Note 2 (w): 'Employee Benefits': Significant judgements have been applied in estimating the liability for employee benefits. The estimated liability for employee benefits requires a consideration of the future wage and salary levels, experience of employee departures and periods of service. The estimate also includes an assessment of the probability that employees will meet the minimum service period required to qualify for long service leave and that on-costs will become payable. Further information on this estimate is provided in Note 2 (w): 'Employee Benefits'.

(ab) Impact of Accounting Standards Issued but yet to be Applied

The following new and revised accounting standards and interpretations have been issued by the Australian Accounting Standards Board but do not apply to the current reporting period. These standards and interpretations are applicable to future reporting periods. The Directorate does not intend to adopt these standards and interpretations early. Where applicable, these Australian Accounting Standards will be adopted from their application date. The application date applies to the first reporting period beginning on or after this date. It is estimated that the effect of adopting the below financial statement pronouncements, when applicable, will have no material financial impact on the Directorate's financial statements in future reporting periods:

- AASB 9 Financial Instruments (application date 1 January 2015);
- AASB 12 Disclosure of Interests in Other Entities (application date 1 January 2013 for for-profit entities and 1 Jan 2014 for not-for-profit entities);
- AASB 13 Fair Value Measurement (application date 1 January 2013);
- AASB 119 Employee Benefits (application date 1 January 2013);
- AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 and 1038 and Interpretations 2, 5, 10, 12, 19 and 127] (application date 1 January 2015);
- AASB 2011-4 Amendments to Australian Accounting Standards to remove Individual Key Management Personnel Disclosure Requirements [AASB 124] (application date 1 July 2013);

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(ab) Impact of Accounting Standards Issued but yet to be Applied - Continued

- AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 and 1038 and Interpretations 5, 9, 16 and 17] (application date 1 January 2013 for for-profit entities and 1 January 2014 for not-for-profit entities);
- AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 101, 107, 112, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 and 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 and 132] (application date 1 January 2013);
- AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB 101, AASB 134, AASB 1049 and AASB 2011-8 and Interpretation 14] (application date 1 January 2013).
- AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities [AASB 7 & AASB 132] (application date 1 January 2013);
- AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132] (application date 1 January 2014);
- AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle [AASB 1, AASB 101, AASB 116, AASB 132 & AASB 134 and Interpretation 2] (application date 1 January 2013);
- AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date AASB 9 and Transition Disclosures [AASB 9, AASB 2009-11, AASB 2010-7 & AASB 2011-8] (application date 1 January 2013); and
- AASB 2012-10 Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments [AASB 1, 5, 7, 8, 10, 11, 12, 13, 101, 102, 108, 112, 119, 127, 128, 132, 133, 134, 137, 1023, 1038, 1039, 1049 & 2011-7 and Interpretation 12] (application date 1 January 2013).

Section A

Section B

Section C

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

Hidden words

NOTE 3. CHANGE IN ACCOUNTING POLICY AND ACCOUNTING ESTIMATES

Change in Accounting Estimates

Revision of Estimation of the Employee Benefit Liability

As disclosed in Note 2(w) Employee Benefits, annual leave and long service leave, including applicable on-costs, which do not fall due in the next 12 months, are measured at the present value of estimated payments to be made in respect of services provided by employees up to the reporting date. The present value of future payments is estimated using the government bond rate.

Last financial year the rate used to estimate the present value of future payments was 106.6%, however, due to a change in the government bond rate the rate is now 101.3%.

As such the estimate of the long service leave has changed. This change has resulted in a decrease in the estimate of the long service leave liability and related expenses in the current reporting period of \$195,000.

Section A

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 4. GOVERNMENT PAYMENT FOR OUTPUTS

Government Payment for Outputs (GPO) is revenue received from the ACT Government to fund the costs of delivering outputs. The ACT Government pays GPO appropriation on a fortnightly basis.

	2013 \$'000	2012 \$'000
Revenue from the ACT Government		
Government Payment for Outputs ^(a)	77,889	65,919
Total Government Payment for Outputs	77,889	65,919

(a) The increase in Government Payment for Outputs in 2012-13 is mainly due to:

- The transfer of capital injection to Government Payment for Outputs under Section 14 of the *Financial Management Act 1996*. The transfer of appropriation was required to more appropriately reflect the nature of expenditure for three capital works projects and for the capital injection funds transferred from the Environment and Sustainable Development Directorate for the Capital Metro project; and
- Provision of a Treasurer's Advance for the payment to Pace Farm to convert its operations at Parkwood from cage to barn egg production, for sportsground water cost supplementation due to the warm and dry summer and autumn season and for the Young Pioneers program; partially offset by
- The net impact of transfers from the Environment and Sustainable Development Directorate and to the Territory and Municipal Services Directorate under Section 16 of the *Financial Management Act 1996*;
- The rollover of capital works funding to 2013-14 for land release feasibility studies and grants to sporting organisations and business and tourism program funding, mainly due to the timing of payments; and
- The full-year impact of the 2011-12 Administrative Arrangements transfers to the Territory and Municipal Services Directorate of the National Arboretum Canberra project and the ACT Property Group and the expiration of the previous agreement with National ICT Australia.

Section A

Section B

Section C

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 5. USER CHARGES FOR GOODS AND SERVICES

User charges revenue is earned through the provision of goods and services to other ACT Government agencies and to the public. User charge revenue is not part of ACT Government appropriation and is paid by the user of the goods or services. This revenue is driven by consumer demand.

	2013 \$'000	2012 \$'000
User Charges - ACT Government		
User Charges - ACT Government ^(a)	2,930	2,275
Total User Charges - ACT Government	2,930	2,275
User Charges - Non - ACT Government		
Service Revenue Non - ACT Government ^(b)	13,307	10,839
Total User Charges - Non - ACT Government	13,307	10,839
Total User Charges for Goods and Services	16,237	13,114

(a) User Charges – ACT Government mainly relates to charges for services provided to the Land Development Agency (LDA) outside the scope of the Memorandum of Understanding (MOU), primarily relating to land use studies.

(b) User Charges – Non-ACT Government includes sports match receipts, hire of venues, merchandising of tourist products and revenue from tourism activities such as Floriade, Nightfest and the Autumn Festival. The increase is mainly due to an unbudgeted National Rugby League international test match and Super 15 match as well as a major concert at the Canberra Stadium.

NOTE 6. INTEREST

	2013 \$'000	2012 \$'000
Revenue from Non - ACT Government Entities		
Interest Revenue	84	115
Total Interest Revenue from Non - ACT Government Entities	84	115
Total Interest Revenue	84	115
Total interest revenue from financial assets not at fair value through profit and loss.	84	115

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 7. RESOURCES RECEIVED FREE OF CHARGE

Resources received free of charge relate to services being provided free of charge from other agencies within the ACT Government.

	2013 \$'000	2012 \$'000
Revenue from ACT Government Entities		
Legal Services	331	410
Non - ACT Business Incentive Fund (ACTBIF) Waivers ^(a)	-	400
Total Resources Received Free of Charge	331	810

(a) Non-ACT Business Incentive Fund (ACTBIF) Waivers relates to payroll tax waivers granted to National ICT Australia which are now recorded by the ACT Revenue Office within the Commerce and Works Directorate.

NOTE 8. OTHER REVENUE

Other Revenue arises from the core activities of the Directorate. Other Revenue is distinct from Other Gains, as Other Gains relate to activities that are not part of the core activities of the Directorate.

	2013 \$'000	2012 \$'000
Revenue from Non - ACT Government Entities		
Property and Project Recoveries	242	150
Commonwealth Government Grants ^(a)	200	-
Sundry	851	783
Total Other Revenue from Non - ACT Government Entities	1,293	933
Total Other Revenue	1,293	933

(a) The Directorate received Commonwealth funding for activities related to the National Broadband Network Digital Enterprise Program.

9. OTHER GAINS

Other gains are transactions that are not part of the Directorate's core activities. Other Gains are distinct from Other Revenue, as Other Revenue arises from the core activities of the Directorate.

	2013 \$'000	2012 \$'000
Sale of Property, Plant and Equipment	50	151
Total Other Gains	50	151

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 10. EMPLOYEE EXPENSES

	2013 \$'000	2012 \$'000
Wages and Salaries	18,350	18,036
Annual Leave Expense	1,352	1,692
Long Service Leave Expense ^(a)	8	1,073
Workers' Compensation Insurance Premium	218	215
Other Employee Benefits and On-Costs	65	90
Termination Expense	752	390
Total Employee Expenses	20,745	21,496

(a) The Long Service Leave expense is calculated using market yields on Commonwealth Government bonds to match estimated future cash flows. In 2012-13, the rate used to estimate the present value of these future payments decreased to 101.3% (2011-12: 106.6%).

NOTE 11. SUPERANNUATION EXPENSES

	2013 \$'000	2012 \$'000
Superannuation Contributions to the Territory Banking Account	2,032	1,709
Productivity Benefit	228	211
Superannuation Payment to ComSuper (for the PSSAP)	70	92
Superannuation to External Providers	849	807
Total Superannuation Expenses^(a)	3,179	2,819

(a) Total Superannuation Expenses are higher due to the composition of fund membership and a higher proportion of staff who are members of the CSS and PSS schemes.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 12. SUPPLIES AND SERVICES

	2013 \$'000	2012 \$'000
Audit Fees	135	123
Communications	264	240
Contractors and Consultants	9,024	9,630
Cost of Goods Sold ^(a)	5,139	2,821
Finance, Procurement and Human Resources Charges ^(b)	1,091	1,522
Ground Maintenance	902	1,112
Hire Charges	270	480
Information Technology Charges ^(c)	1,960	1,331
Insurance	375	260
Marketing Costs ^(d)	6,813	4,482
Motor Vehicle Expenses	183	342
Postage and Freight	162	149
Printing and Stationary	324	560
Professional Fees ^(e)	1,549	2,587
Property Charges	4,934	4,198
Repairs and Maintenance	3,296	3,711
Staff Development and Training	1,341	901
Travel	724	396
Utilities ^(f)	7,759	4,770
Works in Progress Expensed ^(g)	332	3,342
Other	363	155
Total Supplies and Services	46,940	43,112

(a) Cost of Goods Sold mainly relates to costs incurred to stage the National Rugby League test match, the Super 15 rugby match and the major concert referred to at Note 5 (User Charges non-ACT Government).

(b) Finance, Procurement and Human Resources Charges reflect costs for services purchased from the Shared Services Centre. The reduction reflects a change to the Shared Services Centre's cost attributions and the identification of a portion of these charges as being more appropriately classified as Information Technology charges;

(c) Information Technology Charges mainly relates to services provided by Shared Services ICT. The increase was largely due to the revision referred to above and the inclusion of several new charges.

(d) These costs primarily relate to tourism and events marketing and the increase was mainly due to the increased number and scale of events related to the Centenary of Canberra.

(e) Professional Fees largely consist of charges for expert advice in relation to business and migration programs, sporting programs and tourism advisory services. The reduction mainly relates to increased use of in-house expertise.

(f) Utilities mostly comprises charges for electricity, gas and water and the increase was mainly due to the amount of sportsground watering required during the warm and dry summer and autumn and the increase in the cost of water.

(g) Work in Progress Expensed relates to capital works and upgrades, which are deemed not to be capital in nature. The reduction in 2012-13 relates to the assessment that elements of a number of Capital Works in Progress were unable to be capitalised and were written off in 2011-12.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 13. DEPRECIATION AND AMORTISATION

	2013 \$'000	2012 \$'000
Depreciation		
Land Improvements	4,545	4,790
Buildings	6,512	7,638
Plant and Equipment	1,629	1,233
Infrastructure Assets	253	252
Leasehold Improvements	279	259
Total Depreciation	13,218	14,172
Amortisation		
Intangible Assets	157	126
Total Amortisation	157	126
Total Depreciation and Amortisation	13,375	14,298

NOTE 14. GRANTS AND PURCHASED SERVICES

Grants are amounts provided to ACT Government agencies and non-ACT Government agencies for general assistance or for a particular purpose. Grants may be for capital, current or recurrent purposes and the name or category reflects the use of the grant. The grants given are usually subject to terms and conditions set out in the contract, correspondence, or by legislation.

	2013 \$'000	2012 \$'000
Grants to Community Organisations ^(a)	25,528	18,815
Total Grants	25,528	18,815

(a) Community Grants include grants to community and major sporting organisations and tourism and business facilitation grants. The increase is mainly due to business support initiatives funded in the 2012-13 Budget (mainly National ICT Australia) and the payment to Pace Farm to convert its facilities from cage egg to barn egg production.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 15. BORROWING COSTS

	2013 \$'000	2012 \$'000
Finance Charges on Finance Leases	39	48
Total Borrowing Costs	39	48

NOTE 16. OTHER EXPENSES

	2013 \$'000	2012 \$'000
Losses from the Sale of Assets	25	141
Assets Donated to Third Parties	8	3
Other Expenses ^(a)	1,455	1,166
Total Other Expenses	1,488	1,310

(a) Other Expenses mostly relates to payments to the Land Development Agency for administrative and corporate services provided under the terms of a Memorandum of Understanding. The increase mainly relates to expenses incurred for the Office Accommodation Relocation and Fitout capital works project.

NOTE 17. ASSET TRANSFERS

	2013 \$'000	2012 \$'000
Asset Transfers in Ordinary Course of Business ^(a)	44,508	-
Total Asset Transfers	44,508	-

(a) Asset Transfers in Ordinary Course of Business relates to the transfer of completed capital works to other ACT Government custodian agencies. These largely comprise roads and stormwater assets (to the Territory and Municipal Services Directorate) and water, sewerage and electricity assets (to ACTEW Corporation). The increase represents the completion and transfer of a significant portion of the Directorate's capital works program.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 18. WAIVERS, IMPAIRMENT LOSSES AND WRITE-OFFS

Under Section 131 of the *Financial Management Act 1996* the Treasurer may, in writing, waive the right to payment of an amount owed to the Territory.

A waiver is the relinquishment of a legal claim to a debt. The write-off of a debt is the accounting action taken to remove a debt from the books but does not relinquish the legal right of the Agency to recover the amount. The write-off of debts may occur for reasons other than waivers.

There were no Waivers issued during the reporting period pursuant to Section 131 of the *Financial Management Act 1996* (2011-12: Nil).

There were no Impairment Losses recorded during the reporting period for the Directorate (2011-12: Nil).

The Losses or Deficiencies in Public Monies relate to an irreconcilable difference in funds held following the completion of an event and a minor loss related to Directorate petty cash. The matters were fully investigated by the Senior Executive Responsible for Business Integrity Risk. No evidence of wrongdoing was uncovered and the losses were written off.

	2013 No. \$'000	2012 No. \$'000
Write-Offs		
Losses or Deficiencies in Public Monies	1	1
Total Write-Offs	1	1
Total Write-Offs	1	1

NOTE 19. ACT OF GRACE PAYMENTS

Under Section 130 of the *Financial Management Act 1996* the Treasurer may, in writing, authorise Act of Grace Payments to be made by a Directorate. Act of Grace Payments are a method of providing equitable remedies to entities or individuals that may have been unfairly disadvantaged by the Government but have no legal claim to the payment.

There were no Act of Grace Payments made during the reporting period pursuant to Section 130 of the *Financial Management Act 1996* (2011-12: Nil).

**Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013**

NOTE 20. AUDITOR'S REMUNERATION

Auditor's remuneration consists of financial audit services provided to the Directorate by the ACT Auditor-General's Office.

	2013 \$'000	2012 \$'000
Audit Services		
Audit Fees Paid to the ACT Auditor-General's Office	135	123
Total Audit Fees	135	123

NOTE 21. CASH AND CASH EQUIVALENTS

The Directorate holds a number of bank accounts with the Commonwealth Bank as part of whole-of-government banking arrangements. As a result of these arrangements, the Directorate does not receive any interest on these accounts.

	2013 \$'000	2012 \$'000
Cash at Bank		
Cash at Bank	2,930	4,333
Cash on Hand	8	9
Total Cash and Cash Equivalents^(a)	2,938	4,342

(a) The reduction in Cash and Cash Equivalents reflect lower levels of cash carried over for payments relating to the Directorate's capital works projects.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 22. RECEIVABLES

	2013 \$'000	2012 \$'000
Current Receivables		
Trade Receivables ^(a)	2,524	3,528
	<u>2,524</u>	<u>3,528</u>
Accrued Revenue	-	46
Net Goods and Services Tax Receivable	2,404	2,949
Other Current Receivables	190	63
	<u>2,594</u>	<u>3,058</u>
Total Receivables	<u><u>5,118</u></u>	<u><u>6,586</u></u>

(a) Trade Receivables mainly comprises receivables for venue and event activities as well as for the charges to the Land Development Agency under the Memorandum of Understanding for the provision of administrative and corporate support services. The reduction mainly reflects the collection of amounts owed to the Directorate Before the end of the reporting period.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 22. RECEIVABLES - CONTINUED

Ageing of Receivables

	Not Overdue \$'000	Past Overdue			Total \$'000		
		Less than 30 Days \$'000	30 to 60 Days \$'000	Greater than 60 Days^(a) \$'000			
2013							
Not Impaired							
Receivables	1,073	3,353	566	126	5,118		
Impaired							
Receivables	-	-	-	-	-		
2012							
Not Impaired							
Receivables	3,246	3,086	31	223	6,586		
Impaired							
Receivables	-	-	-	-	-		

(a) The Directorate's policy is to assess all debts aged greater than 60 days and impair those that are considered to be at risk of default. An assessment of these receivables has indicated that none are impaired. The majority of the amounts overdue for less than 30 days relates to Goods and Service Tax receivable, which is usually subject to a longer payment cycle than trade receivable.

	2013 \$'000	2012 \$'000
Classification of ACT Government/Non - ACT Government Receivables		
Receivables with ACT Government Entities		
Trade Receivables	313	1,221
Total Receivables with ACT Government Entities	313	1,221
Receivables with Non - ACT Government Entities		
Trade Receivables	2,211	2,307
Accrued Revenue	-	46
Net Goods and Services Tax Receivable	2,404	2,949
Other Receivables	190	63
Total Receivables with Non - ACT Government Entities	4,805	5,365
Total Receivables	5,118	6,586

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 23. INVENTORIES

	2013	2012
	\$'000	\$'000
Current Inventories		
Purchased Items - Net Realisable Value	64	54
Total Current Inventories	64	54
Total Inventories	64	54

NOTE 24. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment includes the following classes of assets – land, land improvement, buildings, leasehold improvements, plant and equipment, community and heritage assets and infrastructure. Property, plant and equipment do not include assets held for sale or investment property.

- *Land* includes leasehold land held by the Directorate at Manuka Oval, the Canberra Region Visitors Centre and at Stromlo Forest Park, but excludes land under infrastructure.
- *Land Improvements* relates to improvements on sports grounds and ovals, including fencing, irrigation systems and lights but does not include buildings, canteens, sheds or amenities.
- *Buildings* held mainly relate to sporting or tourism facilities and include pavilions, amenities blocks, canteen blocks, boat sheds, and storage sheds and the Canberra Region Visitors Centre.
- *Leasehold improvements* represent capital expenditure incurred in relation to leased assets. These include fitout of leased buildings used for administrative purposes.
- *Plant and equipment* includes motor vehicles under a finance lease, mobile plant, air conditioning and heating systems, office and computer equipment, furniture and fittings, and other mechanical and electronic equipment.
- *Community and Heritage assets* are defined as those non-current assets that the ACT Government intends to preserve indefinitely because of their unique historical, cultural or environmental attributes. A common feature of heritage assets is that they cannot be replaced and they are not usually available for sale or for re-deployment. Heritage assets held by the Directorate include public parks and gardens, public sporting reserves, public nature reserves and playing ovals. Community assets are those assets that are provided essentially for general community use or services. Community assets held by the Directorate include public parks and gardens, public sporting reserves, public nature reserves and land under infrastructure.
- *Infrastructure assets* comprise public utilities that provide essential services and enhance the productive capacity of the economy. Infrastructure assets held by the Directorate include site improvements, irrigation systems, lighting systems, car parks, fences, gates, and electrical upgrades. Land under infrastructure is not included in infrastructure assets.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 24. PROPERTY, PLANT AND EQUIPMENT - CONTINUED

	2013 \$'000	2012 \$'000
Land and Buildings		
Land at Fair Value	9,519	6,114
Land Improvements		
Land Improvements at Fair Value	231,991	73,284
Less: Accumulated Depreciation	-	(9,230)
Total Written Down Value of Land Improvements	231,991	64,054
Buildings		
Buildings at Fair Value	37,695	39,319
Less: Accumulated Depreciation	(176)	(4,524)
Total Written Down Value of Buildings	37,519	34,795
Leasehold Improvements		
Leasehold Improvements at Cost	2,646	2,508
Less: Accumulated Depreciation	(996)	(716)
Total Written Down Value of Leasehold Improvements	1,650	1,792
Plant and Equipment		
Plant and Equipment at Fair Value	8,045	8,993
Less: Accumulated Depreciation	(2,751)	(2,221)
Total Written Down Value of Plant and Equipment	5,294	6,772
Community and Heritage Assets		
Community and Heritage Assets at Fair Value	161,170	76,076
Total Written Down Value of Community and Heritage Assets	161,170	76,076
Infrastructure Assets		
Infrastructure Assets at Fair Value	8,770	8,699
Less: Accumulated Depreciation	(1,260)	(1,007)
Total Written Down Value of Infrastructure Assets	7,510	7,692
Total Written Down Value of Property, Plant and Equipment^(a)	454,653	197,295

(a) The significant increase in the Total Written Down Value of Property Plant and Equipment relates to a revaluation of the Directorate's assets as at 30 June 2013 (see note 2(aa)). The revaluation increment mainly relates to an increase in the value of land associated with community sporting facilities and the separate identification and valuation of land improvements.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 24. PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Assets under a Finance Lease

Assets under a finance lease are included in the asset class to which they relate in the above disclosure. Assets under a finance lease are also required to be separately disclosed as outlined below.

	2013	2012
	\$'000	\$'000
Carrying Amount of Assets under a Finance Lease		
Plant and Equipment under a Finance Lease	968	860
Less: Accumulated Depreciation of Plant and Equipment under a Finance Lease	(451)	(295)
Total Written Down Value of Assets under a Finance Lease	<u>517</u>	<u>565</u>

Valuation of Non-Current Assets

ACT Accounting Policy requires that agencies undertake a revaluation at least once every three years. The majority of the Directorate's assets, mainly assets of the sport and recreation function, were revalued as at 30 June 2011 to support the transfer of functions for the Administrative Arrangements of 17 May 2011. The Directorate's property, plant and equipment (excluding leasehold improvements which are carried at cost) were revalued by independent Certified Practicing Valuers, the Australian Valuation Office and Allbids Liquidity Partners, as at 30 June 2013. The Directorate's Property, Plant and Equipment will next be revalued on or before 30 June 2016.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 24. PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Reconciliation of Property, Plant and Equipment

The following table shows the movement of Property, Plant and Equipment during 2012-13

	Land \$'000	Improvements \$'000	Buildings \$'000	Leasehold Improvements \$'000	Equipment \$'000	Plant and Infrastructure Assets \$'000	Community and Heritage Assets \$'000	Total \$'000
Carrying Amount at the Beginning of the Reporting Period	6,114	29,902	68,947	1,792	6,772	7,692	76,076	197,295
Additions	-	-	-	137	333	71	-	541
Capital Works in Progress Completed and Transferred	3,405	1,991	-	-	1,406	-	-	3,397
Revaluation Increment/(Decrement)	-	170,491	9,236	-	(1,396)	-	85,094	266,830
Depreciation	-	(4,545)	(6,512)	(279)	(1,629)	(253)	-	(13,218)
Disposal	-	-	34,152	(34,152)	-	(94)	-	(94)
Reclassification	-	-	-	-	-	-	-	-
Other	-	-	-	-	(98)	-	-	(98)
Carrying Amount at the End of the Reporting Period	9,519	231,991	37,519	1,650	5,294	7,510	161,170	454,653

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 24. PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Reconciliation of Property, Plant and Equipment

The following table shows the movement of Property, Plant and Equipment during 2011-12.

	Land \$'000	Improvements \$'000	Buildings \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Infrastructure Assets \$'000	Community and Heritage Assets \$'000	Total \$'000
Carrying Amount at the Beginning of the Reporting Period	6,739	-	44,522	1,867	6,208	79,573	67,071	205,980
Additions	-	-	-	182	112	-	-	294
Revaluation Increment	-	-	(4,790)	(7,638)	(259)	(1,233)	(252)	4,500
Depreciation	-	-	-	-	(35)	-	-	6,397
(Disposal) through Administrative Restructuring	(625)	-	-	-	(196)	(196)	-	(14,172)
Disposal	-	-	34,692	32,063	2	19	(71,629)	(660)
Reclassification	-	-	-	-	-	-	-	(196)
Other movements	-	-	-	-	-	-	(348)	4,853
							(348)	
Carrying Amount at the End of the Reporting Period	6,114	29,902	68,947	1,792	6,772	7,692	76,076	197,295

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 25. INTANGIBLE ASSETS

Other intangible assets relates to a licence held with the Commonwealth which grants usage of the Canberra Business and Events Centre (CBEC) to the Directorate.

	2013 \$'000	2012 \$'000
Computer Software		
<i>Externally Generated Software</i>		
Computer Software at Cost	97	97
Less: Accumulated Amortisation	(19)	-
<i>Total Externally Generated Software</i>	78	97
Total Computer Software	78	97
Other Intangibles		
<i>Externally Purchased Other Intangibles</i>		
Other Intangible Assets at Cost	1,000	1,000
Less: Accumulated Amortisation	(816)	(679)
<i>Total Externally Purchased Other Intangibles</i>	184	321
Total Other Intangibles	184	321
Total Intangible Assets	262	418

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 25. INTANGIBLE ASSETS - CONTINUED

Reconciliation of Intangible Assets

The following table shows the movements of Intangible Assets during 2012-13.

	Externally Purchased Software \$'000	Externally Purchased Other Intangibles \$'000	Total \$'000
Carrying Amount at the Beginning of the Reporting Period	97	321	418
Amortisation	(19)	(137)	(157)
Carrying Amount at the End of the Reporting Period	78	184	262

Reconciliation of Intangible Assets

The following table shows the movement of Intangible Assets 2011-12.

	Externally Purchased Software \$'000	Externally Purchased Other Intangibles \$'000	Total \$'000
Carrying Amount at the Beginning of the Reporting Period	97	446	543
Amortisation	-	(125)	(125)
Carrying Amount at the End of the Reporting Period	97	321	418

Section A

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

Section A

NOTE 26. CAPITAL WORKS IN PROGRESS

Section B

Capital Works in Progress are assets being constructed over periods of time in excess of the present reporting period. These assets often require extensive installation work or integration with other assets, and contrast with simpler assets that are ready for use when acquired, such as motor vehicles and equipment. Capital Works in Progress are not depreciated as the Directorate is not currently deriving any economic benefits from them. Assets, which are under construction, include infrastructure assets, buildings, and leasehold improvements.

	2013 \$'000	2012 \$'000
Buildings Works in Progress	14,827	1,747
Land Improvements Works in Progress	132,931	59,500
Community and Heritage Works in Progress	12,726	38,035
Other Works in Progress	2,052	4,671
Total Capital Works in Progress^(a)	162,536	103,953

(a) The increase in Capital Works in Progress reflects the ongoing delivery of significant projects largely related to:

- Infrastructure to support land release, for example, the John Gorton Drive Extension and the Clarrie Hermes Drive Extension;
- Community and major sports facilities, such as the Gungahlin Leisure Centre; and
- City renewal and community infrastructure works, such as the Canberra CBD Upgrade and the Narrabundah Longstay Park projects.

Section C

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 26. CAPITAL WORKS IN PROGRESS - CONTINUED

Reconciliation of Capital Works in Progress

The following table shows the movement of Capital Works in Progress during 2012-13.

	Buildings Works in Progress \$'000	Infrastructure Works in Progress \$'000	Community and Heritage Works in Progress \$'000	Other Works in Progress \$'000	Total \$'000
Carrying Amount at the Beginning of the Reporting Period					
Additions	2,472	96,454	1,235	3,792	103,953
Capital Works in Progress Completed and Transferred to Property, Plant and Equipment	13,111	77,439	11,673	4,251	106,474
Works in Progress Expensed	-	(1,991)	-	(1,406)	(3,397)
Asset Transfers in the Ordinary Course of Business					
Carrying Amount at the End of the Reporting Period	14,827	132,931	12,726	2,052	162,536

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 26. CAPITAL WORKS IN PROGRESS - CONTINUED

Reconciliation of Capital Works in Progress

The following table shows the movement of Capital Works in Progress during 2011-12.

	Buildings Works in Progress \$'000	Infrastructure Works in Progress \$'000	Community and Heritage Works in Progress \$'000	Other Works in Progress \$'000	Total \$'000
Carrying Amount at the Beginning of the Reporting Period					
Additions	1,742	27,824	27,793	7,049	62,666
Capital Works in Progress Completed and Transferred to Property, Plant and Equipment	-	48,286	11,447	24,905	86,380
(Disposal) through Administrative Restructuring	-	-	(4,500)	(1,897)	(6,397)
Works in Progress Expensed	-	-	-	(35,355)	(35,355)
Reclassification	730	20,344	(31,524)	(1,360)	(3,341)
Carrying Amount at the End of the Reporting Period					
	2,472	96,454	1,235	3,792	103,953

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 27. OTHER ASSETS

	2013 \$'000	2012 \$'000
Current Other Assets		
Prepayments	645	462
Other	45	33
Total Current Other Assets	690	495
Total Other Assets	690	495

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 28. PAYABLES

	2013 \$'000	2012 \$'000
Current Payables		
Trade Payables ^(a)	1,790	17,269
Other Payables	546	858
Accrued Expenses ^(a)	18,326	8,150
Total Current Payables	20,662	26,277
Total Payables	20,662	26,277

(a) Trade Payables consists mainly relates to sport and recreation and venues and events operations, while Accrued Expenses mainly relate to capital works expenditure. The decrease in Trade Payables and the offsetting increase in Accrued Expenses largely reflects invoice payments at the end of the year, partially offset by the accrual of expenses for capital works in progress for work completed but not yet invoiced to the Directorate.

	2013 \$'000	2012 \$'000
Payables are aged as follows		
Not Overdue	18,660	1,293
Overdue for Less than 30 Days	1,540	16,116
Overdue for 30 to 60 Days	397	5,568
Overdue for More than 60 Days	64	3,300
Total Payables^(a)	20,662	26,277

a) Payables have been aged by invoice date. The reduction in overdue amounts reflects the payment of debts as the fall due. Overdue amounts generally relate to invoices for large projects which are under discussion prior to being settled.

Classification of ACT Government / Non-ACT Government Payables

Payables with ACT Government Entities

Trade Payables	945	16,040
Other Payables	-	349
Accrued Expenses	15,288	5,457
Total Payables with ACT Government Entities		
Total Payables with ACT Government Entities	16,233	21,486

Payables with Non-ACT Government Entities

Trade Payables	845	1,229
Other Payables	546	509
Accrued Expenses	3,038	2,693
Total Payables with Non-ACT Government Entities		
Total Payables with Non-ACT Government Entities	4,429	4,431
Total Payables	20,662	26,277

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 29. FINANCE LEASES

	2013 \$'000	2012 \$'000
Current Finance Lease Liabilities		
Secured		
Finance Leases	456	395
Total Current Secured Finance Lease Liabilities	456	395
Non-Current Finance Lease Liabilities		
Secured		
Finance Leases	212	228
Total Non-Current Secured Finance Lease Liabilities	212	228
Total Finance Lease Liabilities	668	623
Secured Liability		
The Directorate's finance lease liabilities are effectively secured as the assets under a finance lease revert to the lessor should the lessee default.		
Finance Lease		
Finance lease commitments are payable as follows:		
Within one year	533	428
Later than one year but not later than five years	156	240
Minimum Lease Payments	689	668
Less: Future Finance Lease Charges	(21)	(45)
Amount Recognised as a Liability	(21)	623
Total Present Value of Minimum Lease Payments	668	623

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 29. FINANCE LEASES – CONTINUED

	2013 \$'000	2012 \$'000
Within one year	456	395
Later than one year but not later than five years	212	228
Total Present Value of Minimum Lease Payments	668	623

The present value of the minimum lease payments are as follows:

Within one year	456	395
Later than one year but not later than five years	212	228
Total Present Value of Minimum Lease Payments	668	623

The future minimum lease payments for non-cancellable financing sub-leases expected to be received.

Classification on the Balance Sheet

Finance Leases

Current Finance Leases	456	395
Non-Current Finance Leases	212	228
Total Interest-Bearing Liabilities	668	623

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 30. EMPLOYEE BENEFITS

	2013 \$'000	2012 \$'000
Current Employee Benefits		
Annual Leave	2,715	2,828
Long Service Leave	3,602	3,595
Accrued Salaries	633	667
Other Benefits	253	33
Total Current Employee Benefits	7,203	7,123
Non-Current Employee Benefits		
Long Service Leave	484	692
Total Non-Current Employee Benefits	484	692
Total Employee Benefits^(a)	7,687	7,815

For Disclosure Purposes Only:		
Estimate of when Leave is Payable^(b)		
Estimated Amount Payable within 12 months		
Annual Leave	2,715	2,828
Long Service Leave	188	328
Accrued Salaries	633	667
Other Benefits	253	33
Total Employee Benefits Payable within 12 months	3,789	3,856
Estimated Amount Payable after 12 months		
Long Service Leave	3,898	3,959
Total Employee Benefits Payable after 12 months	3,898	3,959
Total Employee Benefits	7,687	7,815

(a) Employee benefits are accrued as the entitlement becomes legally due to employees.

(b) The Estimate of When Leave is Payable is an estimate of when employees are expected to access their leave entitlements, the timing of which may differ significantly from the time when they become legally entitled to do so.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 31. OTHER LIABILITIES

	2013 \$'000	2012 \$'000
Current Other Liabilities		
Revenue Received in Advance	942	1,305
Other	369	47
Total Current Other Liabilities	1,311	1,352
Non-Current Other Liabilities		
Other	240	-
Total Non-Current Other Liabilities	240	-
Total Other Liabilities	1,551	1,352

NOTE 32. ASSET REVALUATION SURPLUS

Asset Revaluation Surplus

The Asset Revaluation Surplus is used to record the increments and decrements in the value of the property, plant and equipment.

	2013 \$'000	2012 \$'000
Balance at the Beginning of the Reporting Period	449	449
Revaluation of Property, Plant and Equipment ^(a)	266,830	-
Balance at the End of the Reporting Period	267,279	449

(a) The Directorate revalued its Property, Plant and Equipment as at 30 June 2013 in accordance with the accounting policy outlined at Note 2 (r). The revaluation increment mainly relates to an increase in the value of land associated with community sporting facilities and the separate identification and valuation of land improvements.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 33. RESTRUCTURE OF ADMINISTRATIVE ARRANGEMENTS

Restructure of Administrative Arrangements 2012-13

As part of the Administrative Arrangements 2012 (No 2) (NI2012-593), Government Accommodation Strategy transferred from the Economic Development Directorate to the Commerce and Works Directorate with effect from 10 November 2012.

Income and Expenses

The following table shows the agreed income and expense items associated with the transferring functions recognised by the Directorate for the period from 1 July 2012 to 9 November 2012. It also shows the income and expenses relating to the functions after it transferred to the Commerce and Works Directorate. Finally, the table shows the total income and expenses for the function for the whole financial year.

	Amounts Relating to Function when held by the Economic Development Directorate	Amounts Relating to Function when held by the Commerce and Works Directorate	Total
	1 July 2012 to 9 November 2012	10 November 2012 to 30 June 2013	2013
	\$'000	\$'000	\$'000
Revenue			
Government Payment for Outputs	266	366	632
Resources Received free of Charge	-	13	13
Total Revenue	266	379	645
Expenses			
Employee Expenses	247	305	552
Superannuation Expenses	20	47	67
Supplies and Services	-	41	41
Total Expenses	267	393	660

The Administrative Arrangements which took effect from 10 November 2012 transferred responsibility for Government Accommodation Strategy function and associated employees to the Commerce and Works Directorate. Government Accommodation Strategy has responsibility for the management of Whole of Government accommodation strategy and the fitout works required to facilitate the implementation of the revised Directorate structures, adopted following the outcome of the Hawke Review in May 2011.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 33. RESTRUCTURE OF ADMINISTRATIVE ARRANGEMENTS - CONTINUED

Restructure of Administrative Arrangements 2011-12

As part of the Administrative Arrangements 2011 (No 3) (NI2011-712), the Arboretum transferred from the Economic Development Directorate to the Territory and Municipal Services Directorate with effect from 23 November 2011.

Income and Expenses

The following table shows the agreed income and expense items associated with the transferring function recognised by the Directorate for the period from 1 July 2011 to 22 November 2011. It also shows the income and expenses relating to the function after it transferred to the Territory and Municipal Services Directorate. Finally, the table shows the total income and expenses for the function for the entire financial year.

	Amounts Relating to Function when held by the Economic Development Directorate 1 July 2011 to 22 November 2011 \$'000	Amounts Relating to Function when held by the Territory and Municipal Services Directorate 23 November 2011 to 30 June 2012 \$'000	Total 2012 \$'000
Revenue			
Donations	-	65	65
Government Payment for Outputs	762	1,341	2,103
Interest	-	3	3
Total Revenue	762	1,409	2,171
Expenses			
Employee Expenses	11	221	232
Superannuation Expenses	1	18	19
Supplies and Services	762	1,287	2,049
Depreciation and Amortisation	3	5	8
Other Expenses	1	5,053	5,054
Total Expenses	778	6,584	7,362

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 33. RESTRUCTURE OF ADMINISTRATIVE ARRANGEMENTS – CONTINUED

Assets and Liabilities

Assets and liabilities transferred as part of the revised Administrative Arrangements at the date of transfer were as follows:

	Transferred Amounts 2012-13 \$'000	Transferred Amounts 2011-12 \$'000
Assets		
Cash and Cash Equivalents	-	(1,099)
Property, Plant and Equipment	-	(660)
Capital Work in Progress	-	(35,355)
Total (Assets) Transferred	-	(37,114)
Liabilities		
Employee Benefits	266	93
Other Liabilities	-	21
Total Liabilities Transferred	266	114
Total Net Liabilities/(Assets) Transferred	266	(37,000)

**Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013**

NOTE 34. FINANCIAL INSTRUMENTS

Details of the significant policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in Note 2: Summary of Significant Accounting Policies.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Directorate is considered to have minimal exposure to interest rate risk because the Directorate only held one interest-bearing account and interest earnings are variable and immaterial. Finance leases are held in fixed interest arrangements.

Sensitivity Analysis

A sensitivity analysis has not been undertaken as it is considered that the Directorate's exposure to this risk is insignificant and would have an immaterial impact on its financial results.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Directorate's credit risk is limited to the amount of the financial assets it holds net of any allowance for impairment losses. The Directorate expects to collect all financial assets that are not past due or impaired.

Risk is minimised through placing cash and cash equivalents with the Commonwealth Bank, an established and reputable banking institution, in accordance with whole of government banking arrangements.

The Directorate manages the credit risk for receivables by regularly monitoring its receivables and issuing monthly statements to overdue accounts where required. No significant concentration of credit risk has been identified.

Liquidity Risk

Liquidity risk is the risk that the Directorate will be unable to meet its financial obligations as they fall due. The Directorate's main external financial obligations relate to the payment of grants, the purchase of supplies and services and the payment of finance lease obligations. The Directorate aims to pay for the purchase of supplies and services within 30 days of receiving the goods or services.

The main source of cash to pay these obligations is appropriation from the ACT Government which is paid on a fortnightly basis during the year, supplemented by internally generated revenue. The Directorate manages its liquidity risk through forecasting appropriation drawdown requirements to enable payment of anticipated obligations.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 34. FINANCIAL INSTRUMENTS - CONTINUED

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether these changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Directorate's financial assets are not subject to price risk. Accordingly, a sensitivity analysis has not been undertaken.

	Carrying Amount 2013 \$'000	Fair Value 2013 \$'000	Carrying Amount 2012 \$'000	Fair Value 2012 \$'000
Financial Assets				
Cash and Cash Equivalents	2,938	2,938	4,342	4,342
Receivables	5,118	5,118	6,586	6,586
Total Financial Assets	8,056	8,056	10,928	10,928
Financial Liabilities				
Payables	20,662	20,662	26,277	26,277
Finance Leases	668	668	623	623
Total Financial Liabilities	21,330	21,330	26,900	26,900

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 34. FINANCIAL INSTRUMENTS – CONTINUED

The following table sets out the Directorate's maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 30 June 2013. All financial assets and liabilities which have a floating interest rate or are non-interest bearing will mature in one year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

	Weighted			Fixed Interest Maturing In:				Non-Interest Bearing \$'000	Total \$'000
	Note No.	Average Interest Rate	Interest Rate \$'000	Floating Interest Rate \$'000	1 Year or less to 5 Years	Over 1 Year 5 Years \$'000			
Financial Instruments									
Financial Assets									
Cash and Cash Equivalents	21	3.44%	2,512	-	-	-	-	426	2,938
Receivables	22	-	-	-	-	-	-	5,118	5,118
Total Financial Assets			2,512	-	-	-	-	5,544	8,056
Financial Liabilities									
Payables	28	-	-	-	-	-	-	20,662	20,662
Finance Leases	29	6.50%	-	533	156	-	-	-	689
Total Financial Liabilities			2,512	(533)	156	-	-	20,662	21,351
Net Financial Assets/(Liabilities)								(15,118)	(13,295)

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 34. FINANCIAL INSTRUMENTS – CONTINUED

The following table sets out the Directorate's maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 30 June 2012. All financial assets and liabilities which have a floating interest rate or are non-interest bearing will mature in one year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

	Note No.	Weighted Average Interest Rate	Fixed Interest Maturing In:			Over 5 Years \$'000	Non-Interest Bearing \$'000	Total \$'000
			Floating Interest	1 Year or Less	Over 1 Year to 5 Years \$'000			
			Rate \$'000	\$'000	\$'000			
Financial Instruments								
Financial Assets								
Cash and Cash Equivalents	21	1.70%	4,342	-	-	-	-	4,342
Receivables	22	-	-	-	-	-	-	6,586
Total Financial Assets			4,342	-	-	-	6,586	10,928
Financial Liabilities								
Payables	28	-	-	-	-	-	26,277	26,277
Finance Leases	29	6.80%	-	428	240	-	-	668
Total Financial Liabilities			-	428	240	-	26,277	26,945
Net Financial Assets/(Liabilities)			4,342	(428)	(240)	-	(19,691)	(16,017)

Section A

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

Section A

NOTE 34. FINANCIAL INSTRUMENTS - CONTINUED

	Note No.	2013 \$'000	2012 \$'000
Carrying Amount of Each Category of Financial Asset and Financial Liability			
Financial Assets			
Loans and Receivables Measured at Amortised Cost	22	5,118	6,586
Financial Liabilities			
Financial Liabilities Measured at Amortised Cost	28,29	21,330	26,900

The Directorate does not have any financial assets in the 'Fair Value through Profit and Loss Designated Upon Initial Recognition' category, 'Available for Sale' category, or the 'Held to Maturity' category and, as such, these categories are not included above.

Section B

Fair Value

The Directorate does not have any financial assets or financial liabilities at fair value. As such no fair value hierarchy disclosures have been made.

Section C

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 35. COMMITMENTS

Capital Commitments

Capital commitments contracted at reporting date that have not been recognised as liabilities are as follows:

	2013 \$'000	2012 \$'000
Within One Year	84,010	38,158
Later than one year but not later than five years	4,020	23,982
Total Capital Commitments	88,030	62,140

Other Commitments

Other commitments contracted at reporting date that have not been recognised as liabilities are payable as follows:

Within One Year	15,504	11,883
Later than one year but not later than five years	37,328	23,540
Later than five years	12,894	15,989
Total Other Commitments	65,726	51,412

The majority of the commitments relate to grants for major sporting organisations.

Operating Lease Commitments

Non-cancellable operating lease commitments are payable as follows:

Within One Year	7	7
Later than one year but not later than five years	3	10
Total Operating Lease Commitments	10	17

**Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013**

NOTE 36. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent Liabilities

The ACT Government Solicitor is acting for the Directorate in relation to legal claims for compensation related to possible injuries sustained by third parties at sporting fields and events. As at 30 June 2013 the current estimate of potential claims was \$390,000 (2011-12: \$250,000).

Contingent Assets

Should the Directorate become liable for the amount detailed above, insurance claims will be made in respect to policies held with the ACT Insurance Authority. The expected insurance receipts for these claims are \$360,000 (2011-12: \$230,000).

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 37. CASH FLOW RECONCILIATION

	2013 \$'000	2012 \$'000
(a) Reconciliation of Cash and Cash Equivalents at the End of the Reporting Period in the Cash Flow Statement to the Equivalent Cash and Cash Equivalents at the End of the Reporting Period as Recorded in the Cash Flow Statement		
Total Cash and Cash Equivalents Recorded in the Balance Sheet	2,938	4,342
Cash and Cash Equivalents at the End of the Reporting Period as Recorded in the Cash Flow Statement	2,938	4,342
(b) Reconciliation of Net Cash (Outflows)/Inflows from Operating Activities to the Operating Deficit		
Operating (Deficit)	(59,918)	(20,856)
Add/(Less) Non-Cash Items		
Depreciation of Property, Plant and Equipment	13,218	14,172
Amortisation of Intangibles	157	126
Asset/(Liabilities) Transferred	44,508	(603)
Less Items Classified as Investing or Financing		
Asset Purchases Expensed	-	3,342
Net Gain on Disposal of Non-Current Assets	-	(43)
Cash Before Changes in Operating Assets and Liabilities	(2,035)	(3,862)
Changes in Operating Assets and Liabilities		
(Increase)/Decrease in Receivables	1,229	(1,647)
(Increase)/Decrease in Other Assets	(195)	66
(Decrease)/Increase in Payables	(15,501)	5,519
Increase in Provisions	141	1,519
Increase in Other Liabilities	198	198
(Decrease) in Inventories	(10)	-
Net Changes in Operating Assets and Liabilities	(14,138)	5,655
Net (Outflows)/Inflows from Operating Activities	(16,173)	1,793
(c) Non-Cash Financing and Investing Activities		
Acquisition of Motor Vehicle by means of a finance lease	175	339

Section A

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

Section A

NOTE 38. EVENTS OCCURRING AFTER BALANCE DATE

There were no events occurring after balance date that had a material effect on these financial statements.

NOTE 39. THIRD PARTY MONIES

The Directorate holds security deposits for the Tourism Trust account and unclaimed lottery prize monies for the ACT Gambling and Racing Commission.

	2013 \$'000	2012 \$'000
Security Deposits Held for the Tourism Trust Account		
Balance at the Beginning of the Reporting Period	128	148
Cash Receipts	1,310	1,486
Cash Payments	(1,227)	(1,506)
Balance at the End of the Reporting Period	211	128
Unclaimed Lottery Prize Monies Held in Trust for the ACT Gambling and Racing Commission		
Balance at the Beginning of the Reporting Period	1,969	1,887
Cash Receipts	62	82
Cash Payments	(1)	-
Balance at the End of the Reporting Period	2,030	1,969

Section B

Section C

ECONOMIC DEVELOPMENT DIRECTORATE

TERRITORIAL FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30 JUNE 2013**

Economic Development Directorate
Statement of Income and Expenses on Behalf of the Territory
For the Year Ended 30 June 2013

		Original Budget	
	Note No.	Actual 2013 \$'000	Actual 2012 \$'000
Income			
<i>Revenue</i>			
Payments for Expenses on Behalf of the Territory	41	7,772	7,586
User charges - Non ACT Government		-	120
Interest	42	56	-
<i>Total Revenue</i>		<u>7,828</u>	<u>7,892</u>
<i>Gains</i>			
Other Gains		-	-
Total Income		<u>7,828</u>	<u>7,586</u>
Expenses			
Grants and Purchased Services	43	7,654	7,486
Transfer to Government		-	120
Supplies and Services	44	118	100
Loss on Investments	45	258	602
Total Expenses		<u>8,030</u>	<u>7,892</u>
Operating (Deficit)		<u>(202)</u>	<u>(602)</u>

The above Statement of Income and Expenses on Behalf of the Territory should be read in conjunction with the accompanying notes.

Economic Development Directorate
Statement of Assets and Liabilities on Behalf of the Territory
As at 30 June 2013

		Original Budget	Actual 2012
Note	Actual 2013	2013	\$'000
No.	\$'000	\$'000	\$'000
Non-Current Assets			
Investments	46	1,334	2,852
Total Non-Current Assets		1,334	2,852
		1,334	2,852
Total Assets		1,334	2,852
Net Assets		1,334	2,852
Equity			
Accumulated Funds		1,334	2,852
Total Equity		1,334	2,852
		1,334	2,852

The above Statement of Assets and Liabilities on Behalf of the Territory should be read in conjunction with the accompanying notes.

Economic Development Directorate
Statement of Changes in Equity on Behalf of the Territory
For the Year Ended 30 June 2013

	Accumulated Funds Actual 2013 \$'000	Total Equity Actual 2013 \$'000	Original Budget 2013 \$'000
Balance at the Beginning of the Reporting Period	1,036	1,036	2,352
Comprehensive Income			
Operating (Deficit)	(202)	(202)	-
Total Comprehensive Income	(202)	(202)	-
Transfers (from)/to reserves	-	-	-
Transactions Involving Owners Affecting Accumulated Funds			
Capital Injections	500	500	500
Total Transactions Involving Owners Affecting Accumulated Funds	500	500	500
Balance at the End of the Reporting Period	1,334	1,334	2,852

The above Statement of Changes in Equity on Behalf of the Territory should be read in conjunction with the accompanying notes.

Economic Development Directorate
Statement of Changes in Equity on Behalf of the Territory
For the Year Ended 30 June 2013

	Accumulated Funds Actual	2012	\$'000	Total Equity Actual	2012	\$'000	Original Budget
Balance at the Beginning of the Reporting Period				1,638		-	-
Comprehensive Income							
Operating (Deficit)				(602)		-	-
Total Comprehensive (Deficit)				(602)		-	-
Transactions Involving Owners Accumulated Funds							
Net Assets transferred out as part of an Administrative Restructure				-		-	2,352
Total Transactions Involving Owners Affecting Accumulated Funds				-		-	2,352
Balance at the End of the Reporting Period				1,036		-	2,352

The above Statement of Changes in Equity on Behalf of the Territory should be read in conjunction with the accompanying notes.

**Economic Development Directorate
Cash Flow Statement on Behalf of the Territory
For the Year Ended 30 June 2013**

			Original	
	Note	Actual 2013 No. \$'000	Budget 2013 \$'000	Actual 2012 \$'000
Cash Flows from Operating Activities				
Receipts				
Cash from Government for Expenses on Behalf of the Territory		7,772	7,772	7,586
User Charges		-	120	-
Total Receipts from Operating Activities		7,772	7,892	7,586
Payments				
Supplies and Services		118	118	100
Grants and Purchased Services		7,654	7,654	7,486
Transfer of Territory Receipts to the ACT Government		-	120	-
Total Payments from Operating Activities		7,772	7,892	7,586
Net Cash Inflows from Operating Activities	50	-	-	-
Payment				
Purchase of Investments		500	500	-
Net Cash (Outflows) from Investing Activities		(500)	(500)	-
Receipts				
Capital Injections from Government		500	500	-
Net Cash Inflows from Financing Activities		500	500	-
Net Increase/(Decrease) in Cash and Cash Equivalents Held				
Cash and Cash Equivalents at the Beginning of the Reporting Period		-	-	-
Cash and Cash Equivalents at the End of the Reporting Period	50	-	-	-

The above Cash Flow Statement on Behalf of the Territory should be read in conjunction with the accompanying notes.

Economic Development Directorate
Territorial Statement of Appropriation
For the Year Ended 30 June 2013

	Original Budget 2013 \$'000	Total Appropriated 2013 \$'000	Appropriation Drawn 2013 \$'000	Appropriation Drawn 2012 \$'000
Territorial				
Expenses on Behalf of the Territory	7,772	7,772	7,772	7,586
Capital Injections	500	500	500	-
Total Appropriation	8,272	8,272	8,272	7,586

The above Territorial Statement of Appropriation should be read in conjunction with the accompanying notes.

TERRITORIAL NOTE INDEX

Note 40. Summary of Significant Accounting Policies – Territorial

Income Notes

Note 41. Payments for Expenses on behalf of the Territory – Territorial
Note 42. Interest

Expenses Notes

Note 43. Grants and Purchased Services – Territorial
Note 44. Supplies and Services- Territorial
Note 45. Loss on Investments – Territorial

Assets Notes

Note 46. Investments – Territorial

Other Notes

Note 47. Financial Instruments – Territorial
Note 48. Commitments – Territorial
Note 49. Third Party Monies
Note 50. Cash Flow Reconciliation – Territorial
Note 51. Contingent Liabilities and Contingent Assets – Territorial
Note 52. Events Occurring after Balance Date – Territorial

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 40. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – TERRITORIAL

All the Directorate's accounting policies are contained in Note 2, Summary of Significant Accounting Policies. The policies outlined in Note 2 apply to both the Controlled and Territorial financial statements.

NOTE 41. PAYMENTS FOR EXPENSES ON BEHALF OF THE TERRITORY - TERRITORIAL

	2013 \$'000	2012 \$'000
Payments for Expenses on Behalf of the Territory	7,772	7,586
Total Payments for Expenses on Behalf of the Territory	<u>7,772</u>	<u>7,586</u>

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 42. INTEREST

	2013 \$'000	2012 \$'000
Revenue from Non - ACT Government Entities		
Interest Revenue	56	-
Total Interest Revenue from Non - ACT Government Entities	56	-
Total Interest Revenue	56	-
Total interest revenue from financial assets not at fair value through profit and loss.	56	-

NOTE 43. GRANTS AND PURCHASED SERVICES - TERRITORIAL

	2013 \$'000	2012 \$'000
Grants and Purchased Services ^(a)	7,654	7,486
Total Grants and Purchased Services	7,654	7,486

(a) Grants and Purchased Services relates to payments made to the racing codes. The payments to the racing codes reflect the Government's decision to provide funding support for the three codes (Thoroughbred, Harness and Greyhound Racing).

NOTE 44. SUPPLIES AND SERVICES - TERRITORIAL

	2013 \$'000	2012 \$'000
Supplies and Services	118	100
Total Supplies and Services	118	100

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 45. LOSS ON INVESTMENT - TERRITORIAL

	2013 \$'000	2012 \$'000
Loss on Financial Assets Measured at Fair value through Profit and Loss	258	602
Total Loss on Investments	258	602

NOTE 46. INVESTMENT - TERRITORIAL

	2013 \$'000	2012 \$'000
Investment in the Canberra Business Development Fund	1,334	1,036
Total Investment (a)	1,334	1,036

(a) The increase in the value of investment in 2012-13 comprises the net of the \$500,000 equity contribution, the loss on financial assets measured at fair value (\$258,000) measured through the profit and loss and the reinvestment of interest revenue (\$56,000).

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 47. FINANCIAL INSTRUMENTS – TERRITORIAL

Details of the significant policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in Note 2: Summary of Significant Accounting Policies.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Directorate currently has all of its financial assets and financial liabilities held in non-interest bearing arrangements. This means that the Directorate is not exposed to any movements in interest rates, and as such does not have any interest rate risk.

A sensitivity analysis has not been undertaken for the interest rate risk of the Directorate as it is not exposed to any movements in interest rates.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Directorate's credit risk is limited to the amount of the financial assets held less any allowance for losses. The Directorate expects to collect all financial assets that are not past due or impaired. There is no collateral held as security for financial assets.

Liquidity Risk

Liquidity risk is the risk that the Directorate will encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. To limit its exposure to liquidity risk, the Directorate ensures that, at any particular point in time, it has a sufficient amount of current financial assets to meet its financial liabilities. Also, where necessary the Directorate has the ability to request additional appropriation in order to meet its territorial obligations. This ensures the Directorate has enough liquidity to meet its emerging financial liabilities.

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether these changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Directorate's territorial operations are exposed to price risk through its investment in the Canberra Business Development Fund. The Canberra Business Development Fund invests in early stage companies that are commercialising research and development. As a result, there is an inherent risk that the investments will not realise any returns for the Fund. The Canberra Business Development Fund manages this risk, as comprehensively as possible, by engaging Australian Capital Ventures Limited to select and oversee the Fund's investments.

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 47. FINANCIAL INSTRUMENTS - TERRITORIAL – CONTINUED

Fair Value of Financial Assets and Liabilities

The carrying amounts and fair values of financial assets and liabilities at balance date are:

	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	2013	2013	2012	2012
	\$'000	\$'000	\$'000	\$'000
Financial Assets				
Investment	1,334	1,334	1,036	1,036
Total Financial Assets	1,334	1,334	1,036	1,036

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 47. FINANCIAL INSTRUMENTS - TERRITORIAL – CONTINUED

The following table sets out the Directorate's maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 30 June 2013. All financial assets and liabilities which are non-interest bearing will mature in 1 year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

	Note No.	Weighted Average Interest Rate	Interest Rate \$'000	Fixed Interest Maturing Inc:				Non-Interest Bearing \$'000	Total \$'000
				1 Year or Less		Over 1 Year to 5 Years	Over 5 Years		
				\$'000	\$'000	\$'000	\$'000		
Financial Instruments									
Financial Assets									
Investment	n/a				-	-	-	-	1,334
Total Financial Assets					-	-	-	-	1,334
Net Financial Assets					-	-	-	-	1,334
									1,334

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 47. FINANCIAL INSTRUMENTS - TERRITORIAL – CONTINUED

The following table sets out the Directorate's maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 30 June 2012. All financial assets and liabilities which are non-interest bearing will mature in 1 year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

	Fixed Interest maturing In:					
	Note No.	Weighted Average Interest Rate	Floating Interest Rate \$'000	1 Year or Less \$'000	Over 1 Year to 5 Years \$'000	Total \$'000
Financial Instruments						
Financial Assets						
Investment	n/a	-	-	-	-	1,036
Total Financial Assets						1,036
Net Financial Assets						1,036

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 47. FINANCIAL INSTRUMENTS - TERRITORIAL - CONTINUED

	2013 \$'000	2012 \$'000
Carrying Amount of Each Category of Financial Asset		
Financial		
Financial Assets at Fair Value through Profit and Loss	1,334	1,036
Losses on Each Class of Financial Asset		
Losses on Financial Assets		
Financial Assets at Fair Value through Profit and Loss	(258)	(602)

NOTE 48. COMMITMENTS - TERRITORIAL

	2013 \$'000	2012 \$'000
Within One Year	7,827	15,481
Later than one year but not later than five years	-	-
Later than five years	-	-
Total Other Commitments^(a)	7,827	15,481

(a) Other Commitments relate to grants to the Canberra racing codes. The reduction in 2012-13 relates to the expiration of the current agreement period.

NOTE 49. THIRD PARTY MONIES

The Directorate holds monies on behalf of third parties related to the operations of the former Racing Development Fund. The monies are held in a bank account transferred from the Chief Minister and Treasury Directorate as part of the Administrative Arrangements of 17 May 2011.

	2013 \$'000	2012 \$'000
Security Deposits Held for the Racing Development Fund Trust Account		
Balance at the Beginning of the Reporting Period		
Balance at the Beginning of the Reporting Period	2	-
Cash Receipts	-	-
Cash Payments	-	-
Balance at the End of the Reporting Period	3	-

Economic Development Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2013

NOTE 50. CASH FLOW RECONCILIATION - TERRITORIAL

a) Reconciliation of Cash and Cash Equivalents at the end of the Reporting Period in the Cash Flow Statement on Behalf of the Territory to the Equivalent Items in the Statement of Assets and Liabilities on Behalf of the Territory.

	2013 \$'000	2012 \$'000
Total Cash Disclosed on the Statement of Assets and Liabilities on Behalf of the Territory	-	-
Cash at the End of the Reporting as Recorded in the Cash Flow Statement on behalf of the Territory	-	-

b) Reconciliation of Net Cash Inflows/(Outflows) from Operating Activities to the Operating (Deficit)

	2013 \$'000	2012 \$'000
Operating (Deficit)	(202)	(602)
Add/(Less) Non-Cash Items		
Loss on Investment	258	602
(Gain) on Investment	(56)	-
Cash Before Changes in Operating Assets and Liabilities	-	-
Net Cash Inflows/(Outflows) from Operating Activities	-	-

NOTE 51. CONTINGENT LIABILITIES AND CONTINGENT ASSETS - TERRITORIAL

There were no contingent liabilities or contingent assets as at 30 June 2013 (2011-12: Nil).

There were no indemnities as at 30 June 2013 (2011-12: Nil).

NOTE 52. EVENTS OCCURRING AFTER BALANCE DATE - TERRITORIAL

There were no events occurring after the balance date, which would affect the financial statements as at 30 June 2013.

A.7 Statement of Performance



ACT AUDITOR-GENERAL'S OFFICE



REPORT OF FACTUAL FINDINGS

ECONOMIC DEVELOPMENT DIRECTORATE

To the Members of the ACT Legislative Assembly

Report on the statement of performance

The statement of performance of the Economic Development Directorate (the Directorate) for the year ended 30 June 2013 has been reviewed.

Responsibility for the statement of performance

The Director-General of the Directorate is responsible for the preparation and fair presentation of the statement of performance in accordance with the *Financial Management Act 1996*. This includes responsibility for maintaining adequate records and internal controls that are designed to prevent and detect fraud and error, and the systems and procedures used to measure the results of accountability indicators reported in the statement of performance.

The auditor's responsibility

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2011*, I am responsible for providing a report of factual findings on the statement of performance.

The review was conducted in accordance with Australian Auditing Standards applicable to review engagements, to provide assurance that the results of the accountability indicators reported in statement of performance have been fairly presented in accordance with the *Financial Management Act 1996*.

A review is primarily limited to making inquiries with representatives of the Directorate, performing analytical and other review procedures and examining other available evidence. These review procedures do not provide all of the evidence that would be required in an audit, therefore, the level of assurance provided is less than that given in an audit. An audit has not been performed and no audit opinion is being expressed on the statement of performance.

The review did not include an assessment of the relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets.

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No opinion is expressed on the accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations.

Electronic presentation of the statement of performance

Those viewing an electronic presentation of this statement of performance should note that the review does not provide assurance on the integrity of information presented electronically, and does not provide an opinion on any other information which may have been hyperlinked to or from the statement of performance. If users of the statement of performance are concerned with the inherent risks arising from the electronic presentation of information, they are advised to refer to the printed copy of the reviewed statement of performance to confirm the accuracy of this electronically presented information.

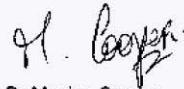
Independence

Applicable independence requirements of Australian professional ethical pronouncements were followed in conducting the review.

Review opinion

Based on the review procedures, no matters have come to my attention which indicate that the results of the accountability indicators, reported in the statement of performance of the Directorate for the year ended 30 June 2013, are not fairly presented in accordance with the *Financial Management Act 1996*.

This review opinion should be read in conjunction with the other information disclosed in this report.


Dr Maxine Cooper
Auditor-General
12 September 2013



**Statement of Performance
For the Year Ended**

30 June 2013

Economic Development Directorate

**Economic Development Directorate
Statement of Performance
For the Year Ended 30 June 2013**

Statement of Responsibility

In my opinion, the Statement of Performance is in agreement with the Directorate's records and fairly reflects the service performance of the Directorate for the year ended 30 June 2013 and also fairly reflects the judgements exercised in preparing it.



David Dawes
Director-General
Economic Development Directorate
September 2013

Economic Development Directorate
Statement of Performance
For the Year Ended 30 June 2013

Output Class 1: Economic Development

Output 1.1: Economic Development Policy

Output Description: Economic Development Policy will deliver key Government policy and project initiatives and lead and coordinate the implementation of affordable housing policies.

Accountability Indicator	Original Target 2012-13	Actual Result 2012-13	Variance %	Explanation of material variances
Total Cost (\$'000)	3,120	3,013	(3.4%)	Not applicable
Government Payment for Outputs (\$'000)	2,984	2,984	-	Not applicable
a. Coordinate the implementation of the Affordable Housing Action Plan – Including Phase III	Sept 2012 March 2013	Sept 2012 March 2013	-	Not applicable
b. Infrastructure Plan	1	1	-	Not applicable
c. Construction Snapshots	2	1	(50%)	One Snapshot was released in July 2012. A second Snapshot was prepared in May 2013 but not subsequently released until September 2013.
d. Economic Development policy and project initiatives	4	4	-	Not applicable

Explanation of accountability indicators:

- a. EDD to prepare two progress reports per annum regarding the implementation of Affordable Housing Action Plan Phase III;
- b. EDD to prepare an update to the Infrastructure Plan, a strategic planning document which identifies key infrastructure projects that the ACT Government aims to deliver.
- c. EDD to prepare two Construction snapshots. The Canberra Construction Snapshot provides an online overview and map of construction industry activity in the ACT and is updated biannually.
- d. The following policy and project initiatives were delivered in accordance with accountability indicators:
 - Preparation of the Racing Amendment Bill 2012;
 - Preparation of the first progress report on the implementation of the Business Development Strategy: Growth, Diversification and Jobs;
 - Implementation of changes flowing from the review of the Land Rent initiatives; and
 - Preparation of a policy paper providing an overview of ACT employment by industry over the past 20 years.

Economic Development Directorate
Statement of Performance
For the Year Ended 30 June 2013

Output Class 1: Economic Development				
Output 1.2: Business Development				
Output Description: The Directorate will provide programs, initiatives and business policy advice to support business development in the ACT, including:				
<ul style="list-style-type: none"> • delivering business programs and services; • managing relationships with key stakeholders in the ACT innovation system including universities, research organisations, commercialisation entities, business organisations and other government agencies; • delivering the Skilled and Business Migration Program; • supporting activities that promote the economic development of the broader capital region; and • participating actively in business and innovation policy forums, including Ministerial councils and other national business, innovation and science infrastructure forums. 	Original Target 2012-13	Actual Result 2012-13	Variance %	Explanation of material variances
Total Cost (\$'000)	12,093	12,045	(0.4%)	Not applicable
Government Payment for Outputs (\$'000)	11,918	11,088	(7%)	The variance is due to the rollover of program funding for Trade Connect (\$0.18m), Innovation Connect (\$0.64m) and the Seamless National Economy (\$0.05m) offset by provision of a Treasurer's Advance funding for Young Pioneers program (\$0.04m).

Economic Development Directorate
Statement of Performance
For the Year Ended 30 June 2013

Output Class 1: Economic Development					
Output 1.2: Business Development - Continued					
Accountability Indicator	Original Target 2012-13	Actual Result 2012-13	Variance %	Explanation of material variances	
a. Rate of contact and engagement of local businesses and entrepreneurs to the ACT Government's business development programs:					
– Innovation Connect new client connections	50	80	60%	The Innovation Connect and Clean Tech Programs continue to attract strong interest in the market. A better connected innovation system in the ACT is driving more referrals to ACT Government innovation programs.	
– Innovation Connect successful grant applications	20	26	30%		
– ‘Clean tech’ sector new client connections	5	7	40%		
– ‘Clean tech’ sector successful grant applications	3	3	-		
– Canberra Business Point one-to-one advisory services	300	289	(3.7%)	One-to-many services are principally networking or group training activities delivered by Lighthouse Business Innovation Centre against the Module 2 service contract. During 2012-13 Lighthouse developed a number of new products and services that were undersubscribed in actual attendance. Lighthouse reported that business event attendance was inexplicably weaker through this period; a trend experienced by other providers. It is expected these numbers will increase during 2013-14.	
– Canberra Business Point one-to-many advisory services	550	412	(25.1%)		

**Economic Development Directorate
Statement of Performance
For the Year Ended 30 June 2013**

Output Class 1: Economic Development

Output 1.2: Business Development - Continued

Accountability Indicator	Original Target 2012-13	Actual Result 2012-13	Variance %	Explanation of material variances
b. Global Connect				
– Offshore trade development missions	2	2	-	Not applicable
– Trade Connect grants delivered	12	39	225%	More companies received support for a range of market development and Trade Mission activities than anticipated.
c. Investment Facilitation				
– ACT Investment Prospectus	1	1	-	Not applicable
– Key Company Program client connections	30	6	(80%)	Key company program delivery has been delayed as priority was given to addressing leads from Austrade and other sources. The Program's alignment within a more proactive investment promotion model is being reviewed.
– Austrade Foreign Investment Leads supported through ACT responses	6	42	600%	A focus on strengthening the lead pipeline through a fuller partnership model with Austrade has resulted in a much stronger than anticipated number of investment leads.

Economic Development Directorate
Statement of Performance
For the Year Ended 30 June 2013

Output Class 1: Economic Development
Output 1.2: Business Development - Continued

Accountability Indicator	Original Target 2012-13	Actual Result 2012-13	Variance %	Explanation of material variances
d. Skilled Migration Attraction and Facilitation				
– Employer Sponsored certified	720	434	(39.7%)	A spike in interest in May and June 2012, prior to the implementation of Commonwealth visa reforms (on 1 July 2012), resulted in an anomaly in end of year employer sponsored applications. This outcome was used as the basis for the 2012-13 target of 720 rather than being based on previous year averages. There are a number of variables that can affect the volume of applications received by the ACT Government for processing on a month by month basis.. These include major and minor changes set by the Commonwealth.
– Skilled Independent certified	500	695	39%	
e. CollabIT				
– Networking events	30	17	(43.3%)	The variance relates to the negotiation of a new funding agreement with a shift in emphasis from events to facilitating business connections.
– Business connections	140	315	125%	
f. ScreenACT				
– Professional development	100	203	103%	Two significant initiatives, the Anthology Feature Pod and the Low Budget Feature Pod, drew interest from a larger than expected number of stakeholders. Seminars, workshops and presentations on a range of subjects were also held.
– ACT Film Fund applications	12	11	(8.3%)	No applications were received in the final funding round 2012-13.

**Economic Development Directorate
Statement of Performance
For the Year Ended 30 June 2013**

Output 1.2: Business Development - Continued

Explanation of accountability indicator:

- a. This indicator tracks rates of contacts and engagement between the ACT Government's innovation and business advisory programs. Innovation Connect provides early stage commercialisation grants for enterprise to prove new technologies or accelerate the commercialisation of novel solutions. The actual results for 'Innovation Connect new client connections' and 'Innovation Connect successful grant applications' include the actual result for Clean Technology ('Clean tech') new client connections and successful grant applications. Clean tech is a reserved funding stream for sustainability oriented companies in the company grants stream. Canberra Business Point is delivered in two modules. Module 1, delivered by the Canberra Business Council, provides advice to business start ups and business intenders as well as workshops on key issues facing small businesses. Module 2, delivered by the Lighthouse Business Innovation Centre, is focussed on high growth potential businesses and entrepreneurs providing advice and guidance on commercialising novel technologies and solutions.
- b. This indicator facilitates measurement of ACT Government trade mission activity supporting ACT businesses and institutions to develop and grow export markets. Trade Connect is a competitive grant program aimed at assisting Canberra companies develop export markets by providing funding support for a range of market development activities. 39 companies were supported with Trade Connect funding. This included trade connect funding to support 10 companies that participated on the Indonesia Trade Mission and 10 companies that participated on the ScreenACT Film Du Marche Trade Mission.
- c. This indicator facilitates measurement of interim initiatives that were envisaged to follow the 2012-13 establishment of the ACT Government investment promotion agency, InvestACT. These initiatives relate to the development of marketing collateral to promote Canberra as an attractive investment destination, the facilitation of investors that already have a presence in Canberra and the strengthening of an investment lead pipeline. In line with a more proactive approach to investment promotion, a tailored investment prospectus was developed for potential hotel sites in Canberra's CBD area, rather than a generic investment promotion document (as per previous approach) that did not clearly message to investors the actual investment opportunities in the ACT. In 2013-14, a more detailed investment strategy will be developed that is carefully targeted towards achieving specific results and is linked to a tailored investment promotion approach.
- d. This indicator facilitates measurement of ongoing program delivery within established commonwealth government policy parameters. There are a number of variables that can affect the volume of visa applications received by the ACT Government for processing on a month by month basis. These include major and minor changes set by the Commonwealth such as major changes that have significant impact on visa eligibility, including those that were implemented on 1 July 2012; and minor changes that encourage applicants to bring forward their application such as the increasing of application fees. Activities for the period include: the implementation of the online skilled migration processing system incorporating Canberra Create Your Future branding, facebook presence, Customer Relationship Management and online application system. Attendance and input at bi-annual Skilled Migration Officials Group previously the Commonwealth State Working Party on Skilled Migration.
- e. This indicator facilitates measurement of the progress of the CollabIT ACT program which is delivered under contract by the Australian Information Industry Association. CollabIT ACT is an engagement and business development initiative that links SMEs with MNCs and other stakeholders in the ICT sector in the ACT. 'Business connections' range from connecting like minded businesses with potential to develop commercial relationships to joint contract bids with government agencies.
- f. This indicator facilitates measurement of the ScreenACT program which is delivered under contract by the Canberra Business Council and the ACT Screen Investment (Film) Fund, which is delivered by Business Development. The Film Fund did not receive sufficiently developed applications for consideration in the final round of 2012-13. ScreenACT has exceeded its projected outcomes for professional development of the local film industry by holding two strongly subscribed initiatives that drew interest from a large number of stakeholders. ScreenACT also held seminars, workshops and presentations on a range of subjects.

**Economic Development Directorate
Statement of Performance
For the Year Ended 30 June 2013**

Output Class 1: Economic Development				
Output 1.3: Tourism				
Output Description: The Directorate will create and implement a range of marketing and development programs and activities in partnership with industry that aim to increase visitation.				
Accountability Indicator	Original Target 2012-13	Actual Result 2012-13	Variance %	Explanation of material variances
Total Cost (\$'000)	13,853	12,985	(6.3%)	The variance is mainly due to the rollover of expenses related to Special Events funding for the Turner from Tate and Mapping Our World exhibitions, as payments were not required to be made until 2013-14 and also savings in employee costs. Not applicable
Government Payment for Outputs (\$'000)	12,344	12,079	(2.1%)	The ACT received 2.03 million domestic overnight visitors for the year ending March 2013, an 8.8% increase compared to the year ending March 2012 (1.87 million). Nationally, domestic overnight visitation increased by 1.8% for the corresponding period. Visitor nights in the ACT increased by 22.5%, up from 5.02 million for the year ending March 2012 to 6.15 million for the year ending March 2013. This compared to a 2.2% increase nationally for the corresponding period.
a. ACT Accommodation – Room Occupancy Rate (%)	>national average	69.2% <i>(national average 65.6%)</i>	5.5%	

**Economic Development Directorate
Statement of Performance
For the Year Ended 30 June 2013**

Output Class 1: Economic Development

Output 1.3: Tourism - Continued

Accountability Indicator	Original Target 2012-13	Actual Result 2012-13	Variance %	Explanation of material variances
b. Canberra and Region Visitors Centre (CRVC) – Overall visitor satisfaction with customer service levels at the CRVC	>80%	97.2%	21.5%	The result demonstrates the structured educational program delivered by the CRVC to ensure staff and volunteers have up to date tourism product knowledge and service awareness. This includes specific training programs, product familiarisations and tourism industry engagement programs.
c. Number of visits to the 'visitcanberra' website	800,000	1,462,723	82.8%	The result has been influenced by campaign activity including Centenary of Canberra tactical marketing and the highly successful <i>Human Brochure</i> campaign, along with the sustained growth in the use of online platforms for travel planning and bookings.

Explanation of accountability indicator:

- a. Room occupancy rates are sourced from the *Survey of Tourist Accommodation* (ABS Cat. No. 8635.0). This indicator is a measure of the occupancy rate of hotels, motels and serviced apartments with 15 or more rooms. Please note that there is a three month lag on results, with the year ending June 2013 figures delivered at the end of September 2013.
- b. New indicator. Satisfaction with overall customer service levels at the Canberra and Region Visitors Centre (CRVC) is captured as part of a broader CRVC Satisfaction Survey open to visitors throughout the year. Survey data is recorded using the Survey Monkey online program. A structured program is delivered by the Directorate to ensure that CRVC staff and volunteers have up to date product knowledge and service awareness. This includes specific training programs, product familiarisations and industry engagement programs.
- c. This indicator facilitates analysis of the performance of the website www.visitcanberra.com.au which is a key driver for tourism activities such as travel, research, planning and online bookings. Website statistics are obtained through Google Analytics – an online measurement tool. Google Analytics measures 'visits' to the website, in line with accepted industry standards.

**Economic Development Directorate
Statement of Performance
For the Year Ended 30 June 2013**

Output Class 1: Economic Development

Output 1.4: Sport and Recreation

Output Description: The Directorate will implement and develop programs and policies, provide grants, and create education and training opportunities to maintain and improve the capabilities of the sport and recreation sector in the Territory. It will also manage and maintain sportsgrounds and facilities, and provide support services to high performance athletes in the ACT.

Accountability Indicator	Original Target 2012-13	Amended Target 2012-13	Actual Result 2012-13	Variance %	Explanation of material variances
Total Cost (\$'000)	41,064		40,036	(2.5%)	Not applicable
Government Payment for Outputs (\$'000)	28,430		27,880	(1.9%)	Not applicable
a. Number of targeted programs delivered in accordance with the Australian Sports Commission agreement building applications lodged	9	n/a	n/a	n/a	Not applicable
a. Number of targeted programs delivered in accordance with the Australian Sports Commission agreement	n/a	9	10	11%	The variance is due to the 2012-13 State Sport Development Collaboration Agreement being amended in April 2013 to include funding for the Inclusive Sport Project.
b. Customer satisfaction with ACT Academy of Sport services	90%		100%	11%	The survey found that 100 per cent of respondents were satisfied with the level of services provided during their respective scholarship periods.
c. Percentage of customers satisfied with the management of sportsgrounds	92%		95%	3.3%	Not applicable
d. Percentage of customers satisfied with management of aquatic centres	93%		93%	-	Not applicable

Explanation of accountability indicator:

- a. This indicator was varied by an instrument issued under Section 19D of the *Financial Management Act 1996* to more accurately describe the activity being measured. For completeness, the original and revised indicators are shown separately. The revised indicator facilitates the assessment of implemented programs. A program is considered implemented once the agreement between Sport and Recreation Services and the Australian Sports Commission is signed. The agreement outlines key outcomes to be achieved and programs in targeted areas to be delivered during the agreement period. The programs implemented were: Governance, Club Development, Ethics, Coaching, Officiating, Women in Sport, Youth Participation, Disability, Indigenous and Inclusive Sport Project.
- b. Athletes and coaches are surveyed to determine their satisfaction with the support services provided by the ACT Academy of Sport.

**Economic Development Directorate
Statement of Performance
For the Year Ended 30 June 2013**

Output 1.4: Sport and Recreation - Continued

Explanation of accountability indicator - continued

- c. A survey of visitors to district and enclosed sportsgrounds and neighborhood ovals measured their satisfaction or dissatisfaction with how well the sportsground is managed.
- d. A survey of visitors to public swimming pools measured their satisfaction or dissatisfaction with the management of public swimming pools.

Economic Development Directorate
Statement of Performance
For the Year Ended 30 June 2013

Output Class 1: Economic Development
Output 1.5: Venues and Events

Accountability Indicator	Original Target 2012-13	Actual Result 2012-13	Variance %	Explanation of material variances
Total Cost (\$'000)	21,678	25,873	19.4%	The variance is mainly due to the increased expenses associated with hosting additional events at Manuka Oval and Canberra Stadium, namely a Super 15 finals match, a National Rugby League test, the British and Irish Lions international rugby union match and a significant concert.
Government Payment for Outputs (\$'000)	11,962	11,306	(5.5%)	The variance is due to the rollover of capital works funding to 2013-14 for the Upgrade of Commonwealth Park, the New Stadium Feasibility Study and Motorsport grants and the variation of appropriation under Section 14 of the <i>Financial Management Act 1996</i> to convert capital injection to Government Payment for Outputs for the Motorsport Grants Capital Improvements to Fairbairn Park project.
a. Deliver key community events:				
– New Year's Eve	1	1	-	
– Australia Day	1	1	-	
– Nara Candle Festival	1	1	-	
– Canberra Festival	1	1	-	Not applicable

Economic Development Directorate
Statement of Performance
For the Year Ended 30 June 2013

Output Class 1: Economic Development

Output 1.5: Venues and Events - Continued

Accountability Indicator	Original Target 2012-13			Actual Result 2012-13	Variance %	Explanation of material variances
	b.	Number of Major Events at:				
b. Number of Major Events at:						
– Canberra Stadium		23		27	17.4%	Four events secured in addition to the target. These were Canberra Raiders semi final, Elton John Concert, Brumbies v British and Irish lions match and the Australia v New Zealand ANZAC National Rugby League test match.
– Manuka Oval		4		9	125%	Five events were secured in addition to the original target. These were the Sheffield Shield, Chairman's X1 and One Day International cricket matches and two AFL matches.
– Stromlo Forest Park		6		13	117%	Take up of venue was greater than target. Extra events held were Junior Road Nationals, Asia Pacific Unicycle Championships, National Mountain Bike Ride championships, Canberra Bike Ride, Australian Master's National Cross Country Championships and Australia Rollerski Championships.
c. Own Source Revenue by Venue:						
– Canberra Stadium		\$3,000,000 \$303,000		\$3,656,985 \$717,872	21.9% 136.9%	As identified at indicator (b), additional events held at Canberra Stadium and Manuka Oval have resulted in increased own source revenue.
– Manuka Oval						

**Economic Development Directorate
Statement of Performance
For the Year Ended 30 June 2013**

Output Class 1: Economic Development				
Output 1.5: Venues and Events - Continued				
Accountability Indicator	Original Target 2012-13	Actual Result 2012-13	Variance %	Explanation of material variances
d. Direct expenditure as a result of staging Floriade	\$20.0m	\$27.6m	38%	Floriade 2012 was supported by a comprehensive fully integrated marketing campaign across key interstate target markets. This marketing effort allied with good weather played an integral role in attracting strong visitation and the resultant economic outcome. A total of 442,243 visitors attended Floriade 2012 representing an increase of 7.3% on Floriade 2011. Floriade 2012 continued to provide economic benefits to Canberra and the surrounding region, generating \$27.6 million in direct additional expenditure from visitors to Canberra for the Event.

Explanation of accountability indicator:

- a. This indicator covers the successful delivery of major community events such as New Year's Eve, Australia Day, Canberra Festival (encompassing Enlighten, Balloon Spectacular and Lights Canberra Action) and Nara Candle Festival, and includes support of other community events and marketing of the overall program.
- b. This indicator covers the delivery of major events at: Canberra Stadium, Manuka Oval and Stromlo Forest Park.
- c. This indicator covers the Own Source Revenue by venue for Canberra Stadium and Manuka Oval. Own source revenue is net of cost of sales.
- d. The direct expenditure by visitors to Canberra for Floriade is calculated as part of an independent event evaluation and economic impact assessment conducted by Ernst & Young. Floriade is the flagship annual event for the ACT. Floriade 2012 delivered the second biggest result since the inception of the event both in terms of economic return to the ACT and overall attendance figures since the introduction of turnstiles in 1999.

Economic Development Directorate
Statement of Performance
For the Year Ended 30 June 2013

Output Class 1: Economic Development				
Output 1.6: Land Strategy and Infrastructure Delivery				
Output Description: The Directorate will deliver and/or oversee a diverse range of capital projects in collaboration with government agencies, the private sector and the community, including the delivery of the land release capital works program. The Directorate will also lead and coordinate the delivery of the Government's land supply strategy.				
Accountability Indicator	Original Target 2012-13	Amended Target 2012-13	Actual Result 2012-13	Variance %
Total Cost (\$'000)	8,679		61,850	612.6%
				The variance is mainly due to expenses associated with funding provided via a Treasurer's Advance for the grant to Pace Farm to convert operations from cage to barn egg production, an Instrument under Sections 14 and 16 of the <i>Financial Management Act 1996</i> to convert funding from capital injection to Government Payment for Outputs more appropriate to the operational expenditure being incurred and also the transfer of completed infrastructure capital works to other ACT Government agencies (\$44.5m) which were not included in the original target.

Economic Development Directorate
 Statement of Performance
 For the Year Ended 30 June 2013

Output Class 1: Economic Development					
Output 1.6: Land Strategy and Infrastructure Delivery - Continued					
Accountability Indicator	Original Target 2012-13	Amended Target 2012-13	Actual Result 2012-13	Variance %	Explanation of material variances
Government Payment for Outputs (\$'000)	7,598		12,552	65.2%	The variance is mainly due to additional funding provided via a Treasurer's Advance for the grant to Pace Farm to convert operations from cage to barn egg production, an Instrument under Section 14 of the <i>Financial Management Act 1996</i> to convert funding from capital injection to Government Payment for Outputs as being more appropriate to the operational expenditure being incurred. These increases were partly offset by the rollover of funding for capital works projects into 2013-14 to reflect the timing of the cash requirement.
a. Amount of affordable residential dwellings in Greenfield releases		20%		20%	- Not applicable
b. Median House Price/Income Multiple	6.4		6.2	(3.1%)	Not applicable
c. Median Unit Price/Income Multiple	5.0		4.6	(8.0%)	The variance is mainly due to the higher than expected rise in average weekly earnings.

**Economic Development Directorate
Statement of Performance
For the Year Ended 30 June 2013**

Output Class 1: Economic Development

Output 1.6: Land Strategy and Infrastructure Delivery - Continued

Accountability Indicator	Original Target 2012-13	Amended Target 2012-13	Actual Result 2012-13	Variance %	Explanation of material variances
d. Number of Direct Sales Applications Finalised	16		20	25%	The variance is due to a number of executive leases being requested and granted (lease to an ACT Government Directorate). The preparation and finalisation of a direct sale for an executive lease is less onerous and therefore quicker.
e. Number of Residential Dwellings released	5,000		4,354	(12.9%)	The variance was mainly due to the deferral of 500 dwelling sites on Section 152 Belconnen due to high levels of existing supply of apartments in the Town Centre and the delay in the release of 200 dwelling sites on Section 64 Watson due to the need for a Commonwealth environmental clearance.
f. Average Square Meters of Office Accommodation per Employee	16	n/a	n/a	n/a	This indicator was transferred as part of the transfer of Government Accommodation Strategy to the Commerce and Works Directorate as a result of the Administrative Arrangements of 9 November 2012.

**Economic Development Directorate
Statement of Performance
For the Year Ended 30 June 2013**

Output 1.6: Land Strategy and Infrastructure Delivery - Continued

Explanation of accountability indicator:

- a. The affordable requirement for Greenfield releases is implemented through the LDA sales contract and enforced through the deed management system. The target refers to the entire estate over the life of the release and is not restricted to the annual residential dwellings released. The term 'Affordable' refers to a dwelling sold in accordance with the Government's Affordable Housing Thresholds Policy. Greenfield land refers to land that is located outside the existing urban boundary of the ACT. The land is generally located on the outer edge of the existing urban area and requires subdivision, road construction, connection to services and new retail, educational and community facilities. The 2012-13 outcome comprises the release of 1,700 dwellings at Denman Prospect.
- b. The house price/income multiple is the ratio of annualised average weekly earnings (from the Australian Bureau of Statistics) as a multiple of the median house price as published monthly by RP Data/Rismark.
- c. The unit price/income multiple is the ratio of annualised average weekly earnings (from the Australian Bureau of Statistics) as a multiple of the median unit price as published monthly by RP Data/Rismark.
- d. Finalisation of a direct sale means that the sale has been achieved or that the offer has been assessed as not meeting criteria and hence withdrawn.
- e. This indicator covers the number of dwelling sites released.
- f. Discontinued indicator. This indicator covers the actual utilisation rate of square meters of office accommodation per employee. The indicator was transferred to the Commerce and Works Directorate as a result of the Administrative Arrangements of 9 November 2013.

A.8 Strategic Indicators

The Directorate has identified eight strategic indicators for 2012-13. Below are the details of the Directorate's performance against these indicators.

Strategic Indicator 1 – Dwelling Sites Released to Meet Land Release Program Targets

Each year the Directorate prepares the Government's four-year indicative land release programs setting out the intended program of residential, industrial, commercial and community land releases. The Government's objective is to meet demand and establish an inventory of serviced land.

In 2012-13 the Government released 4,354 residential dwelling sites, which is below the original target of 5,000 sites. This shortfall is largely a consequence of the deferral of a large release of apartments in the Belconnen Town Centre due to an existing high level of supply.

Strategic Indicator 2 – A Reduction in the Median House Price/Income Multiple

A key objective of the residential land release program is to prevent land supply from contributing to rapid land price changes. The Median House and Unit Price/Income Multiple indicator measures changes in dwelling prices relative to changes in incomes in the ACT.

A fall in the multiplier indicates an improvement in the ability to purchase a home, which most recently has come from growing incomes and stable to falling dwelling prices.

The target for the House Price/Income Multiple in 2012-13 was 6.4 and the actual 6.2, which is better than anticipated. For units, the target was 5.0 and the estimated actual outcome was 4.6, again better than target.

It is anticipated that this indicator will continue to fall as the residential land release program continues to deliver more residential dwelling sites thus further easing pressure on land prices.

Strategic Indicator 3(a) – Participation Rate for Adults in Sport and Physical Recreation

The ABS publication "4156.0 - Sports and Physical Recreation: A Statistical Overview, Australia, 2012" using data collected from "4177.0 – Participation in Sport and Physical Recreation, Australia, 2012" shows that the ACT has the highest participation levels in Australia with 80.3 per cent of Canberrans participating in some sport and physical recreation. The table below shows the participation rates by age group:

Age Group	Participation Rate ACT (%)	Participation Rate National (%)
15–17	93.3	78.0
18–24	94.6	71.6
25–34	86.8	70.2
35–44	76.5	68.7
45–54	74.7	63.4
55–64	77.0	62.6
65 and over	67.5	50.4
Overall %	80.3	65.0

The participation rate by each age group in the ACT is above the national average. The ABS data shows that older adults in the ACT participate at significantly higher levels than the rest of the country, with 77 per cent of adults aged 55-64 (the national average is 62.6 per cent) and 67.5 per cent of adults aged 65 and over (the national average is 50.4 per cent) participating in sport and active recreation.

Strategic Indicator 3(b) – Participation Rates for Children in Sport and Physical Recreation

The ABS publication “4156.0 - Sports and Physical Recreation: A Statistical Overview, Australia, 2012”, using data collected from “4901.0 - Children’s Participation in Culture and Leisure Activities, Australia, 2012” shows that 73.3 per cent of children aged 6-14 in the ACT participated in organised sport outside of school hours. This level of participation is the highest in the country as outlined in the table below:

State/Territory	Participation Rate Male aged 6-14 (%)	Participation Rate Female aged 6-14 (%)	Overall (%)
ACT	76.0	70.5	73.3
WA	72.3	54.4	63.6
SA	66.1	60.2	63.2
VIC	65.4	55.4	60.5
NSW	67.2	52.8	60.2
TAS	63.8	51.9	58.0
QLD	63.2	59.4	56.5
NT	60.7	46.3	53.7
Overall %	66.4	53.6	60.2

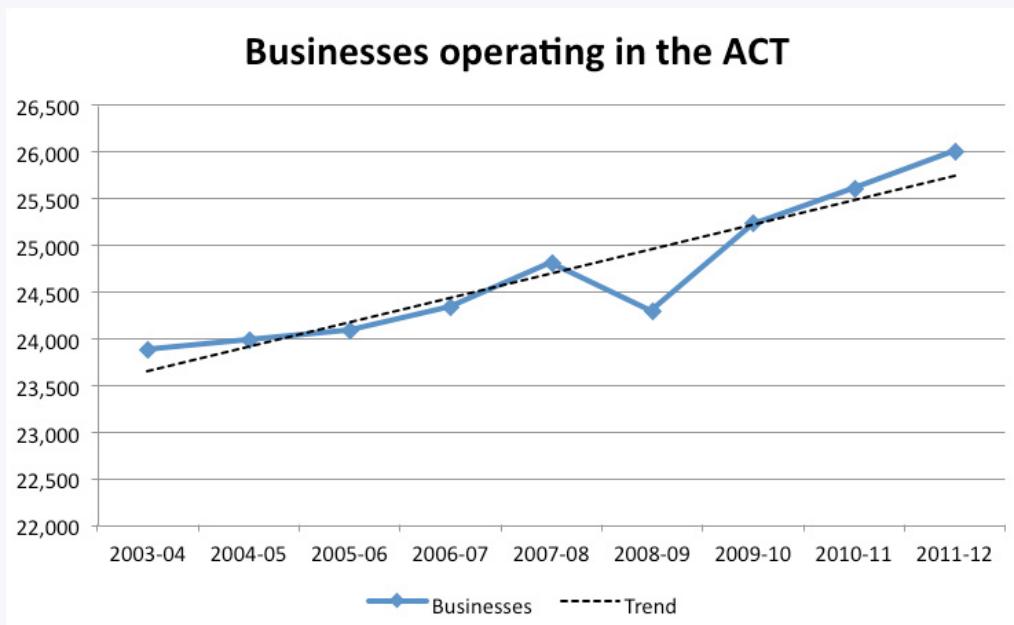
Strategic Indicator 4 – Value of Tourism

Australian Capital Territory Tourism Satellite Account (TSA) data for 2011-12² reports that the tourism industry contributes around \$1.65 billion to the ACT economy (an increase of 8.3 per cent from 2010-11) and employs approximately 16,000 people (an increase of 6.3 per cent from 2010-11).

Strategic Indicator 5 – A Reduction across Government in Average Office Space per Employee

As part of the *Administrative Arrangements 2012 (No2)* (NI2012-593), the Government Property Strategy function transferred from the Economic Development Directorate (EDD) to the Commerce and Works Directorate (CWD) with effect from 10 November 2012. Therefore the information for this Strategic Indicator has been reported in the 2012-13 Commerce and Works Directorate Annual Report.

Strategic Indicator 6(a) – Business formation above the current long-term average rate



Source: Australian Bureau of Statistics, 8165.0 – Counts of Australian Businesses

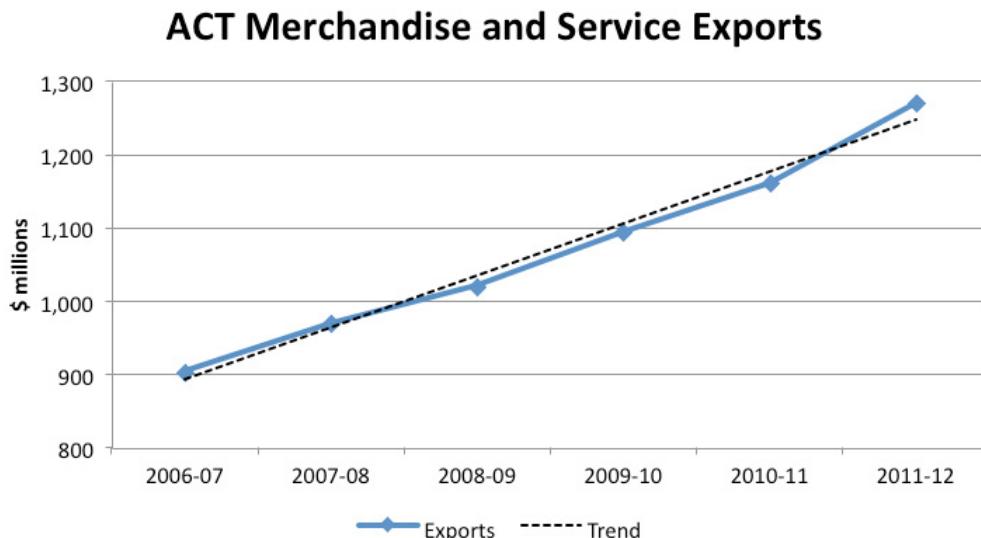
Results

The chart above details the number of actively trading businesses registered in the ACT at the end of 2011-12². It illustrates sustained growth in businesses active in Canberra, with growth above long term average over the last two years.

As at June 2012, there were 26,016 actively trading businesses in the ACT, which was an increase of 403 businesses over the previous year. This represents annual growth in the number of ACT businesses of 1.6 per cent, which was the highest growth rate of all States and Territories and four times the national average for the same period.

² Note; these figures have a one year lag. They are released in 2012-13, but the data is for a 2011-12 data year.

Strategic Indicator 6(b) – Increasing measures of ACT goods and services exports



Source: Department of Foreign Affairs, Australia's Trade by State and Territory

Results

The chart above details the value of the ACT's merchandise and service exports at the end of 2011-12² as reported by the Department of Foreign Affairs and Trade. It illustrates that exports from the ACT were worth \$1.271 billion in 2011-12, an increase in value of \$109 million over the previous year. ACT merchandise and services exports have grown by an average rate 6.8 per cent over the past five years.

The ACT's exports are predominantly in the services sector, which represents \$1.259 billion of total exports. Service exports are underpinned by the education sector, government services and tourism, which together account for three quarters of total exports.

A.9 Analysis of Agency Performance

The following analysis of the Directorate's performance is categorised in order of output. Each area has reported individually on their performance.

Output 1.1 Economic Development Policy

Business Overview

The Ministerial, Cabinet and Policy Branch delivers key Government policy and project initiatives and provides strategic support to the Minister for Economic Development, the Minister for Sport and Recreation, the Minister for Tourism and Events and the Minister for Racing and Gaming. In particular, the Branch leads and coordinates the implementation and further development of affordable housing policies, implementation of the Red Tape Reduction project, the Construction Snapshot, and the ACT Government Infrastructure Plan. The Branch works closely with the ACT Gambling and Racing Commission (the Commission) to deliver on whole-of-government policy and regulatory priorities. The Branch also provides strategic advice on planning and land development issues.

Advice provided by the Branch is supported by research into current practices, strategic linkages between policy agendas, new thinking and future trends with a particular focus on growing the economy. The Branch also supports the Ministers in their roles in the Cabinet and the Assembly, facilitating and coordinating the Directorate's support and advice to the Ministers through management of all EDD ministerial correspondence, briefings, Cabinet and Assembly business.

Highlights

Implementation of the Affordable Housing Action Plan Phase III

This work included the facilitation of three applications for the National Rental Affordability Scheme which, if successful, will deliver 86 affordable rental dwellings; the development of one Construction Snapshot (see below); and implementation of the Land Rent Security Payment Scheme.

Research papers

The Branch developed two research papers detailing specific aspects of the ACT economy. The first was an overview of employment in the ACT and the second examine of the ACT economy at a macroeconomic level and by industry sector exploring the compositional changes and growth rates over the past twenty years.

Supporting the change to the ACT Government's Supermarket Competition Policy

The Branch coordinated the Government's response to a select committee inquiry of the previous Assembly into supermarket competition policy. The Government's response signalled a shift to a less interventionist policy position for a number of reasons, including the pending delivery of a number of new supermarkets in central Canberra and Gungahlin

and a change in the Australian Competition and Consumer Commission's approach since 2010. The response also recognised the community's ongoing interest in ensuring the viability of Canberra's local centres.

Progressing Red Tape Reduction

The Branch is continuing to progress the Government's red tape reduction agenda through the identification and change of regulations that impose unnecessary burdens, costs or disadvantages on business activity in the ACT. This work is an initiative of *Growth, Diversification and Jobs – a Business Development Strategy for the ACT*.

A highlight of the work was the convening of the Red Tape Reduction Panel in July 2012. The Panel has the specific mandate to identify and consider regulations that impose unnecessary burdens, costs or disadvantages on business activity in the ACT. The Panel is chaired by the Minister for Economic Development and is comprised of representatives from the Council of Small Businesses of Australia, the ACT and Region Chamber of Commerce and Industry, the Canberra Business Council, the Office of Regulatory Services (Justice and Community Safety Directorate) and the Economic Development Directorate. In May 2013, a representative of ACT Clubs was invited to sit on the Panel for a period of six months as the Panel focuses on reforms in the clubs and hospitality sector. The Panel met five times during the reporting period.

During the reporting period a number of reforms were implemented, responding to concerns raised by industry.

1. 'Fix My Red Tape' feedback mechanism: The website was launched on 16 January 2013.
2. Motor vehicle registration labels: Registration labels will no longer be required for light vehicles from 1 July 2013. Light vehicle owners will continue to receive registration renewal notices and registration certificates, however they will be no longer be required to display a registration label on their vehicle.
3. Longer license terms: Amendments to various licensing provisions in legislation are expected to be implemented by the end of 2013 pending passage by the Legislative Assembly of the *Justice and Community Safety Legislation (Red Tape Reduction No 1 – License Periods) Amendment Bill 2013*, which was introduced into the Legislative Assembly on 6 June 2013. The amendments extend the maximum term (from one year, to three years) for a range of licenses and registrations issued by the Office of Regulatory Services.

Implementation of Gaming and Racing Policy

This work has involved the preparation of legislative amendments to the *Gaming Machine Act 2004*, to improve the regulation of Electronic Gaming Machines (EGMs) in the Territory, to introduce a medium to longer term target of 4,000 for the number of EGMs in the ACT and to make provision for the increased geographic mobility of EGMs to facilitate their optimal location.

The Branch has also been progressing recommendations agreed by the Government from the Independent Competition and Regulatory Commission's investigation into the ACT racing industry. These recommendations included legislative amendments to the *Racing Act 1999* to allow the three ACT racing industry controlling bodies (the Canberra Racing Club, the Canberra Harness Racing Club and the Canberra Greyhound Racing Club) to directly set and collect race field information charges.

Coordination and Development of the 2013 Infrastructure Plan Update

The Branch coordinated the 2013 Update to the Government's Infrastructure Plan, which sets out a pipeline of projects over the next ten years to meet the economic, social, and environmental challenges expected to arise from Canberra's continuing growth and development. The 2013 Update, for the first time, also noted private sector and Commonwealth infrastructure initiatives in recognition of the important role of entities other than the ACT Government in providing infrastructure in the Territory.

Coordination and Development of one Construction Snapshot

The Branch prepared one update to the Canberra Construction Snapshot, which lists major residential, commercial and infrastructure projects occurring in the ACT and includes projects from both the public and private sectors that are already underway, as well as projects that are planned for the future. The Snapshot highlights the amount of construction activity in the Territory.

Future Directions

In the coming 2013-14 financial year the Ministerial, Cabinet and Policy Branch anticipates:

- delivering key government economic development policy and project initiatives including progressing the *Growth, Diversification and Jobs Business Development Strategy* and coordination and implementation of actions included in the *Affordable Housing Action Plan Phase III*;
- progressing the consultation on an ACT Electronic Gaming Machine Trading Scheme;
- investigating the feasibility of co-administration and co-location of the three ACT racing clubs;
- delivering further red tape reduction legislation and initiatives; and
- the preparation of two construction snapshots and updating the Infrastructure Plan.

Further information may be obtained from:

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Ministerial, Cabinet and Policy

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Email: louise.gilding@act.gov.au

Output 1.2 Business Development

Business overview

Business Development is a service focused area within the Directorate that provides a range of business programs and support to the business community within the Territory.

Delivering a variety of programs, including business advisory, grant funding, skilled and business migration, and trade and export programs, Business Development aims to help ACT-based businesses and new entrepreneurs to start, prosper and grow.

Business Programs Delivered in the 2012-13 Reporting Year

ACT Chief Minister's Export Awards

The ACT Chief Minister's Export Awards was again a major highlight of the ACT's business calendar and highlighted the quality and diversity of ACT exporting. Exports of goods and services from the ACT totalled \$1.27 billion in 2011-12³. This figure represents growth of 9.4 per cent on the previous year, which compares to the national growth figure of 6.3 per cent.

This year's awards received 36 applications spread across ten categories. The Chief Minister presented ten category awards and the 2012 Exporter of the Year Award was awarded to Aspen Medical. The major sponsors of the 2012 Awards were the Export, Finance and Investment Corporation, Austrade, Ernst & Young, Defence Material Organisation and Sentinel Pty Ltd.

The ACT category winners represented the ACT at the national awards held in Canberra which celebrated the 50th year of the Australian Export Awards.



The Chief Minister with the 2012 ACT Chief Minister's Export Award category winners

³ Note; these figures have a one year lag. They are released in 2012-13, but the data is for a 2011-12 data year.

ACT Exporters' Network

The ACT Exporters' Network is managed and coordinated by the Canberra Business Council, with base funding of \$168,000 provided by the ACT Government. Its role is to provide private sector leadership to drive trade development in the SME sector. The Network delivers events, including regular breakfast meetings, mentoring services, training programs and seminars as well as referral advice to ACT Government and Austrade export programs.

The ACT Exporters' Network has provided a valuable business alliance for ACT exporters and export intenders. A key feature of the Network is the connection and knowledge transfer between accomplished exporting companies and emerging exporters. The Network also played a key role in 2013 in delivering a series of workshops and seminars on the Indonesian market in support of the ACT Trade Mission to Indonesia in April 2013.

Industry Capability Network

Industry Capability Network (ICN) is a business network that introduces Australian and New Zealand companies to projects large and small. It offers a new business source for suppliers and a sophisticated search service for project managers.

Business Development delivers the Industry Capability Network in the ACT. ICN (ACT) continues to engage with local suppliers and major project developments by providing information and support through the ICN Project Gateway database and by working closely with industry.

ICN (ACT) continues to provide assistance for work on major projects in the ACT. Current projects include the Giant Magellan Telescope, Royalla Solar Farm, Majura Park Solar Farm and the NBN Rollout. The ICN can be leveraged by regions to support local industry participation on major works. The ICN will be available to play a key role in support of local industry participation for major future infrastructure projects in the ACT including for Capital Metro and City to the Lake.

ANU Connect Ventures (Discovery Translation Fund and Seed Fund)

ANU Ventures Seed Fund and the Discovery Translation Fund (DTF) are venture capital and proof of concept funds respectively, managed by the ANU from funding initially provided by the ACT Government.

The DTF assists the commercialisation of new innovations and technologies originating from Canberra region public sector research organisations and small commercial ventures. Unlike similar funds, DTF does not require matched funding and is not repayable.

The Fund has received 54 Expressions of Interest, 32 full applications submitted with 23 applications receiving funding amounting to a \$1.95 million investment into the ACT innovation ecosystem. The industry sectors represented by the applications included IT, Media, Electronics and Communications (26); Biotech, Pharmaceuticals and Health (15); Manufacturing and Transport (7); Energy and Mining (5); Services (1). Nine applications were referred to the ANU Ventures Seed Fund.

Innovation Connect

Innovation Connect is a matched-funding grant program that provides grants of up to \$50,000 to assist early stage commercialisation of innovative products, services and solutions.

Innovation Connect continues to be a valued and sought after program in the ACT's Government's approach to developing the ACT innovation ecosystem. The ACT Government's *Growth, Diversification and Jobs, A Business Development Strategy for the ACT*, extended the reach of Innovation Connect providing additional funding for:

- a new clean technology stream at \$150,000 per annum for four years;
- a strategic opportunities stream at \$300,000 per annum for two years; and
- incremental funding to keep the open grants stream at \$500,000 per annum.

2012-13 was a very busy and productive year for Innovation Connect. 80 applications were submitted and of these 26 were awarded funding. These included three projects totalling \$110,000 under the new Clean Technology funding stream. Since the program was established in 2008, a total of 113 applications have been awarded funding support of over \$2.8 million. This amount and more has been contributed by the grantees in meeting their matched-funding requirement.

Canberra BusinessPoint

This ACT Government-funded business advisory and mentoring service is available to ACT SMEs and small business intenders. Canberra BusinessPoint is delivered under contract by the Canberra Business Council (Module 1) and Lighthouse Business Innovation Centre (Module 2).

Canberra BusinessPoint (Module 1) provides for advisory services and information for small business intenders and relatively early stage firms. Activities include seminars, business viability diagnostics, face-to-face advisory services, business basics training and networking support.

Canberra BusinessPoint (Module 2) provides for more specific services around entrepreneurship, commercialisation and mentoring for small firms with high growth potential. Activities include advice and support for commercialisation grant applications and investment preparation, and pitching and training related to innovation and commercialisation development.

The reach of Canberra BusinessPoint services into the business community continues to be strong. In 2012-13 the program conducted 55 workshops and masterclasses, 14 networking events for 1,895 participants and 790 one-on-one client consultations.

Canberra BusinessPoint Awards

The annual Canberra BusinessPoint Awards were held in September 2012 at the National Portrait Gallery. More than 120 people attended to see the seven awards presented by the Minister for Economic Development. The categories of awards were:

Category	Winner
Web and Mobile	Cloud Central
Clean and Green	Jigsaw Housing
Creative and Industry	Canberra Academy of Dramatic Art
Micro Enterprise	Canberra Holistic Massage
High Growth	Handmade Canberra
Bricks and Mortar	Switched on Cycles

An overall winner was selected as the Canberra BusinessPoint Business of the Year. The 2012 winner was Jigsaw Housing, a leader in the innovative emerging field of integrative design. It specialises in sustainable design and building processes to create comfortable, clever, energy-efficient homes.



Minister Andrew Barr with representatives from the 2012 Canberra BusinessPoint Business of the Year – Jigsaw Housing

Centre for Exporting Government Solutions

In recognition of the ACT's clear strength as a centre of significance for public administration and the delivery of innovative public sector services, the Centre for Exporting Government Solutions (CEGS) was established in March 2013 to provide ACT Small and Medium Enterprises (SME's) that are exporting or intend to export to the overseas government marketplace with the skills, techniques and knowledge to maximise their opportunities.

The Centre is part of the ACT Government Global Connect initiative; it is managed by Business Development, supported by Austrade and operated in partnership with the ACT Exporters' Network.

The Centre delivers services through a dedicated resources web portal (www.b2g.net.au) which helps companies build capabilities, identify opportunities and promote success. The Centre also engages a trade development facilitator to work directly with ACT companies to prepare export market readiness and develop market development plans.

Still in its infancy, the Centre's programs and web portal capabilities are being developed for full roll out in 2013-14.

Entrepreneur Development Fund

The Entrepreneur Development Fund (EDF) has been a joint pilot initiative of the ACT Government, Lighthouse Business Innovation Centre and Epicorp Limited. The EDF pilot was established to provide funding assistance for ACT SME operators to build high level commercialisation and enterprise management skills in a project context.

To date, the program has funded 12 applicants across a range of areas of skills and knowledge transfer including financial management, succession planning and business model analysis.

The EDF will continue to be delivered until the initial investment of \$200,000 is utilised. To date, \$137,500 has been committed. The three funding contributors are the ACT Government, Lighthouse Business Innovation Centre and Epicorp.

The following is a testimonial from one of the recipients:

The selected contractor, has imparted significant hardware design knowledge with our staff and provided Seeing Machines management with a high degree of confidence in our hardware engineering capability and process.

Ken Kroger CEO, Seeing Machines Limited

International Student Ambassador Program

The 2012 International Student Ambassador Program inducted 35 international students from 23 countries representing the ACT's tertiary institutions. The International Student Ambassador Program aims to encourage international students to create new networks intended to enhance their experiences while in Canberra, and in turn assist the Government's trade, migration and investment facilitation objectives. International students bring extraordinary richness to the Canberra community. Through the program the students participate in a range of activities including political, business, community, cultural and sporting events. The program is making good use of digital technologies and social media channels as a means to communicate broadly with the ACT international student community as well as to maintain connection with the International Student Ambassador Alumni as the network branches across the globe.

Lighthouse Business Innovation Centre (Lighthouse)

Lighthouse Business Innovation Centre is a joint initiative co-funded by the ACT Government and Epicorp. Lighthouse provides business advice, education and training, mentorship and networking opportunities to help new and existing startups, early stage and high growth businesses commercialise their ideas and grow their companies.

There is no 'out of the box' solution for every commercial idea or business problem, so Lighthouse will tailor an approach to meet specific needs and current stage of business development. Lighthouse achieves this through practical advice, free and fee-for-service mentoring programs, seminars, workshops, 'hands-on' support and the all important referrals and networking opportunities.

During 2012-13 Lighthouse provided mentoring and advisory support to clients and provided introductions and company preparation support to both ACT and Australian Government business programs through the Lighthouse suite of programs.

Lighthouse delivers and supports:

- Canberra BusinessPoint (Module 2) service – a pathway to practical advice and support for both existing and intending business owners. Offers a range of services including master classes, workshops and seminars;
- Capital Angels investment program - Capital Angels is a private investor network that provides an opportunity for investors to support entrepreneurs from Canberra and the region. Capital Angels invest in companies with the potential for high growth, a strong market position and a sustainable advantage;

- Brilliant Idea – initiative to assist women on low incomes increase financial security, gain employment and reduce social security dependency. The program provides a mix of interest-free loans, mentorship and peer support;
- Entrepreneur Development Fund – a program funded by the ACT Government, Lighthouse and Epicorp Limited.
- Entry 29 – a co-working space located at the ANU in Acton, Canberra; and
- CBR Collective – a fashion and design collaboration established by Lighthouse in partnership with Canberra Centre to provide Canberra based designers with the opportunity to grow or establish their brand.

Senior Trade Officials and Investment Group (SOTIG) and related forums

SOTIG is a national coordinating body comprising Director-General and Deputy Director-General level representation from all the states and territories. SOTIG is chaired by Austrade and works to ensure coordination, consistency and leverage of the national trade and investment facilitation effort. It recognises the important role both Austrade and the states and territories play in achieving best possible outcomes nationally and for individual jurisdictions. SOTIG meets twice per year to consider high level policy and coordination matters and also guide the work of the National Trade Development Working Group and the National Investment Advisory Board.

National Trade Development Working Group

Business Development is an active member of the National Trade Development Working Group (NTDWG), which has been the primary trade coordination and collaboration mechanism for federal, state and territory governments since 2010.

The NTDWG operates as a stand-alone consultative mechanism reporting through agency heads. The NTDWG generally meets twice a year. The ACT Government hosted the May 2013 meeting in Canberra.

Trade Connect

Trade Connect is a component of the Global Connect suite of programs that supports export development activities for ACT companies.

Established in 2008, Trade Connect was reviewed and enhanced in 2012-13 to provide stronger trade development outcomes for the ACT. Under the new guidelines, eligible companies may apply for assistance with reasonable costs directly associated with export market development activities such as market visits, developing marketing material, participation in trade shows, supporting incoming buyer visits, developing market research, as well as undergoing trade mentoring. Travel and living expenses, including accommodation, meals and local transport, are included as eligible expenses in the reviewed guidelines, however, strict conditions apply. Eligible companies must have a current Export Development Plan and demonstrate in the application how the market development activity will help the company achieve its export goals.

All grants are awarded on a matched-funding basis, and successful applicants may receive funding support of up to \$15,000 per application, or a total of \$45,000 over a three-year period.

The enhanced program has resulted in significant increases in program uptake. In 2012-13, Trade Connect supported 39 ACT businesses compared to 18 businesses in 2011-12.

Ten SMEs participating in the 2013 Indonesia Trade Mission also received Trade Connect funding to a maximum of \$3,000 each to partially offset expenses.

A Trade Connect testimonial:

ScreenACT was very fortunate to have been awarded a Trade Connect grant to take a group of ACT-based screen producers to the Cannes Marché du Film in May 2013. For many, this was their first exposure to a major international marketplace. This experience will influence how the group will do business in the future. They have made international connections that will lead to sales of existing completed films and to presales on new projects that are in development. The impact of this is that this group will now look beyond the borders of the ACT, and Australia, to finance and market their projects which is how professionals fund projects. Film is a global, exportable product and the ACT now is playing in the international arena, thanks to the ACT Government and Trade Connect.

Monica Penders, Director, ScreenACT

Trade Mission Program

The Trade Mission Program is delivered in partnership with Austrade and comprises annual outbound Ministerial-led delegations of ACT companies, providing connections to important export markets. The mission program supports small and emerging companies to overcome barriers to global entry. Missions provide an accelerated and supported format for companies to quickly establish market knowledge and the skills to pursue identified opportunities.

Two trade missions were successfully delivered in 2012-13. In April 2013, the Deputy Chief Minister led a delegation of twelve ACT companies along with the University of Canberra, the Australian National University, the Australian Catholic University Canberra Campus and the Canberra Institute of Technology on a trade mission to Indonesia. The trade mission was themed around the ACT's significant competitive strengths in areas of international education, knowledge intensive business services, ICT services and expertise in public administration. While in the region, the Deputy Chief Minister took the opportunity to briefly visit Singapore to progress tourism investment opportunities for the ACT and also to commence preliminary discussions around international flights to Canberra.

In 2013 a delegation of nine Canberra-based film makers coordinated by ScreenACT attended the Marché du Film in Cannes to sell new projects and existing films and bring national and international film business to Canberra. The Marché du Film was held from 15-24 May 2013 and is one of the premier markets for independent film sales and is attended by the majority of major and boutique distributors from around the world.

Overview of Business Development and Engagement 2012-13

National Broadband Network (NBN) Rollout

The ACT Government is working cooperatively with NBN Co and its contractors to implement the timely rollout of the NBN across Canberra. Economic Development Directorate is coordinating this work on behalf of the ACT Government.

By 30 June 2013 more than 14,000 homes and businesses in Gungahlin were connected to the National Broadband Network (NBN). The Minister for Broadband, Communications and the Digital Economy announced on 25 June 2013 that more than 50 per cent of homes and businesses around the Gungahlin Town Centre have signed up for the NBN with retail service providers such as Telstra, Optus, iiNet (TransACT) – one of the highest take up rates in the country.

ACT residents and the business community are taking advantage of the opportunities presented by high-speed broadband.

The Digital Hub based at the Gungahlin Library is providing free community workshops and training to improve digital literacy and knowledge of NBN functionality.

The Digital Hub, in its first month of operation in February 2013, provided 26 free community group training sessions and 20 individual sessions to improve digital literacy and knowledge of NBN functionality. Community interest is growing.

The Digital Enterprise Centre, managed by Canberra Business Council, is now providing free workshops and training for the business community.



The activities of the ACT Digital Hub and ACT Digital Enterprise Centre, which have been operating since 1 February 2013, have made a substantial contribution to raising awareness of the benefits of the NBN in the Gungahlin community.

The first Canberra National Broadband Network (NBN) Business Forum was hosted by the ACT Government and Canberra Business Council in partnership with the Australian Government and NBN Co in March 2013. The Business Forum provided information about the business opportunities provided by high speed broadband. The Business Forum attracted more than 100 participants which demonstrated the high level of interest from the business community in the introduction of high speed broadband.

Gungahlin pupil Paige Murray switching on the NBN. Services delivered over the NBN have the potential to change the way we learn and teach. The NBN may help more Australians to easily access a greater education wherever they live. © 2013 NBN Co Limited. All rights reserved.

Business Innovation 2012-13

National ICT Australia

The ACT Government is a founding member of National ICT Australia (NICTA), in partnership with the ANU, the University of NSW and the NSW Government. The ACT Government's strong relationship with NICTA dates back to 2001 and has provided over \$29 million over the period 2002 to 2013. The level and long-term nature of our commitment to NICTA recognises the important contribution it makes to a robust economy, fostering innovation and developing ICT skills for the ACT and Australia.

NICTA is a critical player in the ACT innovation system and a key partner in the ACT Government's drive to establish Canberra as a centre for world-class ICT research, commercialisation, business development and usage. NICTA's presence in the ACT contributes to skills development through its PhD program, attracts funding from the Australian Government and directly impacts businesses and other stakeholders through its collaboration and engagement activities.

NICTA's research program in Canberra is diverse and is delivering opportunities for commercialisation and benefits to Australian and ACT Government agencies.

NICTA and the ACT Government continued to support the Australian e-Government Technology Cluster in 2012-13. The Cluster's membership grew to 118 under the direction of a dedicated Manager and steering committee and is working on five collaborative projects with either ACT or Australian government and industry support.

Science Communication

The ACT Government continued its support for science communication activities during the year. The ACT Government was once again the major sponsor of National Science Week in the ACT, held 11-19 August 2012. National Science Week is Australia's largest festival celebrating science, innovation, mathematics, engineering and technology.

The ACT Government also continued its support for the Australian Government's *Inspiring Australia* initiative. In collaboration with Questacon and the CSIRO Discovery Centre, this initiative supports the employment of a science communication officer to deliver science related activities throughout the year. In 2012-13, around 30 events were held, along with a broad range of marketing and promotion activities.

The ACT Government also sponsored the TEDx Canberra event in September 2012 and the 2013 National Youth Science Forum. The ACT Government's support for science communication is aimed at building an ACT community that is informed and excited about science and recognises and values its significance to our economic and social well-being.

Commonwealth, State and Territory Advisory Council on Innovation

The ACT Government is a participant in the Commonwealth State and Territories Advisory Council on Innovation (CSTACI). CSTACI is a council of high level officials from the Australian Government, state and territory governments, and the New Zealand Government which meets twice a year to advise and coordinate comment on innovation policy, activities and programs. With a targeted and strategic approach to innovation issues, the Council aims to improve the effectiveness, integration and coordination of the national innovation system. CSTACI met in September 2012 and in April 2013.

CollabIT

CollabIT is an engagement and business development initiative that links small and medium sized enterprises (SME) with multinational corporations (MNCs) and other stakeholders in the information and communications technology (ICT) sector. CollabIT is a joint initiative of the ACT Government and the Australian Information Industry Association. The CollabIT program delivers outreach/brokerage services focusing on SME/MNC relationship building, business opportunity identification, networking and partnering activities. It also builds capacity through providing mentoring, advice and workshops and market awareness development through the CollabIT website, newsletter and publicity activities. To date, CollabIT has over 170 members and has facilitated over 140 SME referrals to industry partners with approximately 315 business connections established through 17 networking events through the year.

ScreenACT

ScreenACT is the ACT Office of Film, Television and Digital Media. It is majority funded by the ACT Government and delivered under contract by the Canberra Business Council (CBC). ScreenACT is the primary contact point for film makers wishing to work in the ACT. It delivers industry support programs, represents the sector at local, national and international forums and provides professional development to local screen practitioners.

ScreenACT also works with potential applicants to the ACT Screen Investment Fund (Screen Fund) before they submit their applications to ensure that the Fund's requirements are met, including leveraging local screen capabilities. In order to create a pipeline of local screen projects that are eligible for funding from the Screen Fund, during 2012-13 ScreenACT worked with local producers on the Low Budget Feature Pod, an initiative that attracted 45 participants and resulted in the development of ten low budget feature projects. Three of these were selected for conditional funding from the Screen Fund.

ACT Screen Investment Fund

The \$1.8 million ACT Screen Investment Fund supports the growth and development of the ACT screen industry by co-investing in market ready, eligible screen projects with commercial potential. Now in its third year of operation, the Fund's key objective is to increase the output of screen (film, television and digital media) productions made in the ACT involving significant ACT elements, which can include any combination of project concepts, personnel, companies and services and activities that support future production outcomes.

Applications to the Fund are assessed by a committee of independent screen industry professionals who also provide mentoring and advice to local screen practitioners. Four funding rounds were held in 2012-13 and eight projects were approved for investment funding totalling \$802,000. Two projects, *Canberra Confidential* and *New Zealand from Above*, were completed during the year.

Strategic Opportunities Fund

In the 2012-13 Budget the ACT Government created a Strategic Opportunities Funding Program, as part of the *Growth, Diversification and Jobs - A Business Development Strategy*. The program cofunds development of major proposals focused on new innovation infrastructure and seed funding opportunities in collaborative projects in the university and research institution sector.

The outcome of the first round was announced in June 2013. From sixteen proposals submitted, four were selected for funding. These Canberra-based research groups will share ACT Government funding of \$347,000 to assist in their development of leading-edge collaborative research projects. Successful applicants were required to demonstrate a strong collaborative and partnering commitment and have financial or inkind support for their project as well as positive potential economic outcomes for the ACT.

InvestACT

InvestACT is the ACT Government's investment promotion agency. In a partnership model across ACT Government, InvestACT assists qualified investors through the provision of market intelligence and support through the investment decision and execution process, as well as providing business connections and re-investment support. InvestACT uses the brand *Invest in Canberra* to promote the Canberra region to international investors.

In April 2013 a 'soft launch' of the *Invest in Canberra* brand was conducted in Singapore by the Deputy Chief Minister in the context of hotel investment opportunities in the ACT. InvestACT is currently developing a longer term operational strategy in consultation with stakeholders and this is likely to be launched in November 2013.

In the interim, InvestACT has facilitated 42 investment leads sourced through direct outreach, Austrade and from other sources. This is well in excess of historical investment lead flows to the ACT Government and provides an early indication of the value of proactive investment attraction by government.

Winning Investment for Australia

Winning Investment for Australia is an annual program provided to Australian investment promotion agencies and Austrade to train, refresh and link personnel who are directly promoting and attracting investment into Australia.

The ACT Government co-hosted the Winning Investment for Australia training program with Austrade in May 2013. The program provided a practical understanding of how investment promotion agencies work. The program also provided networking and relationship development opportunities across Australian Government agencies and with Austrade offshore staff.

Key staff from across the ACT Government directorates attended the 2012-13 program, with the objective to develop a strong 'One Government' collaboration that is needed to attract and facilitate investment to the ACT.

National Investment Advisory Board

Business Development contributes to a whole-of-government approach to collaboration on promoting investment into Australia, through participation in the National Investment Advisory Board (NIAB). All state and territory agencies with responsibility for investment attraction participate in NIAB. Meeting twice a year, it considers and implements whole-of-government priorities agreed to through the Inter-Government Senior Officials Trade and Investment Group.

Business Development hosted the NIAB meeting held during May 2013 in Canberra. This was the first time that the ACT Government has hosted NIAB. NIAB has endorsed a national framework for investment collaboration in a number of industry sectors relevant to the ACT, including major public infrastructure, tourism infrastructure, ICT and

innovation. The agreed framework opens up scope for Austrade to provide investor promotion on projects when a jurisdiction is seeking to attract capital to a private sector project or to increase bid competition for major government projects.

Migration and Information Services provided by Business Development in 2012-13

Skilled Migration Program

The ACT Government operates a skills attraction and migration program that works within the policy framework set by the Australian Government. As an Australian Government approved Regional Certifying Body, the ACT Migration Program also validates labour market conditions and certification of specified employer-sponsored visa applications. More broadly, the program works to attract and retain appropriate and sustainable levels of skilled and business migration through additional skills attraction and settlement support activities.

In the 2012-13 program year the ACT has nominated 695 skilled workers to migrate to Australia and live in Canberra through the skilled independent stream. A further 434 skilled workers have been permanently sponsored by individual employers through the employer sponsored stream.

Canberra, Create Your Future www.canberrayourfuture.com.au

The Canberra, Create Your Future branding and website was launched in July 2012 replacing the discontinued Live in Canberra campaign. The new approach is shaped around a Skills Attraction Gateway incorporating an easy-to-digest graphical representation of the benefits of Canberra, coupled with information and services for skilled migration, international student attraction, and liveability. The website consists of three key ‘portals’ – Migrating, Learning and Living – which collectively offers a suite of helpful information to someone considering a move to Canberra. The Migrating portal incorporates an online application system for ACT nomination of skilled and business visas on a Customer Relationship Management (CRM) platform. Since its launch in July 2012, the website has achieved over 6,000 unique website visits per month, with an average duration of four minutes and over 320,000 website page views.

Other skills attraction activities and initiatives in 2012-13 included the following.

- Launch of social media platforms Facebook (over 500 likes) and YouTube (over 1,000 views).
- Over 1,500 Canberra, Create your future information packs distributed.
- Over 2,000 subscribers to the *Canberra Create your future* monthly e-newsletter.
- One international campaign to Auckland, New Zealand.
- One interstate career event in Sydney.
- 20 sponsors of the program with total financial contribution of \$89,500.
- Two in-kind sponsors to the value of \$6,500.

Settlement Support

Initiatives that assist skilled migrants to settle in a community are of mutual benefit to both the migrant and the area in which they settle. When migrants are able to successfully settle in a region, they generally remain for a significant period and add to the productive capacity of both the jurisdiction, and by extrapolation, the nation.

Migration and Information Services (MIS) offers a free settlement support service to assist ACT nominated skilled workers settle in Canberra and find employment.

Settlement support was provided to 436 skilled migrants comprising Migrant and Refugee Settlement Services (MARSS), job preparation support to 198 migrants and spouses, and internal Directorate pre and post arrival support to 238 migrants.

Skilled Migration Officials Group

Convened quarterly by the Department of Immigration and Citizenship (DIAC), the Skilled Migration Officials Group (SMOG) provides a forum for the Commonwealth and state/territory governments to discuss proposals and new initiatives, share information, consider issues and further develop strategies arising in implementation of policies in relation to skilled migration. These meetings often flag changes to DIAC's policy and processes and enable jurisdictions to communicate potential impacts that proposed changes might have on their own policies and processes. ACT Government participated in four of these meetings.

The ACT Government is also represented on the Ministerial Advisory Council on Skilled Migration (MACSM), a high level consultation and advisory body that reports directly to the Minister for Immigration on the impact of skilled migration on the Australian economy and labour market. This is a legislated 18 members Council comprising the Minister, an equal number of business and union leaders (four each), an academic, and senior public service representatives from each state and territory (eight). The term of MACSM is from 1 July 2012 to 30 June 2014. The full council met three times in 2012 and twice in 2013.

Redevelopment of Business Development Portal www.business.act.gov.au

The ACT Government's online information interface with the business community has been modernised, providing greater leadership, functionality and communication around business information. The redeveloped Government Business Portal was launched in March 2013.

The Portal went through extensive planning to establish the user requirements including the engagement of an external consultant in late 2012. This process identified the goals and objectives, key messages and target audience for the website.

The Portal uses the ACT Government's Single Public Face template and has been developed on a Web 2.0 platform allowing for user interaction. Following the consultancy recommendations, this includes a blog with commenting functionality, RSS feeds as well as social media linkages to new Business Development Twitter and Facebook accounts. It is also supported by email marketing including an updated monthly newsletter.

The Portal has been built to comply with the current requirements under the Website Content Accessibility Guidelines 2.0 and is desktop, mobile and tablet compatible.

Decommissioning of ACT Business Licence Information Service

The ACT Business Licence Information Service (ACT BLIS) was decommissioned on 30 August 2012 following the successful transition and data migration of ACT regulatory content to the Business Online Services project's Australian Business Licence and Information Service (ABLIS). The nationally coordinated system provides information concerning the business licences, registrations, permits and approvals required to set up and operate a business in Australia. Content is maintained by each jurisdiction. The online service is assisted in the ACT by telephone support through the Directorate's Business Development 1800 244 650 contact line, staffed by Canberra Connect.

Business Online Services ACT implementation

Business Development continued to represent the ACT in delivery of the Business Online Services (BOS) project throughout 2012-13. BOS is a collaboration between states, territories and the Australian Government, and is a key element of the Seamless National Economy reforms under the Council of Australian Governments (COAG) agenda. It aims to move businesses to a seamless online experience with governments for compliance and support functions and services. BOS delivers two nationally coordinated, interconnected systems (Australian Business Account or ABA and Australian Business Licence and Information Service or ABLIS) to help businesses manage their compliance obligations with all levels of government.

Following the successful migration of all jurisdictions to ABLIS during 2012-13, the project continues to deliver system enhancements through planned releases. In April 2013, promotion of the systems to the public commenced. Business Development is promoting to ACT Government agencies the benefits of using ABA to interact with business. ACT Government agency uptake of the ABA enabled services is the key to local businesses gaining the full benefits of the Business Online Services. An ACT ABA pilot project is currently being planned for delivery in 2013-14.

Future Directions

In 2013-14 the Business Development Branch will continue to focus on three policy priorities articulated in *Growth, Diversification and Jobs: A Business Development Strategy for the ACT*. A new four year delivery arrangement will be put in place for Canberra BusinessPoint, the Government's key small business advisory program, and we will continue to progress incremental improvements in our communications and information interface with the business community, particularly for small and micro businesses. In innovation program delivery, the Directorate will continue to work to bring together the ACT's emerging innovation ecosystem where programs such as Innovation Connect, Lighthouse and NICTA play such a crucial role alongside the activities of our research institutions and private sector players.

The Directorate will continue to actively support trade and investment facilitation including implementation of the InvestACT Strategy which will be finalised in November 2013, and bedding down the Government's Global Connect Election Commitment which was funded in the 2013-14 Budget. The Directorate also has an active role to play in supporting other economic development objectives such as the national industry partnerships program, regional development, Digital Canberra and the growth of our education exports sector through initiatives such as StudyCanberra.

Further information may be obtained from:

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Output 1.3 Tourism

Business Overview

Australian Capital Tourism leads the ACT and capital region tourism industry to create and implement a range of marketing and development programs that will contribute towards increasing the economic return from domestic and international visitation.

Australian Capital Tourism provides comprehensive visitor information and reservation services through the Canberra and Region Visitors Centre (CRVC) and via the visitcanberra.com.au website. Australian Capital Tourism also provides services to industry by implementing programs that assist stakeholders and partners to enhance their businesses through partnership programs, advertising opportunities and marketing collateral.

During 2012-13 Australian Capital Tourism:

- exceeded the target of 800,000 'visits' to the visitcanberra.com.au consumer website, achieving an actual outcome of 1,462,723 visits as at 30 June 2013;
- had 97.2 per cent of visitors rate the overall customer service experience at the CRVC as either very good or excellent. This exceeded the overall visitor satisfaction target of 80 per cent;
- helped the ACT maintain hotel occupancy levels above the national average. For the year ending June 2013 the ACT's room occupancy rate was 69.2 per cent compared to the national average of 65.6 per cent;
- delivered the world's first Human Brochure concept - a tourism advocacy program using social media and word of mouth as a platform to promote the Canberra region's attractions and experiences;
- delivered a number of programs to promote Centenary events, highlight key destination experiences and enhance the visitor experience in Canberra in the Centenary year;
- led a project in conjunction with the Canberra Airport Group to build business cases aimed at attracting direct services from New Zealand and from Singapore;
- attended Tourism Australia's *Australian Tourism Exchange* (ATE) with eleven industry partners, showcasing the nation's capital to approximately 700 key international buyers;
- delivered the 2012-13 Special Event Fund (SEF) that financially supported two blockbuster exhibitions – *Toulouse-Lautrec – Paris & the Moulin Rouge* and *Turner from the Tate: The Making of the Master*;
- serviced more than 200,000 visitors through the CRVC on Northbourne Avenue providing high quality customer service and advice on all things to see and do in the nation's capital;
- delivered the 2012 Canberra and Capital Region Tourism Awards; and
- contributed to the National Long Term Tourism Strategy (NLTTS) with ACT participation continuing through the NLTTS Working Groups.

Key Achievements Against Performance Measures

The Human Brochure

- The Human Brochure campaign was an award-winning world-first tourism advocacy program using social media as a communications platform to promote the Canberra region's attractions and experiences.
- Australian Capital Tourism invited 500 social media savvy Australians over two weekends (250 participants per weekend) for a best of Canberra and region experience. In return for their weekend, the participants shared their experiences with family and friends using their own words, pictures and videos on social media such as Facebook, Twitter, Pinterest and Instagram.
- The campaign aligned with Australian Capital Tourism's objectives of promoting Canberra as a short break destination and increasing visitation during the 2013 Centenary of Canberra and beyond.
- The humans shared their experiences of the nation's capital with over 4.3 million Australians during the second weekend in February and over 4.2 million during the first weekend in October.
- Across two weekends, the 500 humans posted 4,952 images on Instagram, made 7,782 tweets and 1,843 Facebook posts. The sentiment analysis of the tweets, posts, photos and videos was more than 90 per cent positive.
- The campaign generated significant public relation coverage resulting in over 590 print and online news articles.
- The campaign website, www.humanbrochure.com.au has aggregated all content using #HumanBrochure to create the world's first Human Brochure.
- More than 60 local tourism businesses were involved in the campaign, providing experiences, accommodation and meals. The project has developed industry capacity and learnings in the online and social media space.
- A recent survey with the 500 humans has shown that over 85 per cent of respondents agreed that their impressions and opinions of Canberra had positively changed as a result of their weekend in Canberra.



500 humans shared their experiences during the Human Brochure campaign.

Special Event Fund (SEF)

The SEF is a contestable, co-operative fund aimed at major attractions, cultural institutions or event organisations who seek to proactively acquire, create or develop tourism events that have the capacity to drive significant interstate and/or international visitation to the ACT.

In 2012-13 the ACT Government invested \$1 million in two blockbuster exhibitions – *Toulouse-Lautrec: Paris & the Moulin Rouge* and *Turner from the Tate: The Making of a Master*.

The National Gallery of Australia's (NGA's) *Toulouse-Lautrec: Paris & the Moulin Rouge* included more than 120 works from more than 35 international collections, many of which had never been exhibited publicly. The exhibition attracted a total attendance of just over 172,000. 80 per cent of those who attended were from interstate and the estimated contribution to the ACT economy was \$36 million. 83 per cent of visitors stated the main reason for their visit to Canberra was to attend the *Toulouse-Lautrec* exhibition.

The NGA's *Turner from the Tate: The Making of a Master* opened to the public on 1 June 2013 and will run until 8 September 2013. The exhibition consists of 45 finished oil paintings with a complement of 70 works on paper, including watercolours and sketches.

Aviation Development

The Directorate through Australian Capital Tourism is leading a project in conjunction with the Canberra Airport Group to attract direct aviation services from New Zealand and from Singapore.

A business case was initially developed and presented to airlines to highlight the Canberra (and regional) opportunity for potential new services on the Trans Tasman route.

The business case supporting direct Trans Tasman services was pitched to Air New Zealand, Qantas and Virgin Australia. This business case has been received positively and is currently under active consideration.

Australian Capital Tourism also engaged the services of an aviation expert to assist with the formulation and preparation of a commercial proposition to airlines for the establishment of direct international flight services between Singapore and Canberra.

Canberra and Region Visitors Centre (CRVC)

The CRVC continues to provide a comprehensive and effective visitor services program that aims to increase length of stay and maximise yield. It attracts in excess of 200,000 visitors each year.

During 2012-13 the CRVC:

- promoted accommodation packages for major events and festivals including Floriade and NightFest, the *Toulouse-Lautrec* exhibition at the National Gallery of Australia and Enlighten;
- in conjunction with Canberra CBD LTD, maintained the portable information booth located seasonally in the city that enabled visitors to easily gain information from a central location, and informed locals about attractions and upcoming events and provided visitor services from the Jolimont Tourist Centre to service interstate coach traffic.

Other projects and initiatives

These partnerships were key in the delivery of the following activities in 2012-13:

- Australian Capital Tourism assisted with the assessment of the TQUAL (tourism quality) and Tourism Industry Regional Development Fund (TIRF) Grants Programs in conjunction with other State Tourism Organisations and the Federal Department of Tourism. Four Canberra region businesses shared in more than \$900,000 in Federal funding to undertake tourism infrastructure development projects;
- the organisation delivered the 2012 Canberra and Capital Region Tourism Awards held at The National Gallery of Australia, attended by more than 260 people;
- the 2012-13 Partnership Guide was developed as a means of providing opportunities for the Industry and Australian Capital Tourism to work more closely together; and
- communication with industry stakeholders was maintained through distribution of the Industry Link e-newsletter and blog.

Future Directions

In 2013-14, Australian Capital Tourism will:

- complete a new strategic plan for tourism in the ACT focusing on the national Tourism 2020 framework;
- implement marketing programs informed by the *Domestic Marketing Strategy 2013–15*;
- complete the redevelopment of visitcanberra.com.au;
- work on implementing an Airline Access Development Program to develop and attract international air services to Canberra;
- continue to deliver the objectives under the International Action Plan;
- manage delivery of the Special Event Fund to create and/or develop tourism events that have the capacity to drive significant interstate and/or international visitation to the ACT;
- continue to support and partner with Tourism Australia to increase awareness of the destination and promote key products and experiences both domestically and internationally;
- provide marketing and development advice to tourism businesses, communicate partnership marketing opportunities and increase industry involvement in ACT Tourism programs;
- enhance stakeholder relationships by actively participating in local, regional tourism/business forums pertaining to tourism;
- deliver the Canberra and Capital Region Tourism Awards Program;
- operate the Canberra and Region Visitors Centre;
- continue to support and partner with the Canberra Convention Bureau (CCB) and the National Capital Educational Tourism Project to enhance Canberra's position as an innovative and influential business event and educational tourism destination;
- work on implementing priority objectives under the Tourism 2020 framework including supporting the activities of InvestACT to attract tourism investment in short-term accommodation stock; and

- maximise the tourism opportunities associated with ACT national sporting teams and in particular support the partnerships with the University of Canberra Brumbies, Canberra Raiders and Greater Western Sydney (GWS) Giants.

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Section A

Section B

Section C

Output 1.4 Sport and Recreation

Business Overview

Sport and Recreation Services (SRS) is responsible for the management and planning of ACT Government sporting facilities and the delivery of targeted programs and professional development training for the ACT community. SRS also supports local athletes to reach their potential through the ACT Academy of Sport (ACTAS). SRS works with the sport and recreation industry and local organisations to provide quality participation opportunities for the community and deliver against the ACTIVE 2020 Strategic Plan.

Highlights

- The Narrabundah Ballpark hosted the 2012-13 Australian Baseball League Championships won by the Canberra Cavalry. The Championship series was broadcast live throughout Australia and replayed in South-East Asia and the USA. This is the first time a Canberra team has won the Claxton Shield since its inception in 1934.
- The completion of the Crace Community Recreation Irrigated Park (CRIP) which consists of an outdoor gym, basketball court with lighting, tennis hit-up wall, kick-about area, barbecues, wide pathways around a landscaped pond, shade structures and public toilets.
- The completion of the redevelopment of Kippax Enclosed Oval. Works completed included realignment and upgrade of the playing surface, new couch grass surface, new irrigation system, new turf cricket wicket, new synthetic cricket nets, new pavilion, including a club room and recovery room, covered seating, new perimeter fence, coaches boxes, electronic scoreboard, barbecue area, new goal posts and back nets, cricket curator/football storage shed and landscaping to perimeter areas. Partners in the redevelopment included the Belconnen Magpies Football Club, Belconnen Magpies Sports Club, AFL NSW/ACT, Ginninderra Cricket Club and Cricket ACT.
- Completion of the Manuka Swimming Pool Cafe as part of the Pools Improvement Program.
- Partnerships with all National League Sporting Teams including the Canberra Raiders, University of Canberra Brumbies, Canberra Capitals, Canberra United and Greater Western Sydney (GWS) Giants to deliver a series of “Centenary of Canberra Matches” to celebrate Canberra’s birthday, sharing the experience with fans and broadcast audiences. Tens of thousands of spectators were “bold in gold” to celebrate with our national league teams, who donned one-off uniforms and worked with SRS on a range of creative match day activations.
- Sportenary is promoting 100 diverse physical activity events throughout 2013. Strong media partnerships enabled SRS to promote each Sportenary event, with many host organisations successfully using their engagement in Sportenary to attract first-time participants to get active, and encourage them to stay active well beyond the Centenary year. In 2012-13, 52 of the 100 Sportenary events were staged, engaging more than 48,000 people.
- The ACT Government provided almost \$97,500 in direct support to eligible ACT athletes vying to represent Australia at the 2012 London Olympic and Paralympic

Games. These Training Grants provided financial assistance to help ACT athletes meet the costs of training, competition, travel and equipment as they contended for selection on the Australian Team. These grants supplemented the support that many of the athletes already receive through the ACT Academy of Sport.

- Fifteen athletes supported by an ACTAS scholarship and/or an Olympic Training Grant represented Australia at the London Olympic/Paralympic Games, winning five medals overall: one gold, two silver and two bronze.
- The Chief Minister joined with the Canberra community in welcoming home members of the 2012 Australian Olympic Team. The free public celebration was held in Civic Square and attracted 1,500 people.
- The Chief Minister hosted a welcome home reception at the ACT Legislative Assembly for Canberra's Paralympians. Guests included available members of the 2012 Australian Paralympic Team who are based in Canberra and who are supported by either the ACT Academy of Sport or the Australian Institute of Sport.

Key Achievements Against Performance Measures

Number of targeted programs delivered in accordance with the Australian Sports Commission agreement.

Through a service agreement with the Australian Sports Commission (ASC), SRS delivered a variety of targeted programs to the sport and recreation community. Over 900 people were provided with education and professional development opportunities in 2012-13. This year saw a continued focus on the effective use of social media platforms by the industry. In addition, SRS continues to deliver quality education and training opportunities on coaching and officiating, ethics, governance and industry best practice.

Customer satisfaction survey of ACT Academy of Sport Services.

ACTAS scholarship holders receive performance support in areas including sports science, coaching, strength and conditioning, psychology and sports medicine.

For the 2012-13 period, 120 athletes and coaches were eligible to complete the survey. Of the 70 surveys returned, 100 per cent of respondents were satisfied with the level of services during their respective scholarship periods.

Percentage of customers satisfied with the management of sportsgrounds.

SRS continues to provide a range of quality facilities across the ACT to support physical activity participation. Significant resources continue to be allocated to the upgrade of playing surfaces, irrigation systems and amenities, including the restoration of some sportsgrounds that were a lower maintenance priority due to the recent drought.

A survey of visitors to District Playing Fields, Enclosed Ovals and Neighbourhood Ovals in 2012-13 found that 95 per cent of respondents were satisfied with the overall management of these sportsgrounds.

Percentage of customers satisfied with the management of aquatic centres.

During the 2012-13 financial year over 550,000 visits were recorded across the four ACT Government public swimming pools: Lakeside Leisure Centre, Canberra Olympic Pool, Dickson Aquatic Centre, and Manuka Swimming Pool.

A survey of visitors to the pools found that 93 per cent of respondents were satisfied with the overall experience, management and quality of the facilities.

Other Projects and Initiatives

SRS achieved numerous important industry outcomes in 2012-13. These included:

- Providing \$80,000 to ten local sporting and community organisations as part of the Inclusive Participation Grants Program.
- Informing the sport and recreation industry on their requirements under the *Working With Vulnerable People Act 2011* which came into effect in November 2012.
- Distributing more than \$2.2 million in community grants for projects including a new timing system for Triathlon ACT, a new launch pontoon for Black Mountain Rowing Club and a portable Futsal field for Capital Football.
- Commencement of new management agreements at Canberra Olympic Pool, Lakeside Leisure Centre and Manuka Pool.

Future Directions

In 2013-14, Sport and Recreation will:

- Provide funding and support to the development of the University of Canberra “Sporting Commons” and the presence of community sport within this new hub.
- Complete infrastructure works and asbestos remediation in the Lyneham Sport and Recreation Precinct, with focus switching to design of the central amenities hub.
- Provide advice and practical assistance to the ACT sport and recreation sector in understanding and delivering positive outcomes for members of the community to be supported by the National Disability Insurance Scheme.
- In partnership with Volleyball ACT, complete the detailed design and commencement of works on a beach volleyball complex in the Lyneham Sport and Recreation Precinct.
- Commence work by Tennis ACT and its commercial partner on a \$20 million redevelopment of the National Sports Club, with the Territory having previously committed \$4 million towards specific tennis infrastructure.
- Implement an anti-harassment in sport program with a focus on addressing homophobia.
- Complete the Gungahlin Enclosed Oval in January 2014.
- Complete the replacement of the computerised irrigation management system (COMTROL).
- Upgrade the Woden Park Athletics facility, including an International Association of Athletics Federations (IAAF) standard synthetic track.
- Remediate the Narrabundah Velodrome.
- Complete the Gungahlin Leisure Centre.

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Output 1.5 Venues and Events

Business Overview – Venue and Event Services

Venue and Event Services consists of two units: Territory Venues and Events and Events ACT. Venue and Event Services is responsible for the management of Canberra's elite sporting venues, management of major sports events and business facilities, and the delivery of Canberra's major tourism and community-related events and supporting programs.

Business Overview - Territory Venues and Events

Territory Venues and Events (TVE) manages Canberra Stadium, Manuka Oval, Stromlo Forest Park and the Canberra Business and Events Centre (CBEC) at Regatta Point, and promotes these as Canberra's leading sporting and function venues. TVE is also responsible for the implementation of ACT Government's Motorsport Strategy.

Highlights

Hosting major events at our venues during 2012-13 have been the main highlights, including hosting the Canberra Raiders National Rugby League (NRL) semi-final at Canberra Stadium in September 2012, and the Elton John concert in November 2012. Major sporting events have also been a highlight of the Centenary of Canberra celebrations in 2013. Commencing in January 2013, Manuka Oval hosted the One-Day Cricket International between Australia and the West Indies. This was the first time the Australian men's team has played in Canberra. Stromlo Forest Park hosted the National Mountain Bike Championships in February 2013. Similarly, another first occurred in April 2013 when Australia took on New Zealand in a rugby league test match at Canberra Stadium. This was followed by the University of Canberra Brumbies' historic win against the British & Irish Lions in June 2013.

Key Achievements Against Performance Measures

Canberra Stadium

In 2012-13, Canberra Stadium hosted 27 events. This is four events above the annual target of 23 events and an increase of six over the 2011-12 result of 21 events. The primary reason for the increase has been the ability of the Territory to attract showcase sporting events during the city's Centenary year. In total 315,000 people attended Canberra Stadium in 2012-13, compared with 206,226 people attending in 2011-12.

The highlight events for the year included the NRL Semi Final between the Canberra Raiders and the Cronulla Sharks in September 2012 (24,450 attendance); the Elton John concert in November 2012 (10,700 attendance); the first Rugby League Test Match in Canberra between Australia and New Zealand in April 2013 (25,628 attendance) and the University of Canberra Brumbies and British & Irish Lions match in June 2013 (21,655 attendance).

Other events in 2012-13 included twelve Canberra Raiders NRL season matches; nine University of Canberra Brumbies Super Rugby season matches; and two ACT Junior Rugby and Rugby League events.

Canberra Stadium continues to upgrade facilities to ensure ongoing compliance work to meet health and public safety standards. Design has commenced on the replacement of the aging ticket boxes at both the west and east entries. Construction of new ticket boxes will commence at the end of the 2013 playing season.

Manuka Oval

2012-13 was a significant year for Manuka Oval. A \$2.5 million contribution from the Commonwealth Government assisted towards the \$5.3 million cost of installing sports lighting at the venue. The provision of lights has transformed Manuka Oval into a world-class venue and has greatly assisted the ability of the ACT to attract high quality cricket and AFL events to the Territory.

Two major cricket matches were played against the West Indies in January and February 2013. Both the Prime Minister's XI and the One Day International matches were played under lights to national and international television audiences, and had a combined attendance of over 21,000 spectators. The venue also hosted NSW in the Ryobi Cup and Sheffield Shield in December 2012 for the second year of a three-year agreement.

The popularity of the Greater Western Sydney (GWS) Giants AFL team continues to grow in Canberra. Crowd numbers for the three premiership and one pre-season game in 2012-13 attracted an average of 8,382 spectators, compared to an average attendance of 7,907 in 2011-12.

In 2012-13, the Government also allocated \$1.375 million to progress detailed designs for the venue, and \$0.753 million was allocated for capital upgrades of the venue. Further, three new grandstands providing 1,200 new seats were added to the venue in December 2012.

In 2013-14 and 2014-15, Manuka Oval will continue to be upgraded through a \$9.056 million upgrade to the playing surface, an additional 1,600 seats and improvements to spectator and media facilities.

Stromlo Forest Park

Stromlo Forest Park continues to be a popular venue for Canberrans and visitors to the National Capital. In 2012-13 the park hosted ten major national-level events including:

- Australian Junior and Women's Tour (cycling);
- National Junior Road Cycling Championships;
- 2012 Scott Australian 24 hour MTB event;
- World Cross Country Selection Trials – Running;
- Stromlo Running Festival;
- 2013 Australian Mountain Bike Championships;
- Capital Punishment MTB Enduro;
- MTBA National Solo Championships;
- Australian Masters Athletics National Championships; and the
- Australian Mountain Running Championships.

This outcome compares with the delivery of nine similar events in 2011-12. In addition to these events, the ACT Government invested \$200,000 in the upgrade of mountain bike and equestrian trails.

Design planning continues to be progressed for the future construction of community sporting infrastructure including sports fields and an enclosed oval. This work also includes siting options for an accommodation facility servicing the school excursion market and event visitors. A Strategic Bushfire Management Plan has been prepared for the park that will guide fire fuel reduction and containment works over the next five years.

Stromlo Forest Park also participated in the successful Human Brochure campaign. Two sessions were held at Stromlo Forest Park in October 2012 and February 2013.

Implementing the ACT Motorsport Strategy

The ACT Motorsport Fund was introduced to promote and grow participation in local motorsport activities. In August 2012 the Government awarded approximately \$813,000 in grant funding to eight community motorsport organisations under Round 2 of the Community Motorsport Development Program (CMDP). The majority of grant payments were for capital improvements to club facilities. The Fund is also part of the Government's ACTIVE 2020 strategy that aims to increase broad base participation in sport and recreation, developing elite performance and ensuring access to sustainable and quality sporting infrastructure.

The other primary activity undertaken by TVE is the continued development of an off-road motorcycle riding venue. There is demand and community support for a safe, accessible and legal off-road motorcycle facility in the ACT. The lack of a legal alternative has meant that there has been considerable illegal activity, particularly in nature reserves, resulting in environmental damage and ongoing management and policing issues in Namadgi National Park and a number of other areas. The Directorate, in consultation with the Territory and Municipal Services Directorate and stakeholder groups, has prepared a master plan for a facility within the Pierces Creek forest. A Development Application for the facility is anticipated to be lodged in July 2013.

Future Directions

In 2013-14, Territory Venues and Events will:

- continue to manage and deliver the scheduled program of events at our venues;
- implement capital upgrade works program at our venues;
- support the ongoing planning surrounding the future of Canberra Stadium;
- support the redevelopment project at Manuka Oval;
- oversee the future development planning underway for Stromlo Forest Park;
- continue to develop and implement commercial options for Stromlo Forest Park;
- continue to seek naming rights sponsor for Canberra Stadium;
- continue to implement the ACT Motorsport Strategy; and
- support the ongoing work with the Australian Sports Commission to finalise the long-term ownership arrangements for Canberra Stadium.

Business Overview – Events ACT

Events ACT is a business unit within Venue and Event Services in the Tourism, Events and Sport Division. The principal role of the unit is to:

- plan, promote and deliver major events for the community and visitors;
- provide leadership on event related matters to the ACT Government and the Events and Tourism sectors; and
- contribute to the development of the ACT Festival and Event sector through the annual administration of the ACT Festival Fund grant program.

Events ACT aims to:

- increase opportunities for community engagement and social inclusiveness through the delivery of significant celebratory events;
- stimulate travel, tourism and economic benefit to the Capital through the delivery of major events; and
- contribute to the development of the ACT community sector by providing advice and support through grant programs.

Highlights

During 2012-2013, Events ACT:

- successfully delivered Floriade and Floriade NightFest, exceeding targets for economic impact, record attendance and patron satisfaction;
- successfully delivered the third Enlighten autumn event, working in collaboration with 15 national attractions to draw visitors to the national capital;
- successfully delivered the Canberra Nara Candle Festival, New Year's Eve,
- Australia Day and Canberra Day celebrations, attracting large audiences and receiving positive feedback;
- successfully delivered other major events including Balloon Spectacular, Lights! Canberra! Action! and the Lighting of the Christmas Tree;
- successfully project managed the Symphony and Reconciliation Place stages as part of the One Very Big Day Celebrations on Canberra's birthday as part of the Centenary of Canberra celebrations; and
- delivered two rounds of the 2012 ACT Festival Fund that financially funded a total of 16 local festivals and events to a value of \$220,000.

The Event Coordination Group continues to meet regularly with a program of business including the development of a whole-of-government User Charges Policy for events and the development of a single application process for events. The Event Coordination Group meets monthly and is working closely with event managers to ensure a whole-of-government coordinated approach to event planning and delivery.



Architectural projections as part of the 2013 Enlighten Festival

Key Achievements Against Performance Measures

Direct expenditure as a result of staging Floriade

Floriade is the flagship tourism event for the ACT and is supported by a comprehensive, fully integrated marketing campaign across key interstate markets, which has assisted with this significant visitation achievement.

The staging of Floriade (and Floriade NightFest) 2012 generated direct visitor expenditure in the ACT totalling \$27.6 million. This increase in direct expenditure gave rise to increases in Gross Territory Product (GTP) totalling \$40.4 million. This result is due to the average daily visitor expenditure and visitor length of stay.

A total of 442,243 people attended Floriade, a 7.3 per cent increase on the 2011 attendance. A total of 122,759 interstate and international visitors (based on individual visits) came to Canberra specifically to attend Floriade or extended their stay due to the event. The event also recorded its highest ever attendance for a single day (Sunday 30 September) as well as the highest attendance over one weekend (Saturday 29 September – Monday 1 October) with 35,200 and 87,299 visitors respectively.

The average length of stay for interstate overnight visitors who came to Canberra to attend Floriade was 2.9 nights.



One million flowers were in bloom at Floriade 2012

Delivery of key community events (New Year's Eve, Australia Day, Canberra Day and the Canberra Nara Candle Festival)

Events ACT continued to deliver major events for the Canberra community and visitors to the ACT. Major events have demonstrated the social and economic value of major tourism events to a destination.

New Year's Eve

The 2012 New Year's Eve celebrations attracted the largest crowds to date with around 45,000 people attending events in both event precincts - the family concert in Civic Square and the Bass in the Place dance party in Garema Place. There were two spectacular fireworks displays over City Hill at 9pm and midnight.

Australia Day

The ACT Government partnered with other organisations to deliver Australia Day activities at Stage 88, Commonwealth Park. These included the Australia Day Big Breakfast – presented by ActewAGL; the Children's Festival and the Australia Day Fireworks Spectacular delivered in partnership with the National Australia Day Council. The Citizenship and Flag Raising ceremonies were held at Rond Terraces, and were managed by the National Australia Day Council.

The ACT Government again coordinated the ACT Australia Day Ambassador Program and announced Mr Sean Fitzgerald as the ACT Ambassador for 2013.

Canberra Nara Candle Festival

The Canberra Nara Candle Festival is a celebration of Canberra's long standing Sister City relationship with Nara, Japan. The annual celebration held in October 2012 in the Canberra Nara Peace Park and Lennox Gardens, Yarralumla, attracted more than 13,000 people who enjoyed Japanese entertainment, cuisine, activities and the lighting of more than 2,000 ceremonial candles.

More than 30 event volunteers assisted event staff to deliver this significant celebration, which also saw the attendance of the Ambassador of Japan, His Excellency Mr Yoshitaka Akimoto.

Other Projects and Initiatives

Events ACT is also responsible for the delivery of other major events as outlined below:

Lighting of the Christmas Tree

The Lighting of the Christmas Tree was held on Friday 7 December 2012 in Civic Square and attracted an enthusiastic audience of more than 5,000 people. The lighting of the 21 metre Christmas Tree and Christmas concert were key features of the event.



Lighting of the Christmas Tree 2012

Enlighten

Enlighten 2013 was staged over nine nights focusing on the weekends of 1-2 March and 8-9 March 2013. Late night openings at 13 attractions plus spectacular architectural projections and buzzing entertainment precincts showcased Canberra in a whole new light. Leading up to Canberra's 100th birthday, Enlighten 2013 featured 52 free and ticketed events (17 more events than 2012), from exclusive blockbuster exhibitions to live performance, tours, talks and exclusive dining experiences - providing a memorable array of creative and surprising experiences for visitors.

In total, Events ACT collaborated with 15 partners to deliver the Enlighten 2013 event. Not all new partners were national attractions however partnerships with local organisations were seen to bring valuable content to the program. New partners included Canberra Contemporary Arts Space, Canberra Theatre Centre, National Zoo and Aquarium and Canberra Lab.

Enlighten 2013 had a renewed focus on showcasing Canberra's national attractions, as well as presenting four big events on each of the weekend evenings.

An independent evaluation of the event undertaken by Ernst and Young revealed the estimated increase in direct expenditure attributable to Enlighten 2013 was \$0.65 million with an increase in GDP of \$0.95 million.

These economic benefit figures are attributable to those interstate or international visitors who came to Canberra specifically to attend the event.

Total gross attendance by patrons at the event was 115,031, including: attendance at paid ticketed events (7,149); attendance of free events at attractions (40,513) and attendance at free outdoor entertainment precincts (66,500).

The Ernst and Young evaluation also showed a total of 1,135 unique interstate and international visitors specifically attended Enlighten 2013.

Balloon Spectacular

Held over nine mornings, between Saturday 9 and Sunday 17 March 2013, the Balloon Spectacular featured 40 hot air balloons and 55 pilots from Canberra, interstate and overseas.

More than 40,000 people attended the event over the nine mornings, which saw almost perfect weather. The balloons were able to launch from the lawns of Old Parliament House seven mornings of the nine.

Four special shape balloons featured as part of the event for 2013: Darth Vader from Belgium; Simba the Lion from Belgium; Mister Boop (Turtle) from Belgium and the Peacock from the Netherlands.

Local entertainers performed on stage each morning and the public were treated to delicious hot breakfast daily, thanks to the Belconnen Lions Club who raised a record amount of more than \$40,000 which was put towards supporting local charities, particularly for disadvantaged children and youth.

Lights! Canberra! Action!

Lights! Canberra! Action! is a film making festival where amateur and professional film makers develop, write, cast, produce, edit and submit films in just ten days, in accordance with a selected theme and ten key items. Winners were announced at the screening of the Top 12 films on 8 March 2013 in the Senate Rose Gardens next to Old Parliament House. The venue and event received extremely positive feedback. The winner of the Best Film award was "One Week Later" by Hugh Sanderson and Simonne Thompson.

ACT Festival Fund and Events Assistance Program

The ACT Government, through the Events Assistance Program (EAP) and the ACT Festival Fund, supports a variety of festivals and events that reflect the wide range of community interests and activities that enrich and add to the experience of living in and visiting Canberra.

In 2012, the EAP and the ACT Festival Fund supported a total of 30 local festivals and events to a total value of \$552,000.

2015 Asian Football Confederation (AFC) Asian Football Cup

Following Australia's successful bid to host the Asian Cup in 2015, the ACT Government agreed to support Football Federation Australia's (FFA) bid to host the 2015 AFC Asian Cup and for Canberra to participate as a host city.

In 2010, the ACT Government signed all formal agreements to act as a Host City for the 2015 Asian Cup bids. The ACT Government has agreed to host six games and a quarter final to be played at Canberra Stadium.

The Master Funding Agreement between 2015 AFC Asian Cup Local Organising Committee (LOC) and Commonwealth, NSW, Victorian and Queensland Governments was executed by the Directorate on behalf of ACT Government in March 2013. The Venue Use agreement between LOC and Canberra Stadium is still being finalised and will be executed early 2014-15.

A steering committee has been established with representation from the Directorate (Tourism, Events and Sport Division), the Commonwealth Office for Sport and Capital

Football. The steering committee meets every four to six weeks and focuses on both the operational delivery of the event and the legacy and leverage opportunities for the ACT Government. The steering committee has recently been expanded to include representatives from the Community Services Directorate and the Business Development branch of the Directorate.

Events ACT is working with the Justice and Community Safety Directorate on the development of major event-specific legislation around Intellectual Property Rights Protection, Ambush Marketing and Ticket Scalping.

International Cricket Council Cricket World Cup 2015

Cricket Australia, in partnership with New Zealand Cricket has secured joint hosting rights for the International Cricket Council (ICC) Cricket World Cup 2015 to be held during February and March 2015. All states and territories in Australia have shown interest in participating in the tournament. Events ACT on behalf of the ACT Government put forward a submission to be a Host City for one warm-up and two pool matches as part of the tournament.

Venue and Event Services continues to work with the Local Organising Committee on Canberra's bid with well developed draft host city and venue use agreements under consideration. Host city and venue announcements are expected to take place early in 2013-14.

Hosting these matches as part of the ICC Cricket World Cup 2015 will highlight Canberra as an international sporting venue and provide significant opportunity to promote Canberra as the nation's capital.

The ICC Cricket World Cup 2015 will be broadcast to over 200 countries, enabling host cities to be seen before a global audience of billions of people. As part of the arrangements for the Cricket World Cup, the ICC grants favourable rights to enable extensive worldwide exposure of the Host City as a tourism destination.

Venue and Event Services has identified efficiencies to be gained through the development of live sites which serve both the AFC Asian Cup 2015 and ICC Cricket World Cup 2015. There are also other synergies between these international sporting events and major events occurring in the ACT at this time, notably the National Multicultural Festival and Centenary of Gallipoli.

Future Directions

In 2013-14, Events ACT will:

- continue to develop and deliver the ACT Government's program of events;
- continue to develop the Event Coordination Group (ECG) and the new events.act.gov.au website which will act as a portal for all major ACT events;
- amalgamate the ACT Festival Fund and Events Assistance Program into a single fund (with two tiers) called the ACT Event Fund;
- develop an Event Selection and Evaluation tool to form the basis of the ACT Event Strategy;
- continue to support the ACT events and festivals sector through the ACT Event Fund;
- continue to work with other jurisdictions to deliver a successful 2015 AFC Asian Football Cup; and
- work with other jurisdictions and the local organising committee on the planning and delivery of the ICC Cricket World Cup 2015.

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Output 1.6 Land Strategy and Infrastructure Delivery

Infrastructure and Capital Works

Business Overview

The Infrastructure and Capital Works (I&CW) branch identifies, manages and delivers capital projects that support the Government's Land Release Program. These projects include arterial roads, major intersection redesign and environmental measures such as ponds. I&CW also delivers other identified 'major projects' for the ACT including sporting ground redevelopments, new office buildings and major city/town centre improvements.

Capital Works Coordination

Project Status:

- The Valley Avenue Extension to Gundaroo Drive and the Mitchell-Sandford Street Extension to the Federal Highway, was deferred due to delays in the land releases that the project supports.
- Four design projects, Gungahlin Town Centre Roads; Sewer and Pedestrian Bridge over the Molonglo River; Molonglo Sewer 3 Central; and the Woden Valley Stormwater Retardation Basins, are all in design and are expected to be completed early in 2013-14. Design projects completed include:
 - Uriarra Link Road and Intersections Upgrade;
 - Molonglo Trunk Sewer Extension and Stormwater Diversion to Holdens Creek;
 - 300mm water main in Uriarra Road, Cravens Creek master planning; and
 - Molonglo Group Centre hydraulics master planning.
- Construction projects completed in 2012-13 include Barton Intersection upgrades; Kenny Remediation Contamination; and the Cotter-Kirkpatrick intersection.
- Major ongoing construction works in the Molonglo Valley are progressing well, including John Gorton Drive Stages 1D and 2A, the Uriarra Link Road and the North Weston Road Intersections. The two Horse Park Drive projects in Gungahlin are also progressing well.

New Initiatives:

- The Directorate initiated joint safety audits of both the contractor and superintendent on all construction projects, to assist construction teams to adopt a joint risk assessment and risk minimisation process on our sites. This assists our staff and contractors to meet their obligations in achieving the implementation of the Getting Home Safely Report.
- The development and implementation of an overall program for works in the Molonglo Valley, including the Directorate, LDA, ACTEW and other service providers, has facilitated the early release of the Denman Prospect. Without this coordination and collaboration, there would have been less certainty and greater risk for potential tenderers, and therefore greater potential costs to the government.

- The Directorate continues its proactive community engagement through attendance at Community Council meetings, the use of electronic media such as Twitter and the internet, and mail-outs to all Weston Creek/Molonglo residents, to keep them informed of the status of major projects and to minimise any potential inconvenience.
- The development of a consolidated Molonglo Earthworks Strategy identifies the timing and quantity of earthworks that will be available and/or required for the various upcoming Molonglo 2 and Stromlo Forest Park projects. This consolidated strategy will allow planning and development strategies to be prepared efficiently and economically.

Future Works:

- There are fourteen projects in the land release new capital works program scheduled for 2013-14: seven feasibility designs, five for detailed design and two for construction.
- Seven of these projects are in the Molonglo development area and include road construction and provision of trunk water, sewer and stormwater infrastructure.
- Two projects in North Canberra and one in Tuggeranong will provide water quality and safety protection measures.
- The four remaining projects will provide roads and services to development areas.

Infrastructure Planning And Design

Projects Status:

- The Infrastructure Planning and Design team have been managing a number of feasibility studies related to land development over the last 12 months, including those supporting further development in Molonglo, Gungahlin, West Belconnen and a number of infill sites.
- In addition, the team has started work on a number of flood studies for Sullivan's Creek, Yarralumla Creek, Weston Creek and Tuggeranong Creek. These studies are fundamental to identifying suitable land for infill and greenfield developments.

New Initiatives:

- A total of 24 new projects are identified for 2013-14, including ten feasibility studies, seven design studies and seven construction projects.
- Feasibility studies relate to engineering infrastructure for City to the Lake, Molonglo 3 urban development, West Belconnen, Greenway, Kingston and Dickson. This infrastructure includes roads, intersections, drainage, dams, parking and other civil infrastructure.
- Design work will focus on continued infrastructure development at Molonglo, Gungahlin (Kenny and Throsby), Majura/Pialligo and Woden Town Centre.

Major Projects

Highlights:

- The request for tender process concluded for the proposed ACT Government Office Building in Gungahlin. The project will accommodate more than 500 ACT public servants, a Canberra Connect shopfront and a childcare facility in a high quality, environmentally friendly contemporary building.

- Remediation is complete for 80 per cent of the dwelling sites at the Narrabundah Long Stay Park, with the expectation that the remaining 20 per cent will be completed by the end of the third quarter of 2013. Nineteen new mobile homes have been constructed and installed at the Narrabundah Long Stay Park.
- A contract for construction of the Gungahlin Leisure Centre was let in August 2012 and work commenced in November 2012. The total project cost is \$28.7 million. The project will provide a 50 metre main pool, 25 metre learn to swim and program pool, and children's play areas, along with a gymnasium and supporting amenities such as adjunct child care and a cafe.
- Earthworks began on the Gungahlin Enclosed Oval facility in the Gungahlin Town Centre in February 2012. This will provide a high quality facility to accommodate all four football codes on irrigated turf, with competition standard lighting and a major covered grandstand, plus associated stormwater works, car parking and landscaping. The total budget is \$19.0 million.
- At a cost of \$20 million, 17 projects identified in the 2010 City Area Action Plan have been designed and constructed. The projects were largely completed by the end of 2012 and made a significant contribution to the presentation of Civic for Canberra's Centenary. Parkland, lighting and footpath upgrade projects include:
 - Veterans' Park, including the first stage of the City Cycle Loop;
 - City Walk between Ainslie Place and Akuna Street; and
 - one kilometre of London Circuit between Nangari Street in City East and Farrell Place in City West.

Future Directions:

In 2013-14, the Infrastructure and Capital Works branch will:

- continue work on the ACT Government Office Building in Gungahlin, including finalisation of the preferred tenderer responsible for construction and fit out;
- monitor the implementation of commitments under the Molonglo Valley Plan for the protection of Matters of National Environmental Significance and reporting regularly to the Commonwealth;
- complete the remediation works to achieve certification for all dwellings within the Narrabundah Long Stay Park;
- complete the civil works supporting the new mobile homes at the Narrabundah Long Stay Park, with a view to having new homes ready for occupation by end July/early August 2013;
- work to complete the Gungahlin Leisure Centre in May 2014. Actions are under way to appoint a contract manager for the centre by about October 2013, allowing ample time before opening for staff recruitment and training, along with marketing of swimming and fitness programs; and
- work on the Gungahlin Enclosed Oval surface, surrounds, lighting, fencing, car parking, stormwater works and landscaping, to be completed in July 2013. Construction of the grandstand began in March 2013 and is expected to be completed by early 2014, allowing the oval to come into play in the 2014 winter season.

In March 2011, Westfield completed its extension to Belconnen Mall shopping centre, including the creation of a new retail bus station adjacent to Lathlain Street. The integration of a busy shopping centre with the buses has created significant improvements for both public transport and the town centre as a whole. A similar opportunity exists in Woden to integrate a modernised shopping centre with a new bus interchange. This in turn creates opportunities to improve pedestrian and bicycle linkages through the precinct, including connections between the bus station, Woden Town Square and Woden Town Park. The process to create a more pedestrian and public transport oriented town centre will begin with an Estate Development Plan (EDP) currently being prepared. The EDP Development Application will be lodged in July 2013 and will be open to public consultation. It will be the first in a number of statutory planning processes that are necessary to deliver the project. If the various processes run smoothly, the target completion date for the new bus station, public realm improvements and retail expansion is mid 2016.

Government Accommodation Strategy

Highlights:

- In response to the Hawke Review that recommended the new Directorate structure, an accommodation strategy was developed and implemented to accommodate where possible components of the Directorates either within a central office building or within location precincts. Approximately 35 fit out and relocation projects were scheduled for completion by May 2013 with an expenditure of close to \$6 million.

Future Directions:

- Three projects that required new fit out including workstations were selected to trial bench style workstations (1800 x 800) as an alternate to the traditional “L” shaped work stations. These three projects will be evaluated in consultation with staff and the results will influence the selection of work stations for the new Gungahlin Office building.

Further information may be obtained from:

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Sustainable Land Strategy

Business Overview

The Sustainable Land Strategy Branch (SLS) prepares the Government's residential, commercial, industrial and community programs for land release, including monitoring of housing and commercial market trends. The Branch facilitates development opportunities through site identification and by case managing proposals for the direct sale of unleased Territory land. The proposals being managed cover a range of opportunities, including commercial developments in Canberra's town and group centres, and large scale green field residential proposals, such as the recently announced West Belconnen development. The Branch also has a key role in managing the Government's development partnerships with the Australian National University and the University of Canberra.

Direct Sales and Project Facilitation

The Direct Sales Unit accepts direct sale eligibility applications from commercial, community and Territory entities. The unit facilitates the assessment of these applications by assessing an applicant's claims against the eligibility criteria established under the *Planning and Development Regulations 2008*, or alternatively against the grant objectives prescribed under the Planning and Development Act 2007. Further, in cases where an applicant has not identified a preferred parcel of land, the unit undertakes a site selection process. This process involves liaising with both internal and external stakeholders for comment and consultation.

Following consideration of an application by the Direct Sale Panel, Government is requested to consider the applicant's eligibility for the parcel of land. If supported, the Direct Sales Unit facilitates the grant of a lease. Depending on the specific nature of the sale and the land, extensive site investigations may be undertaken prior to any sale being finalised.

The Direct Sales Unit has approximately 60 direct sale applications currently being processed.

In 2012-13 the Direct Sales Unit finalised 20 direct sales which resulted in the grant of either a Crown lease or an Executive lease.

During the year, direct sales of land managed by SLS included the following:

- Billabong Aboriginal Development Corporation for an outdoor education establishment in Belconnen;
- The Scout Association of Australia ACT Branch Incorporated in Yarralumla; and
- Bombell Barron Pty Ltd (ACT Skip Hire) in Hume.

A number of Executive Leases to achieve community outcomes were also issued, including:

- Justice and Community Safety Directorate to facilitate the development of a combined fire brigade and ambulance service facility in Charnwood;
- Territory and Municipal Services to enable the development of the Arboretum Visitors Centre; and
- Economic Development Directorate (Sport and Recreation Services) to enable the development of the Gungahlin Leisure Centre.

SLS has assisted in the progression of a number of major projects and strategic outcomes for Government. In the last year, this facilitation role has included:

- assisting in the expression of interest and request for tender processes for the sale of:
 - Block 20 Section 34 Dickson - mixed use site;
 - Block 21 Section 30 Dickson - new supermarket site;
 - Block 1 Section 12 Gungahlin - cinema site; and
 - Block 3 Section 106 Amaroo - supermarket site.
- significant project facilitation role for:
 - site investigations for a number of proponents involved with the ACT Solar Auction Feed-In Tariff;
 - redevelopment of the former Dower Primary School; and
 - finalising the sale of Block 799 to Exhibition Park in Canberra to facilitate the provision of low cost tourist accommodation.

Strategic Land Release

Each year the ACT Government publishes its four-year Indicative Land Release Programs which set out the intended release of residential, commercial, industrial and community and non-urban land. The Government's objective is to meet demand for land and to establish an inventory of serviced land.

The Programs are indicative as they are inevitably subject to change as market conditions alter, as Government priorities are adjusted, or as other commercial issues arise which can affect the finalisation of anticipated sales. The Directorate is responsible for preparing the Programs in collaboration with other directorates.

The Programs are a key input to:

- the Land Development Agency's Statement of Intent and land sales program;
- Treasury's estimate of land sales revenue;
- EDD's capital works program; and
- ESDD's land structure and concept planning, and draft variations to the Territory Plan.

The Indicative Land Release Programs for 2013-14 to 2016-17 are available on the Directorate's website at: <http://www.economicdevelopment.act.gov.au/land>.

Future Directions

In 2013-14, SLS will:

- closely monitor demographic and property market indicators, particularly changes to ACT based employment in the Commonwealth public service and impact on the demand for housing and office space;
- continue to identify sites to meet the needs of the tourist accommodation sector, child care centres, housing for aged persons and affordable housing options; and
- progress applications for the direct sale of land.

Further information may be obtained from:

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Office of the Coordinator-General

Business Overview

The Director-General of the Economic Development Directorate performs the role of Coordinator-General to coordinate and facilitate Government outcomes and priorities of the ACT Public Service. The Office of the Coordinator-General (OCG) supports the Coordinator-General to:

- coordinate Government responses to high value/high complexity investment and development inquiries and proposals from the private sector;
- advise Government on systemic changes to policy and/or practice that will improve the delivery of Government priorities; and

- undertake across-government coordination of complex delivery activities as requested by the Government or the Strategic Board.

Further detail on a number of key projects undertaken by OCG in 2012-13 is provided below.

Capital Metro Land Development

The urban renewal of Northbourne Avenue to support development and delivery of rapid transit between the Gungahlin Town Centre and the City was established as a priority in the 2012-13 Budget. The Government announced its commitment to light rail as the preferred transit system in this corridor during the 2012 Election and it was reaffirmed in the Parliamentary Agreement for the 8th Legislative Assembly.

Whilst the Gungahlin to City Project Office was originally established in the OCG and charged with delivery of this project, the Capital Metro Agency has since been established to deliver the light rail component. However, the Office of the Coordinator-General has retained primary carriage of the land development and urban renewal for the light rail corridor. This includes the preparation of a property strategy and indicative land release sequence for the corridor.

The redevelopment of the Capital Metro corridor will be a major urban renewal project for Canberra and will deliver significant social, economic and environmental benefits.

It will facilitate urban renewal at both the residential and commercial levels, bringing about significant transit-oriented land use changes. It will transform the ACT by integrating land use planning with existing or planned infrastructure to create revitalised centres, provide greater access to public transport, generate a range of housing and commercial opportunities, and optimise land and infrastructure use in the ACT.

Defence Land

In February 2013, the Directorate and the Commonwealth Department of Defence re-established the land acquisition working group to investigate the Territory's interest in acquiring a number of surplus Defence land parcels within the ACT. The OCG has been engaged in ongoing negotiations with the Department of Defence and will continue in 2013-14 to resolve the independent acquisition of a number of sites including Bonshaw, West Majura and South Pialligo, the Werriwa Defence Depot in the City, North Lawson, and Glenorie Drive Pialligo. As part of these negotiations, the OCG consults with other relevant ACT Government agencies when inter-agency matters arise.

City to the Lake

The City to the Lake project provides a development framework for the broad southern flank of the City stretching from the West Basin to Anzac Parade including Canberra Olympic Pool, the existing convention centre and large surface car parks. The detailed development framework and infrastructure plan are consistent with Amendments 59, 60 and 61 to the National Capital Plan which provides the strategic policy settings for the project.

Preliminary analysis indicates that linking the City to the Lake is a viable urban development project that provides for early land release, delivering high rates of return on public investment and economic and social benefits for the Territory. The plan includes sites for a new multi-purpose stadium, the Australia Forum and a new Civic Pool in order to 'future proof' the City.

The City to the Lake project was launched for public consultation from March to May 2013. Early indications from the consultation are that there are high levels of support (approximately 71 per cent) for this project. A consultation report is being prepared and will be considered by Government prior to deciding the next steps for the project.

This project has also been awarded the 2013 Planning Institute of Australia, Australian Award for Urban Design (AAUD) in the Policies, Program and Concepts category.

Gungahlin Strategic Assessment

Commonwealth environmental assessment under the *Environment Protection and Biodiversity Conservation Act 1999* is required to be completed prior to the release of undeveloped land in the suburbs of Kenny, Throsby, Moncrieff, Jacka, Taylor and Kinlyside. The OCG, in partnership with the Environment and Sustainable Development Directorate, is currently pursuing a Strategic Assessment to cover the development areas for environmental assessment requirements under this Act. Approval and endorsement from the Commonwealth of the Strategic Assessment will provide certainty to land development areas and conservation areas as well as provide direction to protect and enhance Matters of National Environmental Significance.

Future Directions:

In the coming year, the Office of the Coordinator-General will continue to deliver some of the ACT Government's highest priority projects, as well as work with the private sector and Directorates to coordinate and facilitate proposals with high value/high complexity.

Some of the key priorities for the Office in 2013-14 will be the preparation of an Estate Development Plan for City to the Lake, and a Corridor Development Plan to leverage development opportunities in the Capital Metro corridor. These are both important urban renewal projects that will mark a significant transformation of our city and stimulate economic activity.

The Office will also continue to work with the private sector and Government agencies (both ACT and Commonwealth) to facilitate the release and sale of land, including achieving the appropriate environmental clearances and planning requirements, to enable significant economic investment in the Territory.

It will also work across government to implement the commitments of the approved Gungahlin Strategic Assessment in order to protect matters of national environmental significance.

Further information may be obtained from:

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A.10 Triple Bottom Line Reporting

Indicator	2011-12 result	2012-13 result	% change
ECONOMIC			
Employee expenses			
Number of staff employed (head count)	225	217	-3.6%
Total employee expenditure (\$)	24,315,000	23,924,000	-1.6%
Operating statement¹			
Total expenditure (\$)	101,898,000	155,802,000	52.9%
Total own source revenue (\$)	15,123,000	17,995,000	19.0%
Total net cost of services	86,775,000	137,807,000	58.8%
Economic viability			
Total assets (\$)	313,143,000	626,261,000	100%
Total liabilities (\$)	36,067,000	30,568,000	-15.2%
ENVIRONMENTAL			
Transport			
Total number of fleet vehicles	49	43	-12.2%
Total transport fuel used (kilolitres)	111.64	74.46	-33.3%
Total direct greenhouse emissions of the fleet (tonnes of CO ₂ -e)	284.03	211.76	-25.4%
Energy use			
Total office energy use (megajoules)	1,733,730	1,432,860	-17.4%
Office energy use per FTE (megajoules/FTE)	8,071.37	6,882.13	-14.7%
Office energy use per square metre (megajoules/m ²)	466.03	381.99	-18.0
Greenhouse emissions			
Total office greenhouse emissions - direct and indirect (tonnes of CO ₂ -e)	450.25	423.30	-6.0%
Total office greenhouse emissions per FTE (tonnes of CO ₂ -e/FTE)	2.10	2.03	-3.3%
Total office greenhouse emissions per square metre (tonnes of CO ₂ -e/m ²)	0.12	0.11	-8.3%

Indicator	2011-12 result	2012-13 result	% change
Water consumption			
Total water use (kilolitres)	840,797.27	1,355,145.00	61.2%
Office water use per FTE (kL/FTE)	n/a	n/a	n/a
Office water use per square metre (kilolitres/m ²)	n/a	n/a	n/a
Resource efficiency and waste			
Estimate of co-mingled office waste per FTE (litres)	284.06	464.06	63.3%
Estimate of paper recycled (L)	74,530	83,413	11.9%
Estimate of paper used (reams per FTE)	2,962	2,465	-16.8%
SOCIAL			
Diversity profile of our workforce (headcount)			
Women (headcount percentage of the total workforce)	50.2%	51.6%	2.8%
People with a disability (headcount as a percentage of the total workforce)	2.7%	2.3%	-14.8%
Aboriginal and Torres Strait Islander people (headcount as a percentage of the total workforce)	0.9%	1.4%	55.6%
Staff with English as a second language (headcount as a percentage of the total workforce)	6.2%	6.5%	4.8%
Staff health and wellbeing			
OH&S Incident Reports	19	44	131.6%
Accepted claims for compensation (as at 30 June 2013)	4	3	-25.0%
Staff receiving influenza vaccinations	79	104	31.6%
Workstation assessments requested	25	12	-52.0%

1. The 'total own source revenue' and 'total expenditure' indicators for 2011-12 have been adjusted consistent with the 2012-13 Financial Statements. The adjustments have been made to allow a direct comparison with the 2012-13 indicators, which reflect a change in the accounting treatment of both the Directorate's revenues and expenditure. The changes have not impacted the 2011-12 operating result.

Further information may be obtained from:

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